



Praj GenX Limited
Financial Statements
FY 2024-25

INDEPENDENT AUDITORS' REPORT

To the Members of Praj GenX Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Praj GenX Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of Material Accounting Policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss (including other comprehensive income), its changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Directors' Report along with its Annexures (together referred to as "the other information") included in the Annual Report but does not include the Financial Statements and our Auditor's Report thereon. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We also:

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A; a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - i. 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.
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2 i) (vi) below on reporting under Rule 11(g).
 - iii. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - iv. In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - v. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - vi. With reference to the maintenance of accounts and other matters connected therewith, refer to our comment in Paragraph 2 (b) above and refer to our comment in paragraph 2(i)(vi) below, on reporting under rule 11 (g).
 - vii. With respect to the adequacy of the internal financial controls with reference to the Financials Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B.
 - viii. In our opinion and based on the information and explanations provided to us, the Company is a newly incorporated entity and has not yet completed seven years since its incorporation. Accordingly, the provisions of Section 197, read with Schedule V, Part II, Section III(b)(ii), are applicable to the Company, and the remuneration paid to the directors is in compliance with the provisions and conditions specified therein.
 - ix. 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 did not have any pending litigations that would have an impact on its financial position for period ended March 31, 2025.
 - (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 required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, 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. Refer note 35(vii) to the financial statements.

(b) the Management has represented to us, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by

or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 35(vii) to the financial statements.

(c) Based on the information and explanation given to us and 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 representations made by the Management as mentioned under sub-clause (iv)(a) and (iv)(b) above contains any material misstatement.

- (v) The Company has not declared and paid dividend during the period. Accordingly reporting on compliance with Section 123 of the Act is not applicable.
- (vi) Based on our examination which included test checks, the Company, has used an accounting software, for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the software except that no audit trail (edit log) facility/feature was enabled at the database level to log any direct changes. During the course of our audit, so far it relates to audit trail in respect of transactions, we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **P G BHAGWAT LLP**
Chartered Accountants
Firm Registration Number: 101118W/W100682

Sd/-
Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 25136835BMLYRP3336

Pune
April 24, 2025

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment including right to use assets.
- (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has established a policy for verifying physical verification of its property, plant and equipment (including right to use assets) in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The Company has started its operations and procurement of property, plant and equipment (including right to use assets in the second half of FY 2023-24. No verification was conducted during the current period.
- (c) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company). Accordingly, reporting on clause 3(i) (c) of the Order is not applicable.
- (d) The Company has chosen cost model for its property, plant and equipment (including Right to Use Assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment (including Right to Use Assets) or intangible assets does not arise.
- (e) According to the information and explanations provided to us, there are no proceedings that have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the period. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate. The discrepancies noticed on verification between the physical stocks and the book records were not 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of account.
- (b) According to the information and explanations provided to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The Management of the Company has provided to us the quarterly returns or statements (except for quarter ended March 31, 2025, which is yet to be submitted), which they have represented to us have been filed by the Company with their banks or financial institutions based on the sanction terms. Based on our audit procedures and in our opinion the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement/reconciled with the unaudited books of account of the Company.
- (iii) According to the information and explanations provided to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the period and does not have any opening loan balances. Accordingly, reporting on clause 3 (iii) (a), (b) (c), (d), (e) and (f) of the Order is not applicable. The Company has not made any investments.
- (iv) According to information and explanation provided to us, the Company has not granted any loans, made investments, provided guarantees and securities that are covered under the provisions of Sections 185 and 186 of the Act. Accordingly, reporting on clause 3 (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder or amounts which are deemed to be deposits. Accordingly, reporting on clause 3 (v) of the Order is not applicable.
- (vi) According to information and explanation provided to us, maintenance of cost records under sub-section (l) of section 148 of the Act is not applicable. Accordingly, reporting on clause 3 (vi) of the Order is not applicable.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect 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 any other material statutory dues have been generally regularly deposited during the period by the Company with the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues referred in sub clause (a) above were in arrears as at March 31, 2025, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation provided to us, there are no statutory dues referred to in clause (vii) (a) which have not been deposited because of any dispute.
- (viii) According to the information and explanations given to us and records examined by us, there are no transactions which were not recorded in the books of account and have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) Based on our audit procedures; in our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings, or interest thereon taken from its holding company.
- (b) According to the information and explanations given to us, our audit procedures and as represented to us by the Management, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and in our opinion, term loans availed by the Company in the current period have been prima facie; applied for the purpose for which they were obtained.
- (d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have, prima facie, been used during the period for long-term purposes by the Company.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting on clause 3 (ix) (e) of the Order is not applicable.
- (f) According to the information and explanations given to us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, reporting on clause 3 (ix) (f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting on clause 3 (x) (a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the period. Accordingly, reporting on clause 3 (x) (b) of the Order are not applicable.
- (xi) (a) Based upon the audit procedures performed by us and according to the information and explanation provided to us by the Management, no fraud by the Company and no fraud on the Company has been noticed or reported during the period.
- (b) According to information and explanation provided to us and based on our examination of records, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the period and up to the date of this report.
- (c) According to information and explanation provided to us, establishment of vigil mechanism is not mandated under the Act. Accordingly, reporting on clause 3 (xi) (c) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting on clause 3 (xii) (a), (b) & (c) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with and 188 of the Act, where applicable, and the details of transactions have been disclosed in the Financial Statements as required by Ind AS 24 'Related Party Disclosures'. Refer note 27 to the Financial Statements. Section 177 of the Act is not applicable to the Company for the period ended March 31, 2025.

- (xiv) According to the information and explanations given to us, section 138 of the Act, which mandates internal audit system, is not applicable to the Company. Accordingly, reporting on clause of the Order 3 (xiv) is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with them during the period. Accordingly, reporting on clause 3 (xv) of the Order is not applicable.
- (xvi) (a) In our opinion and 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, 1934. Accordingly, reporting on clause 3(xvi) (b) & (c) of the Order is not applicable.

(d) According to the information and explanations given to us, there is no Core Investment Company within the Group. Accordingly, reporting on clause 3(xvi) (d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses in the current period of Rs. (535.961) million. The Company was incorporated on 15th March 2023 and started operation in second half of FY 2023-24. There was no cash loss for FY 2023-24.
- (xviii) There has been no resignation of the statutory auditors during the period. Accordingly, reporting on clause 3 (xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that a material uncertainty exists as on the date of the audit report that the Company may not be capable of meeting its liabilities (without the support of the holding company) existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Also refer note 38 to the financial statements.
- (xx) According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Accordingly, reporting on clause 3(xx) of the Order is not applicable.

For **P G BHAGWAT LLP**
Chartered Accountants
Firm Registration Number: 101118W/W100682

Sd/-
Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 25136835BMLYRP3336

Pune
April 24, 2025

Annexure B to the Independent Auditors' Report

Referred to in paragraph 2 (g) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

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

We have audited the internal financial controls with reference to the Financials Statements of Praj GenX Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

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

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

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 the Financials Statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to the Financials 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 the Financials Statements to

P G BHAGWAT LLP
Chartered Accountants
LLPIN: AAT-9949

future periods are subject to the risk that the internal financial control with reference to the Financials 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 Financials Statements and such internal financial controls with reference to the Financials Statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **P G BHAGWAT LLP**
Chartered Accountants
Firm Registration Number: 101118W/W100682

Sd/-
Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 25136835BMLYRP3336

Pune
April 24, 2025

Praj GenX Limited**Balance sheet as at 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

Particulars	Note no.	31 March 2025	31 March 2024
Non-current assets			
Property, plant and equipment	3	1890.397	1528.943
Capital work-in-progress	3	39.143	20.295
Intangible assets	3	5.897	6.954
Financial assets			
Others	4	255.401	149.543
Deferred tax assets (net)	22D	167.748	6.348
Other assets	5	72.329	76.514
		2430.915	1788.597
Current assets			
Inventories	6	73.209	11.401
Financial assets			
Trade receivables	7	33.017	90.969
Cash and cash equivalents	8a	51.462	236.430
Other bank balances	8b	13.391	-
Others	4	0.103	0.034
Current tax asset (net)		0.331	0.027
Other assets	5	138.743	24.270
		310.256	363.132
TOTAL ASSETS		2741.171	2151.729
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9	0.500	0.500
Other equity	10	(783.938)	(32.740)
TOTAL EQUITY		(783.438)	(32.240)
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11	1678.421	-
Lease Liabilities		1170.670	1193.356
Other financial liabilities	17	8.650	0.000
Provisions	12	3.972	2.165
		2861.712	1195.520
Current liabilities			
Financial liabilities			
Borrowings	11	-	828.234
Trade payables	13		
(i) Total outstanding dues of micro enterprises and small enterprises		38.816	19.946
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		63.792	56.402
Lease Liabilities		289.532	68.563
Other financial liabilities	14	69.137	10.017
Other current liabilities	15	197.643	5.136
Provisions	12	3.977	0.152
		662.897	988.449
TOTAL LIABILITIES		3524.609	2183.969
TOTAL EQUITY AND LIABILITIES		2741.171	2151.729
Corporate Information	1		
Summary of material accounting policies	2		
The accompanying notes are an integral part of the financial statements.	3-38		

As per our report of even date.

For and on behalf of the Board of Directors of Praj GenX Limited**For P G BHAGWAT LLP**

Chartered Accountants

Firm Regn. No: 101118W/W100682

Sd/-

Dr. Pramod Chaudhari

Chairman

(DIN : 00196415)

Sd/-

Abhijit Dani

CBO and Whole time Director

(DIN : 6767700)

Sd/-

Abhijeet Bhagwat

Partner

Membership No.: 136835

Sd/-

Shishir Joshipura

Director

(DIN : 00574970)

Sd/-

Sachin Raole

Director

(DIN : 00431438)

Sd/-

Hiranya Deshmukh

Company Secratery

(M. No.: A51912)

Place: Pune

Date: 24 April 2025

Place: Pune

Date: 24 April 2025

Praj GenX Limited**Statement of Profit and Loss for the year ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

Particulars	Note no.	31 March 2025	31 March 2024
Revenue from operations	16	277.756	196.163
Other income	17	18.700	5.755
Total income		296.456	201.919
EXPENSES			
Cost of materials consumed	18	76.486	0.039
Employee benefits expense	19	218.605	59.641
Finance costs	20	276.205	86.687
Depreciation and amortisation expense	3	370.964	45.993
Exchange (gain) / loss		(7.786)	(1.411)
Other expenses	21	268.907	49.236
Total expenses		1203.381	240.185
Profit before tax		(906.925)	(38.266)
Tax expense	22		
Current tax		-	-
Deferred tax		(161.335)	(6.207)
Adjustments of tax relating to earlier periods		5.094	-
Total tax expense		(156.241)	(6.207)
Profit for the year		(750.684)	(32.059)
Other comprehensive income			
Items that will not be reclassified to profit and loss:			
Re-measurement of defined benefit plans		(0.579)	(0.822)
Income tax effect		0.065	0.141
Other comprehensive income		(0.514)	(0.681)
Total comprehensive income for the year		(751.198)	(32.740)
Earnings per equity share (In Rs.) (Nominal value per share INR 2 each)	23		
Basic		(3,002.74)	(150.20)
Diluted		(3,002.74)	(150.20)
Corporate Information	1		
Summary of material accounting policies	2		
The accompanying notes are an integral part of the financial statements.	3-38		
As per our report of even date.	For and on behalf of the Board of Directors of Praj GenX Limited		
For P G BHAGWAT LLP			
Chartered Accountants	Sd/-	Sd/-	
Firm Regn. No: 101118W/W100682	Dr. Pramod Chaudhari	Abhijit Dani	
	Chairman	CBO and Whole time Director	
	(DIN : 00196415)	(DIN : 6767700)	
Sd/-			
Abhijeet Bhagwat	Sd/-	Sd/-	Sd/-
Partner	Shishir Joshipura	Sachin Raole	Hiranya Deshmukh
Membership No.: 136835	Director	Director	Company Secratery
	(DIN : 00574970)	(DIN : 00431438)	(M. No.: A51912)
Place: Pune	Place: Pune		
Date: 24 April 2025	Date: 24 April 2025		

Praj GenX Limited		
Cash flow statement for the period ended 31 March 2025		
(All amounts are in Indian rupees million unless otherwise stated)		
Particulars	31 March 2025	31 March 2024
Cash flow from operating activities		
Profit before tax	(906.925)	(38.266)
Adjustments for:		
Bad debts / provision for doubtful debts and advances	5.275	-
Unrealised foreign exchange (gain) / loss (net)	(0.554)	-
Depreciation and amortisation	370.964	45.993
Interest earned	(3.315)	(0.272)
Interest on account of unwinding of security deposits	(15.383)	(5.484)
Provision for warranty	1.517	-
Interest on Lease Liability	140.915	53.649
Interest expense	121.421	33.038
Operating profit before working capital changes	(286.085)	88.659
Changes in working capital:		
Decrease/ (increase) in trade receivables	53.139	(90.969)
(Increase)/decrease in inventories (including contracts in progress)	(61.808)	(11.401)
(Increase)/decrease in other non-current financial assets	(112.632)	(214.040)
Decrease/(increase) in other non-current assets	(23.590)	-
(Increase)/decrease in current financial assets-others	-	(0.034)
Decrease/(increase) in other current assets	(116.578)	(24.270)
(Decrease)/increase in trade payables	26.352	76.347
(Decrease) in other non-current financial liabilities	8.650	-
(Decrease) in other current financial liabilities	25.787	10.017
(Decrease)/increase in other current liabilities	192.506	5.136
(Decrease)/Increase in long term provisions	1.229	1.342
(Decrease)/Increase in short term provisions	2.308	0.152
Cash generated from operations	(290.723)	(159.061)
Direct taxes paid (including taxes deducted at source), net of refunds	(5.398)	(0.027)
NET CASH FROM OPERATING ACTIVITIES	(296.121)	(159.089)
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(379.834)	(218.803)
Interest received on investments	3.247	0.272
(Investment) /redemption in fixed deposits	(21.780)	-
NET CASH FROM / (USED) IN INVESTING ACTIVITIES	(398.367)	(218.532)
Cash flow from financing activities		
Proceeds from issue of equity shares	-	0.500
Repayment of borrowings	(440.500)	-
Proceeds from borrowings	1209.500	798.500
Interest payment on Lease Liability	(140.915)	(53.649)
Principal payment on Leases	(70.077)	(127.997)
Stamp duty on leases	(8.255)	-
Interest paid	(40.235)	(3.304)
NET CASH FROM / (USED) IN FINANCING ACTIVITIES	509.519	614.050
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(184.969)	236.430
Cash and cash equivalents at the beginning of the period (Refer Note 8)	236.430	-
Cash and cash equivalents at the end of the period (Refer Note 8)	51.462	236.430
Notes:		
The statement of cash flows has been prepared under the 'Indirect method' as set out in Ind AS 7		
As per our report of even date.	For and on behalf of the Board of Directors of Praj GenX Limited	
For P G BHAGWAT LLP		
Chartered Accountants	Sd/-	Sd/-
Firm Regn. No: 101118W/W100682	Dr. Pramod Chaudhari	Abhijit Dani
	Chairman	CBO and Whole time Director
	(DIN : 00196415)	(DIN : 6767700)
Sd/-		
Abhijeet Bhagwat	Sd/-	Sd/-
Partner	Shishir Joshipura	Hiranya Deshmukh
Membership No.: 136835	Director	Company Secretary
	(DIN : 00574970)	(M. No.: A51912)
Place: Pune	Place: Pune	
Date: 24 April 2025	Date: 24 April 2025	

Praj GenX Limited Statement of changes in equity for the period ended 31 March 2025 (Amounts in Indian Rupees million unless otherwise stated)		
A. Equity share capital		
Balance as on 1 April 2024	Changes in equity share capital during the year	Balance as on 31 March 2025
0.500	-	0.500
Balance as on 15 March 2023	Changes in equity share capital during the year	Balance as on 31 March 2024
-	0.500	0.500
B. Other equity		
Particulars	Reserves and Surplus	Total
	Retained earnings	
Balance at the beginning of the reporting period as at 1 April 2024	(32.740)	(32.740)
Profit for the year	(750.684)	(750.684)
Other comprehensive income	(0.514)	(0.514)
Balance as at 31 March 2025	(783.938)	(783.938)
Particulars	Reserves and Surplus	Total
	Retained earnings	
Balance at the beginning of the reporting period as at 15 March 2023	-	-
Profit for the year	(32.059)	(32.059)
Other comprehensive income	(0.681)	(0.681)
Balance as at 31 March 2024	(32.740)	(32.740)
Corporate Information 1 Summary of material accounting policies 2 The accompanying notes are an integral part of the financial statements. 3-38		
As per our report of even date. <div> <div> For P G BHAGWAT LLP Chartered Accountants Firm Regn. No: 101118W/W100682 Sd/- Abhijeet Bhagwat Partner Membership No.: 136835 Place: Pune Date: 24 April 2025 </div> <div> For and on behalf of the Board of Directors of Praj GenX Limited Sd/- Dr. Pramod Chaudhari Chairman (DIN : 00196415) Sd/- Shishir Joshipura Director (DIN : 00574970) Place: Pune Date: 24 April 2025 </div> <div> Sd/- Abhijit Dani CBO and Whole time Director (DIN : 6767700) Sd/- Hiranya Deshmukh Company Secratery (M. No.: A51912) </div> </div>		

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

1 The corporate overview

Praj GenX Limited ('PGL' or 'GenX' or 'the Company') is a public company domiciled in India and was incorporated on 15 March 2023 under the provisions of Companies Act, 2013 as a wholly owned subsidiary of Praj Industries Limited.

The Company's registered office is "Praj Tower," S. No. 274 and 275/2, Bhumkar Chowk, Hinjewadi Road, Hinjewadi, Pune – 411057, Maharashtra, India.

The Company is engaged in the business of manufacturing and supply of Modularised systems and Equipment in Energy Transition and Climate Action sector ("ETCA") at its world-class manufacturing facility located at Mangalore, Karnataka. This facility is accredited with ASME U, U2, S and R stamps, ISO certifications, and EN1090 and EN 3834 certifications.

The Company designs modular process plants to provide customers with a preliminary evaluation of the system's feasibility and cost-effectiveness and later undertakes manufacturing of the same.

2 Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act), [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The Company has elected to present gains and losses arising from foreign exchange differences in a separate line item "Exchange (gain)/ loss" on the face of the statement of profit and loss.

The financial statements were authorised for issue by the Board of Directors on 24 April 2025.

2.2 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

Items	Measurement basis
Defined benefit plan assets	Fair value

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All amounts are presented in millions and are rounded off to three decimal places, as per the requirements of Schedule III to the Act, unless otherwise stated.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make certain judgments, estimates and assumptions. These judgments, estimates and assumptions affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, and disclosure of the contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future periods.

Detailed information about each of these estimates and judgements is included in relevant notes.

The areas involving critical estimates and judgements are:

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

- **Estimation of defined benefit obligation – Note 29**

The cost of the defined benefit gratuity, and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in note 29.

- **Recognition of revenue – Note 25**

The Company uses the percentage-of-completion method in accounting for fixed-price contracts for projects. Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended are used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgment and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

- **Recognition of deferred tax assets – Note 22**

The Company uses judgement based on the relevant rulings in the areas of allocation of revenue, costs, allowances, and disallowances in determining the provision for income tax. The Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

- **Impairment of trade receivables – Note 32**

The Company uses a simplified approach for recognising expected credit loss. The amount of provision depends on certain parameters set by the Company in its provisioning policy. The setting up of parameters requires significant judgement and estimation. The same is reviewed by the management at a regular frequency.

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

2.5 Current versus non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realised/ settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realised/ settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

2.6 Property, plant, and equipment

- **Recognition and measurement**

An item of property, plant, and equipment (PPE) that qualifies as an asset is measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any.

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

The cost of an item of PPE comprises of its purchase price net of discounts, if any including import duties and other non-refundable taxes or levies and directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

PPE under construction is disclosed as capital work-in-progress.

Advances paid towards the acquisition of PPE outstanding at each reporting date are disclosed under 'Other non-current assets.'

- **Subsequent costs**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The costs of the day-to-day servicing of PPE are recognised in the statement of profit and loss as incurred.

- **Disposal**

An item of PPE is derecognised upon disposal or when no future benefits are expected from its use or disposal. Net gains and losses on disposal of an item of PPE are determined by comparing the proceeds from disposal with the carrying amount of PPE and are recognised within other income/ expenses in the statement of profit and loss.

- **Depreciation**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of PPE as prescribed in Schedule II of the Companies Act, 2013, or as assessed by the management of the Company based on technical evaluation. Freehold land is not depreciated.

PPE acquired under leases is depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives of items of PPE are mentioned below:

Asset	Useful life (in years)
Leasehold improvements	3-4
Plant and machinery	3 – 15
Computers and office equipment	5-6
Vehicles	8
Furniture and fixtures	10

2.7 Intangible assets

- **Recognition and measurement**

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation, and cumulative impairment. All directly attributable costs and other administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

- **Subsequent measurement**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortisation**

Intangible Assets with finite lives are amortised on a Straight-Line basis over the estimated useful economic life. Amortisation is calculated on the cost of the asset, or other amount substituted for cost, less its residual value. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Asset	Useful life (in years)
Software	5

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

2.8 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

Investment property is initially measured and reported at cost, including transaction costs and borrowing cost capitalised for qualifying assets, in accordance with the Company's accounting policy. The cost of investment property includes its purchase price and directly attributable expenditure, if any.

Policies with respect to subsequent depreciation, useful life and disposal are followed on the same basis as stated for Property, Plant and Equipment vide 2.6 above.

2.9 Non-current asset held for sale

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

2.10 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an assets or CGU's fair value less costs of disposal or 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 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 considered.

Impairment losses are recognised in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of other assets in the CGU on a pro rata basis.

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.11 Inventories

Raw materials, components, stores and spares, work-in-progress and finished goods are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of raw materials, components, stores, and spares comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory based on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Cash and cash equivalents

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

2.13 Revenue recognition

Revenue is recognised when performance obligation is satisfied by transferring control of promised goods or services and to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the transaction price (consideration) allocated to performance obligation adjusted for returns, trade allowances, rebates, and excludes taxes collected from customer on behalf of government and amounts collected on behalf of third parties.

• Contract revenue

Revenue from fixed price contracts is recognised over time, when the outcome of the contract can be estimated reliably by reference to the percentage of completion of the contract on the reporting date under input method. Percentage of completion is determined as a proportion of costs incurred-to-date to the total estimated contract costs. In respect of process technology and design and engineering contracts, percentage of completion is measured with reference to the milestones specified in the contract, which in the view of the management reflects the work performed and to the extent it is reasonably certain of recovery.

Maintenance revenue is recognised rateably over the term of the underlying maintenance arrangement.

Contract costs include costs that relate directly to the specific contract and costs that are attributable to the contract activity and allocable to the contract. Costs that cannot be attributed to contract activity are expensed when incurred.

When the final outcome of a contract cannot be reliably estimated, contract revenue is recognised only to the extent of costs incurred that are expected to be recoverable. The provision for expected loss is recognised immediately when it is probable that the total estimated contract costs will exceed total contract revenue.

Variations, claims, and incentives are recognised as a part of contract revenue to the extent it is probable that they will result in revenue and are capable of being reliably measured.

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project / activity and the foreseeable losses to completion.

Execution of contracts generally extends beyond accounting periods, the revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the facts requiring the revision become known.

- **Sale of goods and rendering of services**

Revenue from sale of goods in the course of ordinary activities is recognised when control of goods is transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

Revenue from services is recognised as and when the related services are performed.

2.14 Other income

- **Interest income**

Interest income from debt instruments is recognized using effective interest rate method (EIR). EIR is the rate that discounts the estimated future cash receipts over the life of the financial instrument or a shorter period, where appropriate, to the carrying amount of the financial asset.

- **Dividends**

Dividends are recognised in the statement of profit and loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and when the amount can be measured reliably.

- **Export benefits**

Export benefits in the form of Duty Draw Back / Merchandise Exports Incentive Scheme (MEIS) / Service Exports Incentive Scheme (SEIS) claims are recognised in the statement of profit and loss on receipt basis.

2.15 Foreign currency transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing at the date of the transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

2.16 Employee benefits

- **Short-term employee benefits**

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

• Post-employment benefits

Defined contribution plans

Contributions to the provident fund, pension scheme, employee state insurance scheme and superannuation fund, which are defined contribution schemes, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to the statement of profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance costs. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are therefore measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans above.

Long-term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefits expenses. Interest cost implicit in long-term employee benefit cost is recognised in the Statement of Profit and Loss under finance costs.

Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are stated at their present fair value.

2.17 Leases

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognised at the lease commencement date.

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received.

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension, or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Asset held under finance lease is initially recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term. A lease which is not classified as a finance lease is an operating lease. The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

2.18 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

2.19 Income tax

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

• Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that were enacted at the reporting date in India under the Income Tax Act, 1961. Current tax assets and liabilities are offset only if certain criteria are met, and such offsetting is legally enforceable.

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

• Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax is recognized on all deductible and taxable temporary differences between the accounting income and the taxable income for the year. The tax effect is calculated on the accumulated deductible temporary differences at the end of the accounting period based on prevailing enacted or subsequently enacted regulations.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for deductible temporary differences only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.20 Provisions and contingencies

Provisions are recognised only when:

- a. the Company has a present obligation (legal or constructive) as a result of a past event; and
- b. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- present obligation arising from past events when no reliable estimate is possible.
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent asset is not recognised in the financial statements. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Provisions, contingent liabilities, and contingent assets are reviewed at each balance sheet date.

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

2.21 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted Earnings per share is calculated by dividing net profit attributable to the equity shareholders of the Company with the weighted average number of shares outstanding during the financial year, adjusted for effects of diluting potential equity shares towards ESOP plan.

2.22 Fair value measurement

Fair value is the price at which an asset could be sold, or a liability transferred, in an orderly transaction between market participants on 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:

- In the principal market for the asset or liability, or
- 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 a liability is measured using those 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 considers 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.

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.

- 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 Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the 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 based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.23 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.

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

1. Financial assets

I. Initial recognition and measurement:

All financial assets are initially measured at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price. In case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction cost is attributed to the acquisition value of the financial asset. Transaction cost of financial assets carried at FVTPL is expensed in the statement of profit and loss.

II. Subsequent measurement:

For subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- Financial assets measured at amortised cost.
- Financial assets measured at fair value (either through OCI, or through profit or loss);

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

i. Financial assets measured at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- a. The Company's business model objective for managing the financial asset is to hold financial assets to collect contractual cash flows, and
- b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans, and other financial assets of the Company (Refer note 31 for further details). Such financial assets are subsequently measured at amortised cost using the effective interest method. The effect of the amortisation under effective interest method is recognised as interest income over the relevant period of the financial asset under other income in the Statement of Profit and Loss. The amortised cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a. The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments (Refer note 31 for further details). Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income and impairment losses and its reversals in the Statement of Profit and Loss.

On derecognition of such financial assets, cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss.

iii. Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortised cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies (Refer note 31 for further details).

Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Statement of Profit and Loss.

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

III. Derecognition

A financial asset is derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all the risks and rewards of ownership.

In cases where Company has neither transferred nor retained substantially all the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognise such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognises an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

IV. Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables alone, the Company applies the simplified approach permitted by 'Ind AS 109 - Financial instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2. Non-derivative financial liabilities

I. Initial recognition and measurement

All non-derivative financial liabilities are initially measured at fair value. In case of non-derivative financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction cost is attributed to the acquisition of the financial liability. Transaction cost of non-derivative financial liabilities carried at FVTPL is expensed in the statement of profit and loss.

II. Subsequent measurement

All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method (Refer note 31 for further details). The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest expense under finance cost in the Statement of Profit and Loss.

III. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another liability 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 or loss.

3. Offsetting of financial assets and financial liabilities

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

4. Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance

Praj GenX Limited

Notes to the standalone financial statements for the year ended 31 March 2025

with 'Ind AS 37 - Provisions, contingent liabilities and contingent assets' and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

2.24 New and amended standards

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards, and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

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

2.25 Standards issued but not effective

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to existing standards that significantly impact the Company.

(All amounts are in Indian rupees million unless otherwise stated)

3	Property, plant and equipment, intangible assets, and capital work-in-progress														
Particulars	Property, plant and equipment											Intangible Assets		Grand total	
	Factory Building	Leashold Building	Leasehold improvement	Plant and machinery		Computers and office equipment		Vehicles		Furniture and fixtures	Total	Software	Total		
	Right-of-Use	Right-of-Use	Owned	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned					
Gross block															
As at 31 March 2024	1194.137	-	-	185.504	263.148	5.597	1.577	1.203	1.034	0.868	1653.067	7.466	7.466	1660.533	
Additions during the year	53.859	12.612	85.046	282.789	226.616	45.830	14.056	0.312	2.122	7.614	730.858	0.503	0.503	731.361	
As at 31 March 2025	1247.996	12.612	85.046	468.293	489.765	51.427	15.633	1.515	3.156	8.482	2383.925	7.969	7.969	2391.894	
Accumulated depreciation and amortisation															
As at 31 March 2024	119.414	-	-	3.341	1.002	0.260	0.006	0.061	0.034	0.006	124.124	0.512	0.512	124.636	
Charge for the year	250.348	0.622	9.485	36.173	65.331	4.924	1.496	0.170	0.453	0.401	369.404	1.559	1.559	370.964	
As at 31 March 2025	369.762	0.622	9.485	39.515	66.334	5.184	1.502	0.230	0.487	0.408	493.529	2.071	2.071	495.600	
Net carrying value															
As at 31 March 2025	878.234	11.990	75.561	428.778	423.431	46.243	14.131	1.285	2.669	8.074	1890.397	5.897	5.897	1896.294	
As at 31 March 2024	1074.723	-	-	182.162	262.146	5.337	1.571	1.142	1.000	0.861	1528.943	6.954	6.954	1535.897	
Note:															
i. Refer Note 24 for capital commitments for the acquisition of property plant and equipment.															

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

3 Property, plant and equipment, intangible assets, and capital work-in-progress

Particulars	Property, plant and equipment										Intangible Assets		Grand total	
	Factory Building	Leashold Building	Leasehold improvement	Plant and machinery		Computers and office equipment		Vehicles		Furniture and fixtures	Total	Software		Total
	Right-of-Use	Right-of-Use	Owned	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned				
Gross block														
As at 15 March 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions during the year	1194.137	-	-	185.504	263.148	5.597	1.577	1.203	1.034	0.868	1653.067	7.466	7.466	1660.533
As at 31 March 2024	1194.137	-	-	185.504	263.148	5.597	1.577	1.203	1.034	0.868	1653.067	7.466	7.466	1660.533
Accumulated depreciation and amortisation														
As at 15 March 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	40.771	-	-	3.341	1.002	0.260	0.006	0.061	0.034	0.006	45.481	0.512	0.512	45.993
Adjustment (Refer Note (ii) below)	78.643	-	-	-	-	-	-	-	-	-	78.643	-	-	78.643
As at 31 March 2024	119.414	-	-	3.341	1.002	0.260	0.006	0.061	0.034	0.006	124.124	0.512	0.512	124.636
Net carrying value														
As at 31 March 2024	1074.723	-	-	182.162	262.146	5.337	1.571	1.142	1.000	0.861	1528.943	6.954	6.954	1535.897

Note:

i. Refer Note 24 for capital commitments for the acquisition of property plant and equipment.

ii. Adjustment represents depreciation capitalised in Plant and Machinery (Owned).

Details of capital work-in-progress

Particulars	31 March 2025	31 March 2024
Balance at start of the period	20.295	-
Add: Additions during the period	150.134	20.295
Less: Capitalised/expense out during the period	131.287	-
Balance at the end of the period	39.143	20.295

Capital work-in-progress are assets not ready for use. Capital work-in-progress (CWIP) mainly comprises of:

- a. Leasehold improvements INR 15.667 (31 March 2024: INR 11.335)
- b. Machinery INR 12.665 (31 March 2024: INR 5.339)
- c. Jetty INR 6.390 (31 March 2024: NIL)
- d. Computers and office equipment INR 4.336 (31 March 2024: INR 3.622)
- e. Furniture and fixtures INR 0.084 (31 March 2024: INR NIL)

Refer Note 33C for ageing schedule of capital work-in-progress.

Praj GenX Limited
Notes to the financial statements for the period ended 31 March 2025

(All amounts are in Indian rupees million unless otherwise stated)

	Particulars		31 March 2025	31 March 2024
4	Other financial assets			
	Non-current			
	Security deposits		247.012	149.543
	Deposits with banks with an original maturity of more than 12 months		8.389	-
			255.401	149.543
	Current			
	Interest accrued on fixed deposits and bonds		0.103	0.034
			0.103	0.034
	Total other financial assets		255.504	149.577
5	Other assets			
	Non-current			
	Capital advances		48.739	76.514
	Prepaid expenses		23.590	-
			72.329	76.514
	Current			
	Contracts in progress (Refer Note 25)		88.159	-
	Advances to suppliers		8.531	6.270
	Balances with Indirect tax authorities		5.957	1.817
	Prepaid expenses		27.118	15.385
	Other advances		8.977	0.799
			138.743	24.270
	Total other assets		211.072	100.784
6	Inventories (Refer note 2.11)			
	Raw materials		73.209	11.401
	Total inventories		73.209	11.401
	Note: Write-down of inventories to net realizable value amounted to NIL (31 March 2024: NIL).			
7	Trade Receivables			
	-From others			
	Unsecured, considered good		38.292	90.969
			38.292	90.969
	Less: Allowance for expected credit loss		(5.275)	-
	Total trade receivables		33.017	90.969
	i. Refer Note 33A for aging schedule			
	ii. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and generally on credit terms of 3 to 6 months.			
8a	Cash and cash equivalents			
	Balances with banks			
	- In current accounts		21.186	223.689
	Deposits with original maturity of less than 3 months		30.269	12.717
	Cash on hand		0.007	0.024
	Total cash and cash equivalents		51.462	236.430
8b	Other bank balances			
	Deposits with original maturity for more than 3 months but less than 12 months		13.391	-
	Total other bank balances		13.391	-

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

	Particulars		31 March 2025		31 March 2024		
9	Equity Share Capital						
	Authorised shares 5,000,000 equity shares of INR 2 each		10.000		10.000		
	Issued, subscribed and fully paid-up shares 250,000 equity shares of INR 2 each		0.500		0.500		
	Total equity share capital		0.500		0.500		
a.	Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:		31 March 2025		31 March 2024		
	Equity shares of INR 2 each fully paid		No.	Amount	No.	Amount	
	At the beginning of the period		250,000	0.500	-	-	
	Add: Allotted during the period*		-	-	250,000	0.500	
	Outstanding at the end of the period		250,000	0.500	250,000	0.500	
	*Shares were allotted on 10 May 2023						
	Terms/ Rights attached to equity shares:						
	The Company has only one class of equity shares having a par value of INR 2 per share. Each holder of the equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.						
	The Board of Directors have not proposed any final dividend for the financial period ended 31 March 2025 (31 March 2024: NIL).						
	In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distributing all preferential						
	c.	Shares held by holding company:		31 March 2025		31 March 2024	
		Equity shares of INR 2 each fully paid		No.	% of holding	No.	% of holding
		Praj Industries Limited (including nominee shareholders)		250,000	100.00%	250,000	100.00%
d.	Details of shareholders holding more than 5% shares in the company:		31 March 2025		31 March 2024		
	Equity shares of INR 2 each fully paid		No.	% of holding	No.	% of holding	
	Praj Industries Limited (including nominee shareholders)		250,000	100.00%	250,000	100.00%	
e.	Details of shareholders holding of Promoters:		31 March 2025		31 March 2024		
	Equity shares of INR 2 each fully paid		No.	% of holding	No.	% of holding	
	Praj Industries Limited (including nominee shareholders)		250,000	100.00%	250,000	100.00%	
f.	Shares reserved for issue under options:						
	No shares are reserved for issue under any Employee Stock Option Plan (ESOP).						
g.	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:						
	During the period of five years immediately preceding the reporting date, no shares were issued as bonus shares, or for consideration other than cash and no shares were bought back.						
	Particulars		31 March 2025		31 March 2024		
10	Other Equity						
	Surplus in the Statement of Profit and Loss						
	Balance as at the beginning of the period		(32.740)		-		
	Profit as per statement of profit and loss		(750.684)		(32.059)		
	Other comprehensive income		(0.514)		(0.681)		
	Balance as at the end of the period		(783.938)		(32.740)		
	Total other equity		(783.938)		(32.740)		

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

	Particulars	31 March 2025	31 March 2024
11	Borrowings		
	Non-current - Unsecured		
	Inter Corporate Loan (refer note (i) below)	1678.421	-
		1678.421	0.000
	Current - Unsecured		
	Inter Corporate Loan (refer note (i) below)	-	828.234
		-	828.234
	Total borrowings	1678.421	828.234
	Note:		
	i. The Company has taken Inter Corporate Loan from its holding company and the same carry interest @ 5- year Government Bond Yield + 3.5%. Tenure of the loan is 5 years and the repayment date of the same is beyond 3 years from the reporting date. (31 March 2024: Repayable within 1 year; Interest @MCLR+2%)		
12	Provisions		
	Non-current		
	Provision for employee benefits		
	Compensated absences (refer note 29c)	3.972	1.344
	Gratuity (refer note 29b)	-	0.820
		3.972	2.165
	Current		
	Provision for employee benefits		
	Compensated absences (refer note 29c)	0.574	0.150
	Gratuity (refer note 29b)	1.886	0.002
	Others		
	Provision for warranty	1.517	-
		3.977	0.152
	Total provisions	7.949	2.316
13	Trade payables		
	Current		
	- to related parties (other than micro enterprises and small enterprises)	1.818	-
	- to others		
	Total outstanding dues of micro enterprises and small enterprises (Refer note (iii) below)	38.816	19.946
	Total outstanding dues of creditors other than micro enterprises and small enterprises	61.974	56.402
	Total trade payables	102.608	76.347
	Notes:		
	i. Refer Note 33B for aging schedule		
	ii. Trade payables are non-interest bearing and are normally settled on 30-90 days terms		
	iii. The identification of suppliers as micro, and small enterprise as defined under the MSMED Act 2006, was done on the basis of information to the extent provided by the suppliers of the Company. The Company has amounts due to suppliers registered under The MSMED Act as at March 31, 2025. The disclosure pursuant to the said Act is as under:		
	Total outstanding amount in respect of micro and small enterprises	38.816	19.946
	Principal amount due and remaining unpaid	0.014	-
	Interest due on above and unpaid interest	0.002	-
	Interest paid	-	-
	Payment made beyond appointment day	28.537	-
	Interest due and payable for the period of delay	0.339	-
	Interest accrued and remaining unpaid (excluding interest accrued for earlier years)	0.339	-
	Amount of further interest remaining due and payable in succeeding years	0.341	-
14	Other financial liabilities		
	Non-current		
	Financial guarantee contracts	8.650	-
		8.650	0.000
	Current		
	Financial guarantee contracts	10.233	0.000
	Employee benefits payable	24.335	9.432
	Dues to holding company (includes reimbursement payable) (refer note 27)	-	0.585
	Payable for capital goods		
	- to micro enterprises and small enterprises	13.279	-
	- to others	20.055	-
	Other payables	1.235	-
		69.137	10.017
	Total other financial liabilities	77.787	10.017
15	Other liabilities		
	Advances received from customers	183.518	-
	Statutory dues payable	14.124	5.136
	Total other liabilities	197.643	5.136

Praj GenX Limited Notes to the financial statements for the period ended 31 March 2025 (All amounts are in Indian rupees million unless otherwise stated)				
	Particulars		31 March 2025	31 March 2024
16	Revenue from operations			
	a. Sale of products (Refer Note 25)		63.546	-
	Add: Closing Contracts in progress		88.159	-
	Less: Opening Contracts in progress		-	-
			151.705	-
	b. Sale of services		126.051	196.163
	Total revenue from operations (a+b)		277.756	196.163
17	Other income			
	Interest			
	- on fixed deposits with banks		3.315	0.272
	Interest on account of unwinding of security deposits		15.383	5.484
	Total other income		18.700	5.755
18	Cost of materials consumed			
	Raw material consumed		76.486	0.039
	Total cost of materials consumed		76.486	0.039
19	Employee Benefit Expenses			
	Salaries, wages and bonus		198.431	53.408
	Contributions to provident and other funds (Refer note 29a)		8.103	2.275
	Gratuity expense (Refer note 29b)		1.979	-
	Staff welfare		10.092	3.958
	Total employee benefit expenses		218.605	59.641
20	Finance costs			
	Interest on Lease Liability		140.915	53.649
	Interest expense on Inter Corporate Loan		121.421	33.038
	Other borrowing cost		13.864	-
	Net interest on defined benefit plan		0.005	-
	Total finance costs		276.205	86.687
21	Other Expenses			
	Consumption of Stores and spares		3.538	1.378
	Site expenses and labour charges		20.143	1.345
	Freight and transport		5.942	0.801
	Provision for doubtful debts and advances		5.275	-
	Travel and conveyance		23.579	3.446
	Professional consultancy charges		21.389	6.203
	Software License fees		5.556	1.466
	Security and Housekeeping		52.744	4.997
	Insurance		9.829	0.522
	Rent (Refer note 28)		3.461	2.412
	Power and fuel		10.509	2.120
	Advertising and exhibition expenses		2.361	2.373
	Communication expenses		1.518	0.258
	Testing charges		3.384	-
	Health, Safety and Environment related expenses		5.762	1.279
	Books and periodicals		4.212	-
	Recruitment expenses		3.893	0.716
	Man power charges		39.461	1.659
	Factory general expenses		8.159	0.376
	Repairs and maintenance:			
	Building		13.589	2.548
	Plant and Machinery		8.245	1.800
	Others		5.153	1.861
	Auditors' remuneration			
	for audit services		0.200	0.200
	for taxation services		0.050	-
	Rates and taxes		3.520	3.462
	Warranty		1.517	-
	Miscellaneous expenses (Refer note (i) below)		4.116	8.013
	Total other expenses		268.907	49.236
	Notes:			
	i. Mainly includes ASME certification expenses, printing and stationery, donations, legal fees and bank charges			

Praj GenX Limited
Notes to the financial statements for the period ended 31 March 2025

(All amounts are in Indian rupees million unless otherwise stated)

	Particulars	31 March 2025	31 March 2024
22	Income tax		
A	Statement of profit and loss:		
	Deferred tax:		
	Relating to origination and reversal of temporary differences	(161.335)	(6.207)
	Income tax expense reported in the statement of profit and loss	(161.335)	(6.207)
B	Statement of other comprehensive income:		
	Deferred tax:		
	Remeasurements gains and losses on post employment benefits	(0.065)	(0.141)
	Income tax expense reported in the statement of other comprehensive income	(0.065)	(0.141)
C	Reconciliation of effective tax rate		
	Accounting profit before tax	(906.925)	(38.266)
	Tax using the Company's domestic tax rate 17.16% (31 March 2023)	(155.628)	(6.566)
	Adjustments in respect of current income tax of previous years	(5.094)	-
	Add: Tax effect of		
i	Stamp duty expenses ineligible under Income tax	-	0.030
ii	Donations ineligible under Income tax	-	0.189
iii	Others	(0.613)	0.141
	Total	(161.335)	(6.207)
	Income tax expense reported in the statement of profit and loss	(161.335)	(6.207)
	Effective tax rate	17.789%	16.221%

D	Deferred tax	Balance sheet		Statement of profit and loss/ other comprehensive income & other equity	
	Deferred tax relates to the following:	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	Deferred tax asset				
	Provision for doubtful debts and advances	0.905	-	0.905	-
	Carry forward business loss	129.553	6.207	123.346	6.207
	Compensated absences	1.319	0.141	1.178	0.141
	Other disallowances under Income Tax	4.188	-	4.188	-
	Lease Liability	250.571	-	250.571	-
	Deposits	13.670	-	13.670	-
	Total	400.206	6.348	393.858	6.348
	Deferred tax liability				
	Property, plant & equipment and intangible assets	231.118	-	231.118	0.000
	Other disallowances under Income Tax	1.339	-	1.339	0.000
	Total	232.458	0.000	232.458	0.000
	Net deferred tax asset / (liability)	167.748	6.348	-	-
	Deferred tax expense/(income)	-	-	(161.400)	(6.348)
	- Recognised in the statement of profit and loss			(161.335)	(6.207)
	- Recognised in the statement of other comprehensive income			(0.065)	(0.141)
	- Recognised in retained earnings			-	-
	- The Company being a newly incorporated domestic companies engaged in manufacturing, the effective tax rate applicable to the Company is 17.16% as per section 115BAB of Income Tax Act, 1961.				

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

23 Earnings per share

Particulars	31 March 2025	31 March 2024
Reconciliation of basic and diluted shares used in computing earnings per share		
Weighted average number of basic equity shares	250,000	213,446
Weighted average number of diluted equity shares	250,000	213,446
Computation of basic and diluted earnings per share		
Net profit after tax attributable to equity shareholders	(750.684)	(32.059)
Basic earnings per equity share of INR 2 each (in Rs.)	(3,002.74)	(150.20)
Diluted earnings per equity share of INR 2 each (in Rs.)	(3,002.74)	(150.20)

24 Capital commitments and contingent liabilities

Particulars	31 March 2025	31 March 2024
a. Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	52.261	221.643
b. Contingent liabilities	NIL	NIL

25 Disclosures pursuant to Ind AS 115-Revenue from Contracts with Customers

Particulars	31 March 2025	31 March 2024
Contract revenue recognised during the year (excluding taxes)	151.705	0.000
Aggregate amount of contract costs incurred and recognised profits (less recognised losses)	88.159	-
Customer advances outstanding for contracts in progress	183.518	-
Retention money due from customers for contracts in progress	-	-
Gross amount due from customers for contract work (presented as contracts in progress)	88.159	-
Gross amount due to customers for contract work (presented as dues to customers relating to contracts in progress)	-	-

I) Revenue by category of contracts:

Particulars	31 March 2025	31 March 2024
Over a period of time basis	151.705	-
At a point-in-time basis	126.051	196.163
Total revenue from contracts with customers	277.756	196.163

II) Revenue by geographical market:

Particulars	31 March 2025	31 March 2024
Outside India	277.756	196.163
Total revenue from contracts with customers	277.756	196.163

III) Transaction price allocated to the remaining performance obligations

Particulars	31 March 2025	31 March 2024
Remaining performance obligations	293.646	-

Note: The above information is given in respect of contracts under execution as on period end date

IV) Contract balances

Particulars	31 March 2025	31 March 2024
Trade receivables	33.017	90.969
Unbilled Revenue (Contract Asset)	88.159	-
Unearned Revenue (Contract Liability)	-	-
Customer Advances (Contract Liability)	183.518	-

Contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The Contract assets are transferred to Trade receivables on completion of milestones and its related invoicing.

The Contract liabilities relate to unearned revenue and customer advances where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised.

The payment is due from the date of invoice and payment terms are in the range of 30 days to 120 days. The company expects that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be less than one year. Therefore, Company does not adjust the promised amount of consideration for the effects of financing component.

26 Segment reporting

The business activities of the Company from which it earns revenues and incurs expenses; whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available involve predominantly one operating segment i.e. Hi-Tech Manufacturing. The Company derived 100% of its revenue from outside India. Revenue contributed by three customers individually account for more than 10% of the Company's total revenue.

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

27 Related party transactions

a) Entity controlling the Company (Holding Company)	Praj Industries Limited
b) Fellow subsidiaries (with whom transactions have taken place)	Praj Americas Inc.
c) Other fellow subsidiaries	Praj Far East Co. Limited Praj Engineering & Infra Limited Praj HiPurity Systems Limited Praj Far East (Philippines) Inc. Praj Projects (Tanzania) Limited
d) Key management personnel	
Chairman	Dr. Pramod Chaudhari
CBO and Whole time Director	Abhijit Dani
Director	Shishir Joshipura Sachin Raole Sivaramakrishnan S. Iyer (from 06 April 2023)
Company Secretary	Hiranya Deshmukh
e) Directors of Holding Company	Dr. Pramod Chaudhari Shishir Joshipura Ashish Gaikwad (from 03 February 2025) Sachin Raole Parimal Chaudhari Dr. Shridhar Shukla Rujuta Jagtap (from 21 August 2023) Vianayak Deshpande (from 31 March 2024) Utkarsh Palnitkar (from 31 March 2024) Ajay Narayan Deshpande (from 25 October 2024) Sahas Baxi (upto 7th August 2024) Mrunalini Joshi (upto 10 August 2023) Berjis Desai (upto 31 March 2024) Sivaramakrishnan S. Iyer (upto 31 March 2024)

d) Transactions and balances with related parties have been set out below:

Particulars	31 March 2025	31 March 2024
Praj Industries Limited ("PIL")		
Subscription to equity share capital issued by the Company (including shares issued to nominee holders)	-	0.500
Inter corporate loan taken	1209.500	798.500
Inter corporate loan repaid	440.500	-
Corporate guarantee taken	2914.466	324.591
Security deposit paid	-	0.408
Interest on Inter corporate loan	121.421	33.038
Office rent expense	1.783	1.496
Expenses incurred by PIL and reimbursed by the Company	0.180	0.172
Financial guarantee charges	16.388	-
Inter corporate loan payable	1567.500	798.500
Interest on Inter corporate loan payable	110.921	29.734
Corporate Guarantee taken outstanding	2944.564	324.591
Security deposit given outstanding	0.408	0.408
Other Payable	-	1.026
Praj Americas Inc. ("PAI")		
Receipt of services from PAI	1.805	-
Trade payables	1.818	-
Abhijit Dani		
Short term employee benefits	14.523	8.797
Post employment benefits	1.064	0.394
Other long term employee benefit	0.197	0.199
Sivaramakrishnan S. Iyer		
Professional Fees	0.400	-

Note: Transactions with related parties are at arms length price and the balances receivable / payable are un-secured. The terms of payment are generally similar to those of other non-related parties.

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

28 Leases

The company classifies the lease transactions as per the requirements of IND-AS 116 "Leases"

Nature of Leasing activity:

The Company has entered into lease arrangements for office and factory premises, residential premises for its employees, plant & machinery, and vehicles.

The disclosures relating to leases are as summarised below:

Particulars	31 March 2025	31 March 2024
Depreciation for right-of-use asset - expense	318.251	41.813
Depreciation for right-of-use asset - capitalised	-	78.643
Interese expense on lease liabilities	140.915	53.649
Expenses relating to short-term / low value leases	3.461	2.412
Total Cash outflow for leases	214.452	184.058
Carrying amount of right-of-use asset	1330.455	1339.440
Maturity analysis of lease liabilities:		
- less than 1 year	289.532	68.563
- between 1 to 3 years	837.303	589.558
- more than 3 years	333.367	603.798

Changes in lease liabilities arising from financing activities

Particulars	31 March 2025	31 March 2024
Opening lease liability	1261.919	0.000
Net addition / (deletion) during the year	268.360	1392.328
Finance cost	140.915	53.649
Lease payments	(210.991)	(184.058)
Closing lease liability	1460.202	1261.919
Non-Current	1170.670	1193.356
Current	289.532	68.563

29 Employee benefits**a) Defined contribution plans**

The Company has recognised INR 8.103 (31 March 2024: Rs. 2.275) towards post-employment defined contribution plans comprising of Provident Fund, Employee State Insurance Scheme, National Pension Scheme and Superannuation Fund in the statement of profit and loss

b) Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972, the Company is required to provide post-employment benefit to its employees in the form of gratuity. The Company has maintained a fund with the ICICI Prudential Life Insurance to meet its gratuity obligations. In accordance with the Standard, the disclosures relating to the Company's gratuity plan are provided below:

The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	31 March 2025	31 March 2024
Present value of obligation as at the beginning of the period	0.822	-
Interest cost	0.059	-
Current service cost	1.979	-
Benefits paid	-	-
Remeasurements on obligation - (gain) / loss	0.582	0.822
Present value of obligation as at the end of the period	3.442	0.822

The changes in the fair value of planned assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	31 March 2025	31 March 2024
Fair value of plan assets at the beginning of the period	-	-
Interest income	0.054	-
Contributions	1.500	-
Return on plan assets, excluding amount recognized in interest income - gain / (loss)	0.003	-
Fair value of plan assets as at the end of the period	1.557	-
Actual return on plan assets	0.057	-

Amounts recognised in the balance sheet are as follows:

Particulars	31 March 2025	31 March 2024
Present value of obligation as at the end of the period	3.442	0.822
Fair value of plan assets as at the end of the period	1.557	-
Surplus / (deficit)	(1.886)	(0.822)

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

29 Employee benefits (continued)**Amounts recognised in the statement of profit and loss are as follows:**

Particulars	31 March 2025	31 March 2024
Current service cost	1.979	-
Net interest (income) / expense	0.005	-
Net periodic benefit cost recognised in the statement of profit and loss at the end of the period	1.985	-

Amounts recognised in the statement of other comprehensive income (OCI) are as follows:

Particulars	31 March 2025	31 March 2024
Remeasurement for the period - obligation (gain) / loss	0.582	0.822
Remeasurement for the year - plan assets (gain) / loss	(0.003)	0.000
Total remeasurements cost / (credit) for the period	0.579	0.822

Net interest (income) / expense recognised in statement of profit and loss are as follows:

Particulars	31 March 2025	31 March 2024
Interest (income) / expense - obligation	0.059	0.000
Interest (income) / expense - plan assets	(0.054)	0.000
Net interest (income) / expense for the year	0.005	0.000

The broad categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2025	31 March 2024
Funds managed by insurer	100%	0%
Total	100%	0%

Principal actuarial assumptions used in determining gratuity benefit obligations for the Company's plans are as follows:

Particulars	31 March 2025	31 March 2024
Discount rate	6.70%	7.20%
Rate of increase in compensation levels	9.00%	9.00%
Mortality Rate	IALM(2012-14) ult	IALM(2012-14) ult
Expected rate of return on plan assets	7.20%	NA
Expected average remaining working lives of employees (in years)	8.44	11.02
Withdrawal rate		
Age upto 30 years	10.00%	7.00%
Age 31 - 40 years	10.00%	7.00%
Age 41 - 50 years	10.00%	7.00%
Age above 50 years	10.00%	7.00%

A quantitative sensitivity analysis for significant assumptions is shown as follows:

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation. Sensitivity analysis is done by varying (increasing/ decreasing) one parameter by 100 basis points (1%):

1) Impact of change in discount rate when base assumption is decreased / increased by 100 basis point

Discount rate	Present value of obligation	
	31 March 2025	31 March 2024
Decrease by 1% to 5.70% (6.20%)	3.722	0.906
Increase by 1% to 7.70% (8.20%)	3.198	0.750

2) Impact of change in salary increase rate when base assumption is decreased / increased by 100 basis point

Salary increment rate	Present value of obligation	
	31 March 2025	31 March 2024
Decrease by 1% to 8.00% (8.00%)	3.230	0.758
Increase by 1% to 10.00% (10.00%)	3.679	0.896

3) Impact of change in withdrawal rate when base assumption is decreased / increased by 100 basis point

Withdrawal rate	Present value of obligation	
	31 March 2025	31 March 2024
Decrease by 1% to 9.00% (6.00%)	3.480	0.833
Increase by 1% to 11.00% (8.00%)	3.409	0.813

Expected contributions for the next year

The Company expects to fund Rs. 1.886 (31 March 2024: 0.002) towards its gratuity plan during the year 2025-26.

Average duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 13.74 years (31 March 2024: 16.28 years).

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

29 Employee benefits (continued)**Maturity analysis**

The expected maturity analysis of undiscounted gratuity benefits payments is as follows:

Particulars	31 March 2025	31 March 2024
Less than a year	0.009	0.002
Between 1-3 years	0.050	0.021
Between 4-5 years	0.759	0.045

The above cash flows have been arrived at based on the demographic and financial assumptions mentioned above.

Risk Exposure and Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1) Liability Risks**i. Asset-Liability Mismatch Risk**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

ii. Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

iii. Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2) Asset Risks

All plan assets are maintained in a trust fund managed by ICICI Prudential Life Insurance. ICICI Prudential Life Insurance has been providing consistent and competitive returns over the years.

The company has opted for a traditional fund wherein all asset are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

c) Other long-term employee benefits**Provison for Compensated absences:**

Provison for Compensated absences cover the Company's liability for earned leave which are classified as other long-term benefits.

Particulars	31 March 2025	31 March 2024
Present value of obligation as at the beginning of the period	1.494	-
Interest cost	0.095	-
Current service cost	1.602	-
Benefits paid	(0.356)	(0.066)
Remeasurements on obligation - (gain) / loss	1.712	1.560
Present value of obligation as at the end of the period	4.546	1.494

30 Disclosure with regard to changes in liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows"

Particulars	Borrowings	Lease Liability	Total
Balance as at 15 March 2023	-	-	-
Proceeds from borrowings	798.500	-	798.500
Repayment of borrowings	0.000	-	0.000
Net lease addition / (deletion) during the year	0.000	1392.328	1392.328
Lease payments	0.000	(184.058)	(184.058)
Finance cost charged	33.038	53.649	86.687
Finance cost paid	(3.304)	-	(3.304)
Balance as at 31 March 2024	828.234	1261.919	2090.153
Proceeds from borrowings	1209.500	-	1209.500
Repayment of borrowings	(440.500)	-	(440.500)
Net lease addition / (deletion) during the year	0.000	268.360	268.360
Lease payments	0.000	(210.991)	(210.991)
Finance cost charged	121.421	140.915	262.336
Finance cost paid	(40.235)	-	(40.235)
Balance as at 31 March 2025	1678.421	1460.202	3138.623

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

31 Fair value measurements

As per assessments made by the management, fair values of all financial instruments carried at amortised cost (except investment in quoted non-convertible bonds) are not materially different from their carrying amounts since they are either short term in nature or the interest rates applicable are equal to the current market rate of interest.

The Company has performed a fair valuation of its investment in mutual funds which are classified as fair value through profit and loss (FVTPL) and bonds which are classified as fair value through other comprehensive income (FVOCI) using quoted prices and fair valuations of foreign exchange forward contracts as per mark to market valuation from bank.

Particulars	Carrying value	
	31 March 2025	31 March 2024
Levelled at level 2		
Financial asset		
Carried at amortised cost		
Security deposits	247.012	149.543
Trade receivable	33.017	90.969
Deposits with banks	8.389	-
Other receivables	0.103	0.034
Cash and cash equivalents and other bank balances	64.853	236.430
Financial liabilities		
Carried at amortised cost		
Borrowings	1678.421	828.234
Trade payables	102.608	76.347
Financial guarantee contracts	18.883	-
Lease Liability	1460.202	1261.919
Other payables	58.904	10.017

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Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

32 Financial risk management policy and objectives

Company's principal financial liabilities, comprise loans and borrowings, trade and other payables, and lease liabilities. The main purpose of these financial liabilities is to finance company's operations. Company's principal financial assets include trade and other receivables, security deposits and cash and cash equivalents, that derive directly from its operations.

In order to minimise any adverse effects on the financial performance of the company, it has taken various measures. This note explains the source of risk which the entity is exposed to and how the entity manages the risk and impact of the same in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis, external credit rating (wherever available)	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk- Foreign Currency Risk	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Sensitivity Analysis	Management follows established risk management policies, including use of derivatives like foreign exchange forward contracts, where the economic conditions match the company's policy.

The Company's management handles the risk management based on policies approved by the Board of Directors. Company's treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity.

(A) Credit risk

Credit risk in case of the Company arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

Credit risk management

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to counterparty's ability to meet its obligations,
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty,
- (v) Significant changes in the value of collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

The company provides for expected credit loss in case of trade receivables when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company etc.

The Company uses simplified approach for estimating the lifetime expected loss provision. The Company provides expected loss based on the overdue number of days for receivables as per the provision matrix as decided by the management which is based on the historical experience of recoverability. Where receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Provision for expected credit loss

Financial assets for which loss allowance is measured using 180 days Expected Credit Losses (ECL)

Exposure to risk	31 March 2025	31 March 2024
Trade receivables	38.292	90.969
Less : Allowance for expected credit loss	5.275	-
Total	33.017	90.969

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

32 Financial risk management policy and objectives (continued)

Gross Trade receivables	31 March 2025	31 March 2024
Neither past due nor impaired	-	-
Less than 180 days	-	90.969
181 - 365 days	31.063	-
More than 365 days	7.229	-
Total	38.292	90.969
Reconciliation of loss provision	31 March 2025	31 March 2024
Opening loss allowance	-	-
Bad debts written off	-	-
Additional allowance	5.275	-
Closing loss allowance	5.275	-

B) Liquidity risk

The company follows a prudent approach to liquidity risk management by ensuring it has sufficient cash and access to committed credit facilities to meet its financial obligations as they fall due and to manage market positions effectively. Given the dynamic nature of its operations, the company maintains funding flexibility through available committed credit lines.

Management regularly monitors the company's liquidity position using rolling cash flow forecasts, which include cash and cash equivalents and undrawn borrowing facilities. This monitoring is aligned with internal policies and limits. The Company's liquidity management also includes:

- Forecasting future cash flows,
- Assessing the required level of liquid assets,
- Monitoring liquidity ratios in line with internal benchmarks and regulatory requirements, and
- Maintaining appropriate debt financing strategies.

Exposure to risk	31 March 2025	31 March 2024
Interest bearing borrowings		
On demand	-	-
Less than 365 days	-	828.234
More than 365 days	1678.421	-
Total	1678.421	828.234
Other financial liabilities		
On demand	-	-
Less than 365 days	69.137	10.017
More than 365 days	8.650	-
Total	77.787	10.017
Exposure to risk	31 March 2025	31 March 2024
Trade payables		
Not Due	82.983	67.985
Less than 180 days	19.625	8.362
More than 365 days	-	-
Total	102.608	76.347
Lease liability		
Not Due	-	-
Less than 180 days	289.532	68.563
More than 365 days	1170.670	1193.356
Total	1460.202	1261.919

The company has access to following undrawn facilities at the end of the reporting period

	31 March 2025	31 March 2024
Expiring within one year	700.00	-

The facilities are secured by way of first pari-passu charge on the current assets of the Company.

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

32 Financial risk management policy and objectives (continued)**(C) Foreign currency risk**

The company is exposed to foreign exchange risk mainly through its sales to overseas customers and purchases from overseas suppliers in various foreign currencies.

The company evaluates exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk, where the economic conditions match the company's policy.

Foreign currency exposure :

Financial assets	Currency	Amount in foreign currency		Amount in INR	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Trade receivables	EUR	0.107	0.220	9.801	19.555
	USD	0.335	0.865	28.492	71.414

Financial liabilities	Currency	Amount in foreign currency		Amount in INR	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Trade payables and Capital Payables	EUR	0.015	-	1.419	-
	USD	0.250	0.124	21.523	10.432

Foreign currency wise net exposure (assets less liabilities)

Particulars	Amount in foreign currency		Amount in INR	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
EUR	0.092	0.220	8.382	19.555
USD	0.085	0.741	6.969	60.982

Sensitivity analysis

Currency	31 March 2025			
	Amount in INR	Sensitivity %	Impact on profit [Loss / (Gain)]	
			Strengthen	Weakening
EUR	8.382	5.00%	(0.419)	0.419
USD	6.969	5.00%	(0.348)	0.348
Total	15.351		(0.768)	0.768

Currency	31 March 2024			
	Amount in INR	Sensitivity %	Impact on profit [Loss / (Gain)]	
			Strengthen	Weakening
EUR	19.555	5.00%	(0.978)	0.978
USD	60.982	5.00%	(3.049)	3.049
Total	80.537		(4.027)	4.027

(EUR - Euro, USD - US Dollar)

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Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

33 Ageing schedule for Trade Receivables, Trade Payables and Capital Work-in-progress**(A) The table below provides details regarding Trade receivables ageing schedule**

Particulars	Unbilled dues/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	
31 March 2025							
(i) Undisputed Trade receivables – considered good	-	-	31.063	7.229	-	-	38.292
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Gross trade receivable	-	0.000	31.063	7.229	0.000	0.000	38.292
Less: Impairment Allowance							(5.275)
Total							33.017
31 March 2024							
(i) Undisputed Trade receivables – considered good	-	90.969	-	-	-	-	90.969
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	-	90.969	-	-	-	-	90.969
Less: Impairment Allowance							-
Total							90.969

(B) The table below provides details regarding Trade payables ageing schedule

Particulars	Unbilled dues/Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
31 March 2025						
(i) Undisputed dues - MSME	32.550	6.266	-	-	-	38.816
(ii) Undisputed dues - Other	50.433	13.359	-	-	-	63.792
Total	82.983	19.625	-	-	-	102.608
31 March 2024						
(i) Undisputed dues - MSME	17.960	1.986	-	-	-	19.946
(ii) Undisputed dues - Other	50.025	6.376	-	-	-	56.402
Total	67.985	8.362	-	-	-	76.347

(C) The table below provides details regarding Capital Work-in-progress (CWIP) ageing schedule

Particulars	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
31 March 2025					
Capital Work-in-progress	39.143	-	-	-	39.143
Total	39.143	-	-	-	39.143
31 March 2024					
Capital Work-in-progress	20.295	-	-	-	20.295
Total	20.295	-	-	-	20.295

As on the date of balance sheet, there is no capital work-in-progress project(s) whose completion is overdue or has exceeded the cost, based on the approved plan.

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

34 Analytical Ratios

Sr. No.	Ratio	Numerator	Denominator	31 March 2025	31 March 2024	% Variance	Reason for Variance
1	Current ratio	Current assets	Current liabilities	0.47	0.37	27.4%	The Company was incorporated on 15th March 2023 and started its operation in the second half of FY 2023-24, thus the corresponding comparatives ratios are not comparable to that extent.
2	Debt-equity ratio	Debt	Net worth	NA	NA	-	
3	Debt service coverage ratio	Profit after tax excluding exceptional items+Finance Cost+Depreciation and amortisation	Interest & Lease Payments + Principal Repayments	(0.15)	0.54	-127.5%	
4	Return on equity ratio	Profit after tax	Average Shareholder's Equity	-184%	-99%	85.1%	
5	Inventory turnover ratio	Cost of Materials consumed + Changes in Inventory + Consumption of stores and spares	Average Inventory	1.89	0.12	1422.2%	
6	Trade receivables turnover ratio	Sales (billed to customer)	Average Accounts Receivable	3.06	2.16	41.8%	
7	Trade payables turnover ratio	Net credit purchases	Average Trade Payables	1.55	0.15	931.5%	
8	Net capital turnover ratio	Sales	Average Working capital	(0.57)	(0.31)	81.1%	
9	Net profit ratio	Profit After Tax	Sales	-270.27%	-16.34%	1553.7%	
10	Return on capital employed	Earning Before Interest & Tax	Capital Employed	-86.73%	6.13%	-1514.4%	
11	Return on investment i. Fixed Deposits	Income from Investments	Investment	4.28%	3.00%	42.7%	Increase in return on Fixed Deposits due to favourable interest rate conditions

Praj GenX Limited**Notes to the financial statements for the period ended 31 March 2025**

(All amounts are in Indian rupees million unless otherwise stated)

35 Other Notes**i Title deeds of immovable property not held in the name of the company**

The Company does not own any immovable property whose title deeds are not in the name of the Company.

ii Details of Benami Property

The Company does not own any benami property neither any proceedings are initiated or pending against the Company under the Prohibition of Benami Property Transactions Act, 1988.

iii Borrowings secured against current assets

The Company has filed quarterly returns or statements of current assets with banks or financial institutions and the same are in agreement with the books of account read with notes given in the quarterly returns or statements.

iv Wilful Defaulter

The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

v Relationship with Struck off Companies

As per the information available with the Company, the Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

vi Registration of charges with ROC

The Company does not have any charges that need to be registered with the ROC.

vii Utilisation of Borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) nor has it 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:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

viii Details of Crypto Currency or Virtual Currency

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

ix Loans or advances to specified persons

The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and other the related parties either severally or jointly with any other person, that are:

(i) repayable on demand or

(ii) without specifying any terms or period of repayment.

x Valuation of PP&E, right-of-use assets, intangible asset and investment property

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.

xi Utilisation of borrowings availed from banks and financial institutions

The Company does not have any borrowings availed from banks and financial institutions.

xii Compliance with number of layers of companies

The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

xiii Undisclosed income

There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

xiv The Company has taken borrowings in the form of Inter Corporate Deposits. It has used these borrowings for the specific purpose for which it was taken.**36 Capital management****Risk management**

The company's objectives when managing capital are to

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet).

The gearing ratios were as follows:

	31 March 2025	31 March 2024
Loans and borrowings	1678.421	828.234
Less: Cash and cash equivalents	51.462	236.430
Net debt (A)	1626.959	591.804
Equity	(783.438)	(32.240)
Capital and net debt (B)	843.521	559.564
Gearing ratio (A/B)	193%	106%

Praj GenX Limited Notes to the financial statements for the period ended 31 March 2025 (All amounts are in Indian rupees million unless otherwise stated)							
37	The Ministry of Corporate Affairs vide notification number GSR 205 (E) dated 24th March 2021 and as amended from time to time, read with proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, for the financial year commencing April 1, 2023 has prescribed, inter-alia, certain requirements related to maintenance of an audit trail emanating from accounting software. The Company had enabled the audit trail at an application level for all the tables and fields for its books of account and relevant transactions in the accounting software used by it, in conformity with the said regulations. However, the accounting software used by the Company has not been enabled with the feature of audit trail log at the database layer to log direct transactional changes, due to the present design of the accounting software.						
38	The Company was incorporated on 15th March 2023 and started its operation in the second half of FY 2023-24, thus the corresponding comparatives amounts for the immediately preceding reporting period are not comparable to that extent. Furthermore, the holding company (Praj Industries Limited) is committed to support the company to meet its financial liabilities.						
	<table> <tr> <td> As per our report of even date. For P G BHAGWAT LLP Chartered Accountants Firm Regn. No: 101118W/W100682 Sd/- Abhijeet Bhagwat Partner Membership No.: 136835 Place: Pune Date: 24 April 2025 </td><td colspan="2"> For and on behalf of the Board of Directors of Praj GenX Limited Sd/- Dr. Pramod Chaudhari Chairman (DIN : 00196415) Sd/- Shishir Joshipura Director (DIN : 00574970) Place: Pune Date: 24 April 2025 </td><td> Sd/- Abhijit Dani CBO and Whole time Director (DIN : 6767700) Sd/- Hiranya Deshmukh Company Secratery (M. No.: A51912) </td></tr> </table>			As per our report of even date. For P G BHAGWAT LLP Chartered Accountants Firm Regn. No: 101118W/W100682 Sd/- Abhijeet Bhagwat Partner Membership No.: 136835 Place: Pune Date: 24 April 2025	For and on behalf of the Board of Directors of Praj GenX Limited Sd/- Dr. Pramod Chaudhari Chairman (DIN : 00196415) Sd/- Shishir Joshipura Director (DIN : 00574970) Place: Pune Date: 24 April 2025		Sd/- Abhijit Dani CBO and Whole time Director (DIN : 6767700) Sd/- Hiranya Deshmukh Company Secratery (M. No.: A51912)
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