Transcon Ind Limited

Corporate Identification Number (CIN) : U27100TS2025PLC203122

Consolidated Balance Sheet as at March 31, 2026

(All amounts in ₹ million except for shares data or as otherwise stated)

Particulars	Note	As at 31-Mar-2026	As at 31-Mar-2025
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,047.40	-
Capital work-in-progress	4.1	592.23	
Goodwill	5.4	27.87	
Other intangible assets	4.2	67.86	-
Financial assets			
Investments			
Other financial assets	6.1	19.61	
Loans	6.2	-	-
Deferred tax assets (net)	28(d)	16.56	-
Other non-current assets	7	25.27	
Total non-current assets		**1,796.81**	-
Current assets			
Inventories	8	801.61	
Financial assets			
(i) Trade receivables	9.1	900.16	
(ii) Cash and cash equivalents	9.2	81.50	-
(iii) Bank balances other than above	9.3	264.72	
(iv) Loans	9.4	5.73	-
(v) Other financial assets	9.5	10.69	-
Other current assets	10	442.29	-
Total current assets		**2,506.69**	-
TOTAL ASSETS		**4,303.50**	-
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	1.52	
Other equity	11.1	2,640.46	-
Equity attributable to the owners of the company		**2,641.98**	-
Non-controlling interest		**43.30**	-
Total equity		**2,685.28**	-
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	12	**320.05**	-
Provisions	13	**32.67**	
Total non-current liabilities		**352.72**	-
Current liabilities			
Financial liabilities			
(i) Borrowings	14	510.54	-
(ii) Trade payables	15		
(a) total outstanding dues of micro enterprises and small enterprises; and		166.93	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		311.96	-
(iii) Other financial liabilities	16	51.93	
Other current liabilities	17	170.70	-
Provisions	18	23.53	-
Current tax liabilities (net)	19	29.91	-
Total current liabilities		**1,265.50**	-
Total liabilities		**1,618.22**	-
TOTAL EQUITY AND LIABILITIES		**4,303.50**	-

Summary of material accounting policies 2 & 3

The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached of even date

For **Sharad and Associates**
Chartered Accountants
ICAI Firm Registration Number: 006377S

Sharad Sinha
Partner
Membership No. 202692

Place: Hyderabad
Date: May 14, 2026

SHARAD & ASSOCIATES ★ Chartered Accountants ★ M. NO. 202692

For and on behalf of the Board of Directors
Transcon Ind Limited

Amar Pal Gampa
Director
DIN: 02614332

Place: Hyderabad
Date: May 14, 2026

Chiranjeev Singh Saluja
Director
DIN: 06661638

TRANSCON IND LIMITED ★ HYD

Transcon Ind Limited
Corporate Identification Number (CIN) : U27100TS2025PLC203122
Consolidated statement of profit and loss for the period ended March 31, 2026
(All amounts in ₹ million except for shares data or as otherwise stated)

Particulars	Note	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Income			
Revenue from operations	20	907.56	-
Other income	21	10.33	-
Total Income		**917.90**	-
Expenses			
Cost of materials consumed	22	561.11	-
Purchases of stock-in-trade		2.86	-
Changes in inventories of finished goods, stock-in-trade and work in progress	23	11.95	-
Employee benefits expense	24	24.97	-
Finance costs	25	18.60	-
Depreciation and amortisation expense	26	31.59	-
Other expenses	27	91.70	-
Total expenses		**742.77**	-
Profit before tax and share net of tax profit from associates		**175.12**	-
Share of profit of associates		-	-
Profit before tax		**175.12**	-
Tax expense			
(1) Current tax	28	61.42	-
(2) Deferred tax	28	(16.84)	-
Total tax expense		**44.58**	-
Profit for the year		**130.55**	-
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit obligation	29	1.13	-
(ii) Income tax relating to items in (i)		(0.29)	-
Other comprehensive (loss)/income, net of tax		**0.85**	-
Total comprehensive income		**131.40**	-
Profit for the year attributable to:			
Owners of the Company		140.12	-
Non-controlling interests		(9.56)	-
Total tax expense		**130.55**	-
Other comprehensive (loss)/income attributable to:			
Owners of the Company		0.61	-
Non-controlling interests		0.24	-
Total Other Comprehensive Income for the year (net of tax)		**0.85**	-
Total comprehensive income attributable to:			
Owners of the Company		140.73	-
Non-controlling interests		(9.33)	-
Total Comprehensive Income for the year		**131.40**	-
Earnings per equity share (face value ₹ 10 each)			
(1) Basic (₹)	30	1,732.97	-
(2) Diluted (₹)	30	1,732.97	-

Summary of material accounting policies 2 & 3

The accompanying notes form an integral part of the standalone financial statements.
In terms of our report attached of even date

For **Sharad and Associates**
Chartered Accountants
ICAI Firm Registration Number: 006377S

Sharad Sinha
Partner
Membership No. 202692

Place: Hyderabad
Date: May 14, 2026

SHARAD & ASSOCIATES ★ Chartered Accountants ★ M. NO. 202692

For and on behalf of the Board of Directors
Transcon Ind Limited

Amar Pal Gampa
Director
DIN: 02614332

Chiranjeev Singh Saluja
Director
DIN: 00604638

Place: Hyderabad
Date: May 14, 2026

TRANSCON IND LIMITED ★ HYD

Transcon Ind Limited
Corporate Identification Number (CIN) : U27100TS2025PLC203122
Consolidated statement of Cash Flows for the year ended March 31, 2026
(All amounts in ₹ million except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flows from operating activities		
Profit/ (Loss) before tax	175.12	-
Adjustments for :		
Depreciation and amortization expense	31.59	-
Finance costs	13.41	-
Interest income	(3.88)	-
Intangible write off	0.40	-
Provision for warranty	(22.24)	-
Allowance for expected credit loss	7.03	-
Operating cash profit/(loss) before working capital changes	**201.42**	**-**
Movement in working capital:		
Increase in Inventories	(119.52)	-
Decrease in trade receivables	83.10	-
(Increase) in Other non Current Assets	(0.21)	-
Increase in Other current assets	(397.11)	-
Increase in trade payables	138.44	-
(Increase) / Decrease in other Financial Assets	(10.20)	-
Increase in provisions	8.55	-
Increase in other liabilities	32.95	-
Cash generated from operations	**(62.58)**	**-**
Income tax paid	(31.52)	-
Net cash flows from operating activities (A)	**(94.10)**	**-**
B. Cash flows from investing activities		
Purchases of property, plant and equipment, including, capital work-in-progress and capital advances	(967.99)	-
Acquisition of business undertaking of Transcon Industries pursuant to BTA	(2,207.69)	-
Loans (given to)/ received		-
Interest received	4.21	-
Movement in other bank balances	(19.40)	-
Interest income	-	-
Net cash flows used in investing activities (B)	**(3,190.87)**	**-**
C. Cash flow from financing activities		
Proceeds from long-term borrowings (net)	666.53	-
Repayment of long-term borrowings	(0.44)	-
Proceeds from short-term borrowings (net)	-	-
Loans from related party (net)	-	-
Proceeds from issue of equity shares	2,692.21	-
Proceeds from issue of compulsorily convertible preference shares	-	-
Interest paid	(3.95)	-
Net cash flows from financing activities (C)	**3,354.35**	**-**
Net increase in cash and cash equivalents (A+B+C)	**69.38**	**-**
Cash and cash equivalents at the beginning of the year	12.11	-
Cash and cash equivalents at the end of the year	**81.50**	**-**
Components of cash and cash equivalents:		
Cash on hand		
Components of cash and cash equivalents:		
Cash on hand	-	-
Balances with banks		
On current accounts	81.50	-
Bank deposits (due to mature within 3 months from the reporting date)	-	-
Total cash and cash equivalents	**81.50**	**-**

Changes in liabilities arising from financing activities

Particulars	**Borrowings**
Balance as at April 01, 2024	**-**
Cash flows (net)	-
Conversion of loan into equity	-
Balance as at March 31, 2025	**-**
Interest expense	13.41
Cash flows (net)	666.09
Conversion of loan into equity	
Balance as at March 31, 2026	**679.50**

Summary of material accounting policies 2 & 3
The accompanying notes form an integral part of these financial statements

In terms of our report attached

For **Sharad and Associates**
Chartered Accountants
ICAI Firm Registration Number: 006377S

Sharad Sinha
Partner
Membership No. 202692

Place: Hyderabad
Date: May 14, 2026

SHARAD & ASSOCIATES ★ Chartered Accountants ★ M. NO. 202692

For and on behalf of the Board of Directors
Transcon Ind Limited

Amar Pal Gampa
Director
DIN: 02614332

Place: Hyderabad
Date: May 14, 2026

Chiranjeev Singh Saluja
Director
DIN: 00664638

TRANSCON IND LIMITED ★ HYD

Transcon Ind Limited
Corporate Identification Number (CIN) : U27100TS2025PLC203122
Statement of Changes in Equity for the year ended March 31, 2026
(All amounts in ₹ million except for shares data or as otherwise stated)

A Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid				
Balance at beginning of the year	-		-	-
Issued during the year			-	-
Balance as at April 1	-	-	-	-
Issued during the year	1,52,009	1.52	-	-
Balance as at Mar 31	**1,52,009**	**1.52**	**-**	**-**

B Other equity

Particulars	Reserves and surplus			Items of Other comprehensive income	Total	Non controlling interest
	Retained earnings	Securities Premium	Capital reserve	Re-measurement of defined benefit plans		
Balance as at April 01, 2025	-	-	-	-	-	-
Acquisition during the year	-	-	-	-	-	57.21
Profit for the year	130.55	-	-	-	130.55	(13.91)
Other comprehensive gain for the year	-	-	-	1.13	1.13	
Premium on issues of equity shares	-	2,499.50	-	-	2,499.50	
Balance as at March 31, 2026	**130.55**	**2,499.50**	**-**	**1.13**	**2,631.18**	**43.30**

The accompanying notes form an integral part of these financial statements

In terms of our report attached

For **Sharad and Associates**
Chartered Accountants
ICAI Firm Registration Number: 006377S

Sharad Sinha
Partner
Membership No. 202692

Place: Hyderabad
Date: May 14, 2026

SHARAD & ASSOCIATES ★ Chartered Accountants ★ M. NO. 202692

For and on behalf of Board of Directors
Transcon Ind Limited

Amar Pal Gampa
Director
DIN: 02614332

Chiranjeev Singh Saluja
Director
DIN: 00664638

Place: Hyderabad
Date: May 14, 2026

TRANSCON IND LIMITED ★ HYD

Transcon Ind Limited
Corporate Identification Number (CIN) : U27100TS2025PLC203122
Notes to Financial Statements for the period ended March 31, 2026
(All amounts in ₹ million except for shares data or as otherwise stated)

1 Corporate information

1. Transcon IND Limited (the 'Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Phase II, B-23, 2nd floor, Gampa Avenue,Technocrats Industrial Estate.The Company is principally engaged in the business of manufacturing and trading of transformers and jobwork related activities. 2. Neotrafo Solutions Public Limited Company in India and is Incorporated under the provisions of the companies Act applicable in India.

2 Basis of preparation and presentation

A Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2026. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using uniform accounting policies for like transactions and other events in similar circumstances.

The consolidated financial statements have been prepared on the following basis:

(a) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses.

(b) Intra-group balances, intra-group transactions, and resulting unrealised profits or losses (unless losses provide evidence of impairment) have been eliminated in full.

(c) The carrying amount of the Company's investment in each subsidiary is offset against the Company's portion of equity of each subsidiary at the acquisition date.

(d) Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein.

B Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (H), which is also the Company's functional currency. All amounts are presented in Indian Rupees in million and are rounded off to two decimals, unless otherwise stated.

C Basis of Measurement

The standalone financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

i) Certain financial assets and liabilities (including derivative instruments)

ii) Liabilities for equity-settled share-based payment arrangements

iii) Net defined benefit (asset)/ liability and

iv) Investment in associates which are accounted for using the equity method.

These standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in these standalone financial statements

D Current vs Non-current

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities:

An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realised within twelve months after the reporting period; or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when:

1.It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period; or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

E Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Company's accounting policies, management makes judgement, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements.

The key judgement, estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its judgements and assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

SHARAD & ASSOCIATES ★ Chartered Accountants ★ M. NO. 202692

TRANSCON IND LIMITED ★ HYD

i) Property, plant and equipment - useful economic life
The useful life of plant, property equipment is determined based on evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations the useful life is sensitive to the actual usage in future period.

ii) Inventories
The inventory is valued at the lower of the cost and net realizable value ("NRV"). The determination of the NRV involves estimates based on prevailing market conditions and taking into account the estimated future selling price and selling costs and involves significant estimates and judgement in the assessment. These estimates and judgement significantly affect the determination of the value of inventories.

iii) Expected credit losses
The Company uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customers that have similar loss patterns and involves significant estimates and judgement in the assessment. These estimates and judgement significantly affect the valuation of trade receivables.

iv) Provision for warranty
The product warranty obligations and estimations thereof are determined using historical information on the type of product, nature, frequency and average cost of warranty claims and the estimates regarding possible future incidences of product failures. Changes in estimated frequency and amount of future warranty claims, which are inherently uncertain, can materially affect warranty expense.

v) Taxation
Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income tax Act, 1961. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The recognition of deferred tax assets is premised on their future recoverability being probable.

vi) Leases
Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

vii) Fair value measurement of financial instruments:
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments

3 Summary of material accounting policies

A Business combinations and goodwill
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the company elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent years. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

If an item in the financial statements of a Company are treated differently pursuant to an Order made by the Court/Tribunal, as compared to the treatment required by an Accounting Standard, the accounting treatment of a transaction as required under by the order of the court or tribunal (or other similar authority) overrides the accounting treatment that would otherwise be required to be followed in respect of the transaction and it is mandatory for the Company concerned to follow the treatment as per the order of the court/tribunal and accordingly, net gain/loss on transfer of assets pertaining demerged business of subsidiary was adjusted against retained earnings of the company

SHARAD & ASSOCIATES ★ Chartered Accountants ★ M. NO. 202692

TRANSCON IND LIMITED ★ HYD

B Foreign exchange transactions

Initial Recongnition:

Foreign currency transactions are recorded by the Company's entities at their respective functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported at functional currency spot rate of exchange at reporting date. 'Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

C Fair value measurement:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or
ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the 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.

In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Any change in the fair value of each asset and liability is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

D Financial Instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, a 'financial asset' is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Derecognition

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

(a) the rights to receive cash flows from the asset have expired, or
(b) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(i) the Company has transferred substantially all the risks and rewards of the asset, or
(ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

SHARAD & ASSOCIATES ★ M. NO. 202692 ★ Chartered Accountants

TRANSCON IND LIMITED ★ HYD

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances.
(b) Trade receivables that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss of trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. When estimating the cash flows, an entity is required to consider:

>> All contractual terms of the financial instrument (including prepayment, extension and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
>> Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. As per the matrix, receivables aged upto 12 months are provided upto 75% and receivables aged more than 12 months are provided upto 100%.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss ("FVTPL"), loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled within twelve months. The economic substance of the transaction, considering the extended credit terms offered by banks or financial institutions, the arrangement is determined to be financing in nature and these are recognised as current borrowings. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the suppliers is treated as a borrowings and settlement of dues to suppliers by the Company is treated as an operating cash outflow reflecting the substance of the payment





Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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.

Derivative instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

Changes in the fair value of derivative contracts that economically hedge monetary assets and liabilities in foreign currencies, and for which no hedge accounting is applied, are recognised in the statement of profit and loss. The changes in fair value of such derivative contracts, as well as the foreign exchange gains and losses relating to the monetary items, are recognised in the statement of profit and loss.

E Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost which includes capitalised borrowing cost less accumulated depreciation and accumulated impairment losses if any, except for freehold land which is carried at historical cost.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are shown under other non-current assets. The cost of property, plant and equipment not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

ii) Subsequent expenditure and derecognition

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

iii) Depreciation

Depreciation on property, plant and equipment is at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line method over the useful lives of the assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Leasehold improvements are amortized over the lease term or useful lives of assets, whichever is lower. The useful life of the items of property, plant and equipment estimated by the management for the current and comparative year are in line with the useful life as per Schedule II of the Companies Act, 2013, except in respect of following categories of asset in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.

Category of assets	Useful life estimated by the management
Plant and equipment	5 to 15 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if required

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F Intangible assets

i)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life in line with Companies Act, 2013.and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Category of assets	Useful life estimated by the management	Useful life estimated as per
Software	3 years	3 years

ii) Derecognition of intangible assets

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

G Inventories

Inventories are valued at lower of cost and net realizable value. Raw 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 is determined based on weighted average method. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

H Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When 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 taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years/ years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

I Employee benefits

i) Short term employee benefits

Employee benefits payable wholly within twelve months of receiving services are classified as short-term employee benefits. These benefits include salary and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by the employees.

ii) Defined contribution plans

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Company makes specified obligations towards employee provident fund and employee state insurance to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. The Company's contributions are recognized as an expense in the statement of profit and loss during the year in which the employee renders the related service.

iii) Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior years; that benefit is discounted to determine its present value. The calculation of Company's obligation under the plan is performed periodically by a qualified actuary using the projected unit credit method.

The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date. The Company's gratuity scheme is administered by Life Insurance Corporation of India.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in the benefit that related to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in statement of profit and loss. The Company recognizes gains or losses on the settlement of a defined benefit plan when the settlement occurs.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other comprehensive income ("OCI") in the year in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent years.

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iv) Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize in future service years or receive cash compensation on termination of employment. The Company records an obligation for such compensated absences in the year in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

J Provisions, Contingent Liabilities, Contingent Assets and Commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised till the realization of the income is virtually certain.

Provision for warranty

The Company gives a warranty of 5 years on manufactured and supply of transformers by the Company. Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims will arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

K Cash and cash equivalents

Cash and cash equivalents in the standalone 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

L Cash flow statement

Standalone cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The standalone cash flows from operating, investing and financing activities of the Company are segregated.

Certain arrangements entered with financiers have been classified as borrowings by the Company. The Company presents cash outflows to settle the liability arising from financing activities in its statement of cash flows.

M Revenue Recognition

Revenue from contracts with customers is recognised 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. When a performance obligation is satisfied, the revenue is measured at the transaction price which is consideration received or receivable, net of returns, credit price concessions, incentives, liquidated damages or other similar deductions in a contract except when it is highly probable it will not be provided after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The amount of revenue excludes any amount collected on behalf of third parties. The Company has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

In case of repurchase arrangements where the Company has an obligation to repurchase another asset of which the asset that was originally sold is a component at the customer's request, the Company assesses the repurchase price with the expected market value of the repurchase goods and in cases where the customer does not have significant economic incentive, the Company accounts for the arrangement as if it were sale of product with a right to return in accordance with Ind AS 115. If the option lapses unexercised, the Company recognises revenue.

The following is summary of material accounting policies relating to revenue recognition.

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(i) Sale of goods

The Company recognises revenue from the supply of transformers to customers against purchase orders received. The majority of contracts entered into by the Company relate to sales arrangements containing either single or multiple performance obligations for the delivery of transformers in accordance with Ind AS 115. Revenue from sale of products is recognised when control of the goods is transferred to the customer. The timing of transfer of control is determined based on the specific terms and conditions of each customer arrangement.

Revenue from the sale of transformers is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer, having regard to the terms of the contract.

The Company also recognises revenue from the sale of traded goods and from job work services provided to other companies. Revenue from traded goods is recognised when control of the goods is transferred to the customer. Revenue from job work services is recognised upon completion of the services and transfer of control to the customer.

Contract

(i) Contract liabilities

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

(i) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i .e., only the passage of time is required before payment of the consideration is due). However, trade receivables that do not contain a significant financing component are measured at transaction price.

(iii)

A contract asset is the right to consideration in exchange for goods or services transferred to customer. If the company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

M Interest income

For all debt financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the statement of Profit and Loss.

Dividends

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

N Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

O Income tax

Current tax

Current income 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 are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit and loss (either in other comprehensive income ("OCI") or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except for
a) When the deferred tax liability arises from the initial recognition of goodwill
b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. 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 utilised. Unrecognised 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 relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

P Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they are incurred.

Q Investments in subsidiaries, associates and joint ventures

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In the separate financial statements, the Company has elected to measure its investments in subsidiaries, associates and joint ventures at cost, in accordance with the option available under paragraph 10 of Ind AS 27 - Separate Financial Statements. Such investments are initially recognised at the consideration paid (including directly attributable transaction costs) and are subsequently carried at cost less accumulated impairment losses, if any.

Where there is an indication that the investment may be impaired, the recoverable amount is determined in accordance with Ind AS 36 - Impairment of Assets, and any excess of the carrying amount over the recoverable amount is recognised as an impairment loss in the Statement of Profit and Loss. Impairment losses recognised previously are reversed only to the extent that the recoverable amount has increased and the resulting carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised.

Q Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendment to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified Ind AS - 117 Insurance contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 01, 2025. The Company has reviewed the new pronouncements based on its evaluation has determined that it does not have any significant impact in its financial statements.

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4 Property, plant and equipment

Particulars	Freehold land	Plant & Machinery	Buildings	Furniture and fixtures	Vehicles	Computers	Office Equipments	Total
Gross carrying value (At cost)								
As at April 1 ,2024								
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2025								
As at April 01, 2025	-	-	-	-	-	-	-	-
Acquisitions through Business Combination	406.30	96.77	71.55	7.78	19.46	3.45	1.29	**606.60**
Capital-Work-in Progess Reclassified to PPE		3.27	86.10					**89.36**
Additions	199.52	128.79	26.79	2.82	0.08	2.51	-	**360.51**
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2026	**605.82**	**225.56**	**98.33**	**10.60**	**19.54**	**5.96**	**1.29**	**1,056.47**
Accumulated Depreciation :								
As at April 1 ,2024								
Charge for the year								
Eliminated on disposals								
As at March 31, 2025								
As at April 01, 2025	-	-	-	-	-	-	-	-
Depreciation on assets acquired through Business Combination	-	5.14	0.88	0.20	0.90	0.45	0.07	**7.64**
Depreciation on own acquisitions through capex	-	1.03	0.02	0.10	0.00	0.28	-	**1.43**
Eliminated on disposals	-	-	-	-	-	-	-	-
As at March 31, 2026	-	**6.17**	**0.90**	**0.30**	**0.90**	**0.73**	**0.07**	**9.07**
Net carrying value								
As at March 31, 2026	**605.82**	**219.39**	**97.44**	**10.30**	**18.64**	**5.23**	**1.22**	**1,047.40**
As at March 31, 2025	-	-	-	-	-	-		-

Notes :

1) Additions to PPE during the year include ₹ 695.95 million acquired pursuant to a Business Transfer Agreement dated 23 October 2025 with Transcon Industries, accounted for as a business combination under Ind AS 103 and recognised at acquisition-date fair values. The balance of ₹ 195.68 million represents own acquisitions through capital expenditure. Refer Note 5 for further details.
2) Vehicles included in PPE having a carrying amount of ₹ 18.64 millions are hypothecated as security against vehicle loans availed from banks and financial institutions. Refer Note 12(a) for vehicle-wise reconciliation of carrying amount with corresponding loan outstanding
2) Out of the assets acquired through BTA, th title of the assets is yet to be transferred in the name of the company, however, based on substance over form, though the title deeds are not transferrred legally, they are used by the company only. A detailed note of assets those are not in the company is given below

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company (**also indicate if in dispute)
Property, plant and equipment	Buildings	71.55	Transcon Industries	No		Pursuant to the Business Transfer Agreement, certain assets have been acquired by the Company on a going concern basis. The transfer of registrations and titles in respect of such assets to the Company's name is currently in progress.
Property, plant and equipment	Vehicles	19.46	Transcon Industries	No		

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4.1 Capital work in progress (CWIP)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening CWIP	**6.47**	**-**
Acquisitions through Business Combination	89.36	0.00
Less: Reclassfication to PPE	89.36	0.00
Net CWIP through Business Combination	**0.00**	**0.00**
Capital Work in Progress*	585.76	6.47
	592.23	**6.47**

Ageing for the year ended March 31, 2026

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	592.23	-	-	-	-
Total	**592.23**	**-**	**-**	**-**	**-**

Ageing for the year ended March 31, 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	6.47	-	-	-	-
Total	**6.47**	**-**	**-**	**-**	**-**

*In accordance with Ind AS 23, borrowing costs directly attributable to qualifying assets aggregating ₹19.81 million have been capitalised during the year ended March 31, 2026. This includes ₹8.43 million of interest on intra-group borrowings from the Holding Company, Transcon Industries Limited, which has been eliminated on consolidation in line with Ind AS 110. The net borrowing cost capitalised in the consolidated financial statements is ₹11.38 million, attributable to external borrowings.

4.2 Other Intangible assets

Particulars	Computer Software	Order Book	Total
Gross carrying value (At cost)			
As at April 01, 2025	**-**	-	**-**
Acquisitions through Business Combination	0.77	89.76	**90.54**
Additions	0.24	-	**0.24**
Disposals	(0.40)		**(0.40)**
As at March 31, 2026	**0.62**	**89.76**	**90.38**
Accumulated Depreciation :			
As at April 01, 2025	**-**		-
Acquisitions through Business Combination	0.07	22	**22.50**
Charge for the year	0.02		**0.02**
Eliminated on disposals	-		**-**
As at March 31, 2026	**0.10**	**22.43**	**22.52**
Net carrying value			
As at March 31, 2026	**0.52**	**67.34**	**67.86**

Notes:

1) Pursuant to the acquisition of Transcon Industries during the year, the order book of the acquiree has been recognised as a separately identifiable intangible asset at its acquisition-date fair value of ₹89.76 million as part of the purchase price allocation in accordance with Ind AS 103 Business Combinations. The asset is subsequently amortised over its estimated useful life in the consolidated financial statements, in line with Ind AS 38 Intangible Assets.

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5 Business Combinations

5.1 Description of the acquisition

On 25 December 2025 ('the Acquisition Date'), Transcon Ind Limited ('the Company') acquired the business, undertaking, assets and liabilities of Transcon Industries ('the Acquired Business'), a partnership firm engaged in the manufacture of Transformers, as a going concern by way of a Business Transfer Agreement ('BTA') dated 23 October 2025 executed between the Company and the partners of Transcon Industries.

The acquisition was structured as a slump sale within the meaning of Section 2(42C) of the Income Tax Act, 1961, under which the entire business undertaking of Transcon Industries, comprising all assets, liabilities, contracts, intellectual property, employees, customer relationships, licenses and permits, was transferred to the Company for a lump sum consideration, without values being assigned to individual assets and liabilities for the purposes of the transfer. The transaction was completed on the Acquisition Date following fulfilment of all conditions precedent under the BTA, including receipt of all requisite regulatory, statutory and third-party approvals, execution of novation agreements in respect of material customer and vendor contracts, and transfer of applicable industrial and environmental licenses and permits in favour of the Company.

Since the acquired business undertaking of Transcon Industries constitutes a business within the meaning of Ind AS 103 — Business Combinations, comprising an integrated set of activities, assets and processes capable of being conducted and managed for the purpose of providing goods to customers, the transaction under the BTA is treated as a business combination and not merely as an asset acquisition. Accordingly, the acquisition method has been applied in full, and the excess of the consideration paid over the fair value of net identifiable assets acquired and liabilities assumed as at the Acquisition Date is recognised as goodwill in the financial statements of the Company. Goodwill so recognised represents future economic benefits arising from assets that are not capable of being individually identified and separately recognised, including the assembled workforce, anticipated synergies and Transcon Industries established market position.

Stamp duty, registration charges and other directly attributable costs incurred in connection with the transfer of immovable properties and other registrable assets forming part of the acquired business undertaking have been capitalised as part of the cost of the respective assets in accordance with Ind AS 16 and Ind AS 38, as applicable, and do not form part of the consideration transferred for the purposes of the goodwill computation under Ind AS 103.

5.2 Consideration transferred

Component	Amount (in millions)
Cash consideration paid	2,207.69
Total consideration transferred	**2,207.69**

5.3 Identifiable assets acquired and liabilities assumed at fair value (acquisition date)

Particulars	Fair Value (in millions)
ASSETS	
Property, plant and equipment	**696.73**
Intangible Assests	**89.76**
Investment in Subsidiary	**147.61**
Deposits	**206.81**
Advance for expenses	**87.16**
Inventories	**682.09**
Trade receivables	**1,068.93**
Other current assets	**37.87**
Exclusions from assets	(6.57)
Total assets (A)	**3,010.39**
LIABILITIES	
Borrowings (assumed)	**14.93**
Trade payables	**340.50**
Advances Received from Customer	**51.94**
Provisions (employee benefits, warranty)	**33.80**
Other current liabilities	**101.28**
Unsecured Loans	**31.31**
ECL Provision Liability	**64.25**
Provision for Obselete and Slow moving inventory	**70.00**
Loan from Canara Bank	**110.90**
Total liabilities (B)	818.90
Net identifiable assets acquired (A - B)	**2,191.49**

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5 **5.4 Goodwill arising on acquisition**

Particulars	(in millions)
Total consideration transferred (refer 5.2)	2,207.69
Add: Non-controlling interests (Nil - 100% acquisition)	-
Add: Fair value of previously held equity interest (Nil)	-
Less: Fair value of net identifiable assets acquired (refer 5.3)	(2,191.49)
Add: Acquisition through Business Combination	11.67
Goodwill arising on acquisition	**27.87**

A reconciliation of the gross and net carrying amount of goodwill at the beginning and end of the reporting

Particulars	March 31, 2026	March 31, 2025
GROSS GOODWILL		
Opening Balance	-	-
Add: Business Acquisition of Transcon Industries	16.20	-
Add: Acquisition through Business Combination	11.67	-
Less: Disposal	-	-
Less: Foreign Exchange Loss	-	-
Closing Gross Goodwill	27.87	-
ACCUMULATED IMPAIRMENT LOSS		
Opening Balance	-	-
Add: Impairment Loss	-	-
Less: Reversal of Prior Year Impairment	-	-
Less: Impairment Related to Disposal	-	-
Closing Accumulated Impairment Loss	-	-
NET CARRYING AMOUNT OF GOODWILL		
Opening Balance (Gross Opening - Accumulated Impairment Opening)	-	-
Closing Balance (Gross Closing - Accumulated Impairment Closing)	27.87	-

The goodwill of INR 16.20 Million arising on the acquisition is attributable primarily to: (a) expected synergies from combining the operations of the Company with Transcon Industries; (b) the assembled workforce of Transcon Industries which does not meet the recognition criteria for an intangible asset under Ind AS 38; and (c) future growth opportunities in the precision components market. None of the goodwill recognised is expected to be deductible for income tax purposes. Goodwill has been allocated to the [Precision Components] cash-generating unit for the purpose of impairment testing.

5.5 Acquisition-related costs

Acquisition-related costs of INR 28 Lakhs (legal, due diligence, valuation fees) have been expensed as incurred and are included within 'Legal and professional fees' in 'Other expenses' (refer Note 18). Costs related to the issue of debt or equity instruments, if any, would be accounted for in accordance with Ind AS 32 and Ind AS 109.

5.6 Revenue and profit contribution from

Particulars	Actual (from acquisition date to 31-Mar-26)	Pro-forma (if acquired on 1-Apr-25)
Revenue from operations	907.56	4,196.38
Profit / (loss) for the period	164.51	668.47

The pro-forma information has been determined as if Transcon Industries had been acquired on 1 April 2025, with fair value adjustments (depreciation on PPE uplift, amortisation on identified intangibles, elimination of acquisition-related costs) applied as if they had occurred on that date. The pro-forma information is not necessarily indicative of the results that would have been achieved had the acquisition actually taken place on 1 April 2025, nor is it indicative of future results.

5.7 Cash flow effect of the acquisition

Particulars	INR Lakhs	
Cash consideration paid	2,207.69	
Less: Cash and cash equivalents acquired	(0.14)	
Net cash outflow on acquisition (within investing activities)	**2,207.55**	

5.8 Measurement period and provisional accounting

The initial accounting for the business combination has been completed within the measurement period of 12 months from the acquisition date as permitted by Ind AS 103. The fair values assigned to identifiable assets acquired and liabilities assumed (including the valuation of intangible assets) were determined based on a purchase price allocation exercise carried out by an independent registered valuer. No measurement period adjustments have been required.

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6 Financial assets

6.1 Other financial assets (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposits	5.25	-
Earnest money deposit	6.87	
Other Deposits	7.50	
Total	**19.61**	-

6.2 Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Loans to Related Parties	-	-
Loans to Subsidiary Companies	-	-
Total	-	-

7 Other non current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Advances	25.27	-
Balance with government authorities	-	-
Total	**25.27**	-

8 Inventories (at lower of cost or net realisable value)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw material (Refer note (i) below)	554.56	-
Stores and spares	9.92	-
Work in Progress	58.61	-
Finished goods (Refer note (i) below)	248.52	-
Provision for obselete inventory	(70.00)	
Total	**801.61**	-

(i) Includes stock-in-transit ₹ 88.96 (March 31, 2025: ₹ 0)
(ii) As at 31 March 2026, the Parent company held inventories acquired pursuant to a Business Transfer Agreement (BTA), which are measured at the lower of cost and net realisable value in accordance with the applicable accounting policy. Based on the assessment of inventory ageing and expected recoverability, a provision amounting to ₹70.00 million has been recognised towards slow-moving and obsolete inventories and is presented under non-current provisions (refer Note 13).

9 Financial Assets

9.1 Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured - considered good	971.43	-
Less : Allowances for expected credit loss	(71.28)	-
Trade receivable considered good - Unsecured	**900.16**	-
Trade receivable - credit impaired - Unsecured	-	-
Less - allowance for credit impairment	-	-
Trade receivable credit impaired - Unsecured	-	-
Total	**900.16**	-

* includes dues from related parties (Refer note 34)
a) There are no debts due from directors nor any debts due from firms or companies in which any director is a partner, a director or a
b) **Transferred receivables**
The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred certain receivables to the factor in exchange for cash. However, the Company has retained late payment and credit risk. Therefore, the Company continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as borrowing. The Company considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.

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Ageing for the year ended March 31, 2026

Particulars	Outstanding for following periods from transaction date						Total
	Unbilled	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed trade receivables Considered Good	-	899.22	110.16	16.31	32.54	1.44	1,059.67
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**-**	**899.22**	**110.16**	**16.31**	**32.54**	**1.44**	**1,059.67**
Allowance for expected credit loss							**(71.28)**
Total trade receivables							**988.39**

Movement in allowance for expected credit loss

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	-	-
Acquired Through Business Combination	64.25	
Add: allowance for expected credit loss (refer note 29)	7.03	-
Less : amounts written off	-	-
Balance at the end of the year	**71.28**	**-**

9.2 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	-	-
Balances with banks	-	
In current accounts	81.50	-
Bank deposits with original maturity of less than 3 months	-	
Total	**81.50**	**-**

9.3 Other balances with banks

Particulars	As at March 31, 2026	As at March 31, 2025
In earmarked accounts		
Bank deposits with original maturity of more than 3 months and less than 12 months	72.83	-
Bank deposits with more than 12 months maturity	191.88	-
Total	**264.72**	**-**

*Margin money are towards margin money given for letter of credit and bank guarantees.

9.4 Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Loans to employees	5.73	-
Total	**5.73**	**-**

Ageing of Loans Receivable from Employees as at March 31, 2026

Particulars	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	
(a) Loans Receivables considered good - Secured	-	-	-	-	-	-
(b) Loans Receivables considered good - Unsecured	-	-	5.73	-	-	5.73
(c) Loans Receivables which have significant increase	-	-	-	-	-	-
(d) Loans Receivables - credit impaired	-	-	-		-	-
Total	**-**	**-**	**5.73**	**-**	**-**	**5.73**

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9.5 Other financial assets (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest Accrued on Loans to Subsidiary	-	
Interest accrued on bank deposits	0.49	-
Interest bearing advance to Suppliers to be adjusted in future billing	10.20	
Total	**10.69**	**-**

10 Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Prepayments	3.18	-
Balance with government authorities	59.55	-
Advances to suppliers and service providers	196.41	
Capital Advances	168.74	
Contract assets	14.40	
Total	**442.29**	**-**

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TRANSCON IND LIMITED ★ HYD

Transcon Ind Limited
Corporate Identification Number (CIN) : U27100TS2025PLC203122
Notes to Consolidated Financial Statements for the period ended March 31, 2026
(All amounts in ₹ million except for shares data or as otherwise stated)

11 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
a) Authorized share capital		
Equity shares		
2,50,000 (March 31, 2025: Nil) equity Shares of ₹ 10 each	2.50	-
Issued, subscribed and paid-up capital		
Equity shares		
1,52,009 (March 31, 2025: Nil) equity Shares of ₹ 10 each	1.52	-
Total		
Total share capital	**1.52**	**-**

b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of shares	Amount	No of shares	Amount
Balance at beginning of the year	-	-	-	-
Issued during the year*	1,52,009	1.52	-	-
Number of shares outstanding at the end of the year	**1,52,009**	**1.52**	**-**	**-**

c) Equity shares of the Company held by Promoters:

Name of the Promoter*	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of total shares	No. of shares	% of total shares
Premier Energies Limited	52,009	34.21%	-	0.00%
Venkata Nagaraju Bandaru	49,800	32.76%	-	0.00%
Amarpal Gampa	44,900	29.54%	-	0.00%
Rudrangi Kavita	4,900	3.22%	-	0.00%
Prashanth Kumar Rudrangi	100	0.07%	-	0.00%
Gampa Lakshmi Lalitha	100	0.07%	-	0.00%
Nitya Bandaru	100	0.07%	-	0.00%
Keerthi Bandaru	100	0.07%	-	0.00%
Total	**1,52,009**	**100.00%**	**-**	**0.00%**

*Promoter means promoter defined as under the Companies Act, 2013 as amended.

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d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per

e) Details of equity shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	%	No. of shares	%
Premier Energies Limited	52,009	34.21%	-	0.00%
Venkata Nagaraju Bandaru	49,800	32.76%	-	0.00%
Amarpal Gampa	44,900	29.54%	-	0.00%
Total	**1,46,709**	**96.51%**	**-**	**0.00%**

There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

11.1 Other equity

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Retained earnings	(i)	140.12	-
Securities premium	(ii)	2,499.50	-
Other items of other comprehensive income	(iv)	-	-
Items of other comprehensive income	(iii)	0.85	-
Total other equity		**2,640.46**	**-**

(i) Retained earnings

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	-
Profit/(loss) for the year	140.12	-
Closing balance	**140.12**	**-**

(ii) Securities Premium

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	-
Premium on issues of equity shares	2,499.50	-
Closing balance	**2,499.50**	**-**

(iii) Items of other comprehensive income

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	-
Gain on remeasurement of defined benefit plan	0.85	-
Closing balance	**0.85**	**-**

Nature and purpose of other equity

(a) Retained earnings:

Retained earnings are the profits that the Company has earned till the current year end, less dividend paid to shareholders. Retained earnings is a free reserves available to the Company.

(b) Securities premium

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The utilisation of securities premium is governed by the Section 52 of the Companies Act, 2013.

(c) Other comprehensive income:

Other comprehensive income comprises actuarial gains and losses on defined benefit obligation.

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Financial liabilities

12 Borrowings (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Measured at amortised cost		
Term loans:		
Term loans from Banks	14.49	-
Less: amount disclosed under the head "current borrowings"	(5.54)	
Loan from Directors and Relatives	311.10	
Total	**320.05**	**-**

(a) Loans from Banks & Public Financial Institution

Charge details	Project No.	As at March 31, 2026	As at March 31, 2025	Effective interest rate p.a.	Instalments
(i) Loan from NBFC - Mercedes-Benz Financial Services India Pvt. Ltd (MBFSI) Charge by way of hypothecation is created on the vehicle for the borrowings taken by the Company. (refer Note-04)	NA	3.99	-	9.25%	10 monthly instalments
(i) Loan from NBFC - MBFSI Charge by way of hypothecation is created on the vehicle for the borrowings taken by the Company. (refer Note-04)	NA	4.54	-	9.67%	43 monthly instalments
(i) Loan from Banks - Canara Bank Charge by way of hypothecation is created on the vehicle for the borrowings taken by the Company. (refer Note-04)	NA	0.43	-	9.05%	25 monthly instalments
		8.96	**-**		

Provisions

13 Provisions (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Provision for gratuity	10.43	-
Provision for warranty	22.24	-
Total	**32.67**	**-**

Provision for warranty

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	-	-
Acquired through Business Combination	30.58	
Provision written back	-	-
		-
Balance at the end of the year	**30.58**	**-**

Provision for warranty represents the expected outflow of resources against claims of performance shortfall expected in future over the life of the guarantee assured.

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14 Borrowings (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Current maturities of non-current borrowings	5.54	
Unsecured, at amortised cost		
Loans from banks	(0.00)	-
Loans from financial institutions (refer note (i) below)	77.14	-
Loans from related parties (refer note 34)		-
Loan from Directors	427.86	
Total	**510.54**	**-**

Notes:
(i) Refer 12(a) relating to Current maturities of non-current borrowings
(ii) The loans from directors are unsecured, carry interest at the rate of 12% per annum, and are repayable on demand. Accordingly, the same have been classified as current borrowings. There has been no continuing default in the repayment of principal or interest as at the reporting date. Subsequent to the year end, on 08 April 2026, the said loans aggregating to 427.86 million (together with accrued interest thereon) have been repaid in full.

15 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	166.93	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	311.96	-
Total	**478.89**	**-**

Trade Payables ageing schedule for the year ended March 31 ,2026

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) Micro and small enterprises	-	166.93	-	-	-	166.93
ii) Others	-	311.96	-	-	-	311.96
iii) Disputed dues - Micro and small	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	**-**	**478.89**	**-**	**-**	**-**	**478.89**

Trade Payables ageing schedule for the year ended March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) Micro and small enterprises	-	-	-	-	-	-
ii) Others	-	-	-	-	-	-
iii) Disputed dues - Micro and small enterprises	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

Notes:
i) Refer note 34 for related party disclosures
ii) Refer note 37 for information regarding Micro enterprises and Small Enterprises

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16 Other Financial Liabilities- Current

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued	12.33	-
Capital Creditors	25.61	-
Salaries and incentives payable	12.57	-
Other payables	1.42	-
Total	**51.93**	**-**

17 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers	48.99	-
Other Payables	112.22	
Statutory dues	9.49	-
Total	**170.70**	**-**

18 Provisions (Current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Expenses	6.45	-
Provision for Gratuity	0.97	-
Others	16.11	-
Total	**23.53**	**-**

19 Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax liabilities (net)	29.91	-
Total	**29.91**	**-**

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20 Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Income from sale of manufactured goods		
Sale of Transformers	898.05	-
	898.05	**-**
(b) Income from sale of traded goods		
Sale of Insulating Kraft Paper	1.84	-
Sale of other accessories	1.08	-
	2.92	**-**
(c) Income from sale of service		
Job work services	5.23	-
	5.23	**-**
(d) Other operating revenue		
Export incentives / duty drawback	1.12	-
Business Support Services	0.21	
Miscellaneous income	0.03	-
	1.37	**-**
Total	**907.56**	**-**

i) Disaggregation of revenue

The Company derives its revenue from sale of manufactured goods, sale of traded goods and other services. The revenue disclosure as above, represents the disaggregation of revenue.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Within India	752.00	-
Outside India	155.56	-
Total	**907.56**	**-**

ii) Timing of revenue recognition

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Goods/ Services transferred at a point in time	907.56	-
Goods/ Services transferred over a period of time	-	-
Total revenue from contract with customers	**907.56**	**-**

iii) The following table provides information about contract asset and contract liabilities from contract with customers:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
i) **Contract Assets and liabilities as at beginning of the year**		
Opening Unbilled revenue		-
Opening Unearned revenue		-
Opening Advances from customers	-	-
Opening Trade receivables	-	-
ii **Revenue recognized during the period from contract**	907.56	-
ii **Contract Assets and liabilities as at end of the year**		
Closing Unbilled revenue	14.40	
Closing Unearned revenue	88.24	
Closing Advances from customers	48.99	-
Closing Trade receivables	900.16	-

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iv **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contract	907.56	-
Adjustments	-	-
Revenue from contract with customers	**907.56**	**-**

21 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on bank deposits	3.88	-
Interest income on Advances	0.20	
Foreign exchange gain (net)	5.22	
Provision write back	1.02	
Miscellaneous income	-	-
Total	**10.33**	**-**

22 Cost of material consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw material at the beginning of the year	-	-
Add: Acquired through Business combination	415.95	
Add: Purchases during the year	699.72	-
Less : Raw material at the end of the year	(554.56)	-
Total	**561.11**	**-**

23 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Finished goods		
At the beginning of the year	-	-
Add: Acquired through Business combination	236.57	
At the end of the year	195.58	-
	40.99	**-**
Work-in-progress		
At the beginning of the year	-	-
Add: Acquired through Business combination	29.57	
At the end of the year	58.61	-
	(29.04)	**-**
Total	**11.95**	**-**

24 Employee benefit expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	20.59	-
Contribution to provident and other funds	1.51	-
Gratuity expense	1.74	
Staff welfare expenses	1.14	-
Work men compensation		
Total	24.97	-

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25 Finance Costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on:		
Term loans	9.01	-
Unsecured Loans	2.29	
Bank charges	3.39	-
Forex (Gain)/Loss	-	
Forex (Gain)/Loss	-	
Other Borrowing Cost	3.91	
Total	**18.60**	**-**

*Interest cost excludes Rs.17,616.21(June 23 : Nil) interest capitalised.
Finance costs excludes ₹ 23,765.55 (March 31 ,2023 :Nil) towards cost of qualifying asset.
* Unsecured loans interest from subsidiary company on loan from directora

26 Depreciation and amortization expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (Refer note 4)	9.09	-
Amortisation of Intangible Assets (Refer note 4.1)	22.50	
Total	**31.59**	**-**

27 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Power and fuel	5.84	-
Manpower expenses	15.59	-
Rent	1.31	-
Carriage outwards	14.93	-
Inaugration Expenses	0.24	
Rates and taxes	2.65	-
Liquidated Damages	3.26	
Insurance	0.61	-
Travelling and conveyance	0.62	
Transformer testing charges	4.00	
Office Maintenance	0.37	
Software expenses	0.43	
Repairs and maintenance	2.20	-
Allowance for expected credit loss	7.03	
Business Promotion Expense	8.09	
Payment to auditor (refer note below)		
Audit fee	1.05	-
Legal and professional expenses	11.88	-
Annual maintenance charges	-	-
Advertisement expenses	1.15	-
Miscellaneous expenses	10.44	-
Total	**91.70**	**-**

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Note: Payment to auditors

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Statutory Audit	1.05	-
Reimbursement of expenses	-	-
Total	**1.05**	**-**

28 Income tax

(a) Amount recognised in statement of consolidated profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax	61.42	-
Deferred tax charge/(credit)	(16.84)	-
Total	**44.58**	**-**

(b) Amount recognised in other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Tax on remeasurement of defined benefit plans	(0.29)	-

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Accounting profit / (loss) before income tax (A)	175.12	-
Applicable tax rate (B)	25.168%	25.17%
Computed tax expense at statutory rate (C = A*B)	**44.08**	**-**
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Expenses disallowed under Income-tax Act, 1961	2.48	-
Income exempt under Income tax act	-	-
Income taxed under a different rate		-
Impact of deferred tax of earlier years	-	-
Effect of brought forward losses and unabsorbed depreciation	-	-
Others	(1.98)	-
Income tax expense reported in the statement of profit and loss (D)	**44.58**	**-**
Effective tax rate (E=D/A)	**25.46%**	**0.00%**

(d) Deferred tax assets (net)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred tax asset		
Property plant and equipment	2.60	
Expenses allowable on payment basis	0.85	-
Unused tax losses and unabsorbed depreciation	-	-
Other items giving raise to temporary differences	13.39	-
Deferred tax asset (i)	**16.84**	**-**
Deferred tax liabilities		
Other items giving raise to temporary differences	0.28	-
Investment measured at fair value through profit or loss	-	-
Deferred tax liabilities (ii)	**0.28**	**-**
Net deferred tax liability/ (asset) (ii-i)	(16.56)	-

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(e) Movement in deferred tax (assets)/ liabilities for the year ended March 31, 2026

Particulars	Opening balance as at April 1, 2024	(Credit)/ charge in the statement of profit and loss	(Credit)/ charge in other comprehensive income	Closing Balance
Expenses allowable on payment basis	-	1.14	(0.29)	0.85
Unused tax losses and unabsorbed depreciation	-	-	-	-
Property plant and equipment	-	-	-	2.60
Investments measured at fair value through profit	-	-	-	-
Other items giving raise to temporary differences	-	13.39	-	13.39
Total deferred tax liabilities	**-**	**14.53**	**(0.29)**	**16.84**

Movement in deferred tax (assets)/ liabilities for the year ended March 31, 2025

Particulars	As at April 1, 2023	(Credit)/ charge in the statement of profit and loss	(Credit)/ charge in other comprehensive income	Closing Balance
Expenses allowable on payment basis	-	-	-	-
Unused tax losses and unabsorbed depreciation	-	-	-	-
Property plant and equipment	-	-	-	-
Other items giving raise to temporary differences	-	-	-	-
Total deferred tax liabilities	**-**	**-**	**-**	**-**

29 Other comprehensive loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Items that will not be reclassified to profit or loss		
(a) Remeasurement of defined benefit plans	1.13	
(b) Income tax relating to items that will not be reclassified to profit or loss	(0.29)	
Total other comprehensive loss	**0.85**	**-**

30 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to shareholders by the weighted average number of shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to shareholders by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on conversion of all the dilutive potential shares into share capital.

The following table sets forth the computation of basic and diluted earnings per share:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit after tax	130.55	-
Weighted average number of equity shares for calculation of basic	75,334	-
Weighted average number of equity shares considered for calcuation of diluted earnings per share	94,76,908	51,11,756
Basic earnings per share	**1,732.97**	**-**
Face value of each equity share (₹)	10.00	10.00
Weighted average number of equity shares for calculation of dilut	75,334	-
Diluted earnings per share	**1,732.97**	**-**

Reconciliation of shares used in computing earnings per share

Particulars		
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share	75,333.92	-
Weighted average number of equity shares of Rs 10 each used for calculation of diluted earnings per share	75,333.92	

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31 Defined benefit obligations

(a) Diclsosures related to direct contribution plan

Providend fund:

All employees of the Group receive benefits under the Provident Fund which is a defined benefit plan wherein the Group provides the guarantee of a specified return on contribution. The contribution is made both by the employee and the Group equal to 12% of the employees' salary.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contribution to provident fund and other funds	1.17	0.07

(b) Disclosures related to defined benefit plan

In respect of Gratuity, a defined benefit plan, the plan is funded with Life Insurance Corporation in the form of a qualifying insurance policy governed by the payment of Gratuity Act, 1972. Under the Gratuity Act, Every employee who has completed five years or more of service is entitled to gratuity on departure at 15 days last drawn salary for each completed year of service or part thereof in excess of six months. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the group reviews the level of funding in gratuity fund and decides its contribution.

This defined benefit plan exposes the group to actuarial risk, such as investment risk, interest rate risk, longevity risk and salary risk.

i) Investment Risk - The present value of the defined benefit plan liability denominated in Indian Rupee is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bonds.
ii) Interest Risk - A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan Assets.
iii) Longevity risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
iv) Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following tables summarise net benefit expenses recognised in the Statement of Profit and Loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

(i) Details of the employee benefit obligations and plan assets are as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation	12.15	10.38
Less: Fair value of plan assets	-	-
Net defined benefit liability	**12.15**	**10.38**

Split of current and non-current portion is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Current portion	0.96	0.92
Non-current portion	11.18	9.46
Liability recognised in the balance sheet	**12.15**	**10.38**

(ii) Change in defined benefit obligation

Particulars	As at March 31, 2026	As at March 31, 2025
Defined benefit obligations at beginning of the year	10.38	10.25
Current service cost	0.44	0.15
Past service cost	-	-
Interest cost	0.19	0.06
Expected return on planned assets	-	-
Benefits paid by the Group	-	-
Actuarial (gain)/ loss recognised in other comprehensive income	1.13	(0.08)
Defined benefit obligations at the end of the year	**12.15**	**10.38**

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(iii) Expense recognised in the statement of profit or loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cost for the year		
Current service cost	0.44	0.15
Past service cost	-	-
Interest cost	0.19	0.06
Benefits paid	-	-
Expected return on plan assets	-	-
Expense recognised in the statement of profit and loss	**0.63**	**0.21**

(c) Remeasurements recognised in other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total remeasurements in OCI	1.13	(0.08)
Total defined benefit cost included in statement of profit and loss and OCI	**1.76**	**0.13**

(d) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at March 31, 2026	As at March 31, 2025
Under base scenario	10.25	10.67
Salary escalation - Up by 1%	11.28	11.76
Salary escalation - Down by 1%	9.29	9.66
Withdrawal rates - Up by 1%	10.10	10.47
Withdrawal rates - Down by 1%	10.42	10.89
Discount rates - Up by 1%	9.23	9.57
Discount rates - Down by 1%	11.47	11.99
Mortality rates - Up by 10%	10.25	10.66
Mortality rates - Down by 10%	10.25	10.67

(e) Maturity profile of defined benefit obligation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Year 1	0.98	0.94
Year 2	0.60	0.42
Year 3	0.47	0.63
Year 4	0.54	0.49
Year 5	1.63	1.64
Year 6	0.47	0.48
Year 7	0.51	0.49
Year 8	0.50	0.52
Year 9	0.79	1.13
Year 10	0.82	0.81
Year 11+	24.33	23.84

The weighted average duration of the defined benefit obligation is 12 years

(f) Assumptions

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate per annum	7.78%	7.36%
Salary escalation	10.00%	10.00%
Disability rate	0.00%	0.00%
Mortality rate	100.00%	100.00%
Withdrawal rate	5.00%	5.00%
Normal retirement age	58 Years	58 Years
Average future service	24.29	24.92

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

The overall expected rate of return on assets is determined based on the actual rate of return during the current year

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32 Financial instruments - risk management

The Company has exposure to the following risks arising from financial instruments: credit risk ; liquidity risk ; market risk

Financial risk management framework

The Company is exposed primarily to Credit risk, liquidity risk and market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

(a) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of other financial assets.

Trade receivables:

The customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits as defined in accordance with this assessment and outstanding customer receivables are regularly monitored. The Company's receivables turnover is quick and historically, there was no significant defaults on account of those customer in the past. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Company assesses at each date of statements of financial position whether a financial asset or a Company of financial assets is impaired. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

Other financial assets

The Company considers that its other financial assets have low credit risk based on its nature.

(b) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

'Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Total	0-12 months	1-2 years	3-5 years	More than 5 years
As at March 31, 2026					
Borrowings	519.44	504.95	7.29	7.20	-
Trade and other payables	454.77	454.77	-	-	-
Other financial liabilities	34.72	34.72	-	-	-
Total	**1,008.93**	**994.44**	**7.29**	**7.20**	**-**

Particulars	Total	0-12 months	1-2 years	3-5 years	More than 5 years
As at March 31, 2025					
Borrowings	-	-	-	-	-
Trade and other payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other market changes, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

i) *Currency risk*

The Company's functional currency is Indian rupees (₹). The Company undertakes has purchased some plant and machinery in foreign currency. Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in the Company's overall debt position in rupee terms without the Company having incurred additional debt and favorable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency.

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(i) *Interest rate risk*

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However, the Company does not have obtained any debt obligations with floating interest rates.

Particulars	As at March 31, 2026	As at March 31, 2025
Variable-rate instruments:		
Financial liabilities		
Fixed rate borrowings	-	-
Floating rate borrowings	-	-
Total Borrowings	-	-

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) profit / loss by the amounts as under.

Particulars	Profit or loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
Floating rate borrowings as at March 31 , 2026	-	-	-	-
Floating rate borrowings as at March 31 , 2025	-	-	-	-

(ii) **Foreign currency exchange rate risk**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Company. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on derivative instruments is as follows:

a) Forward contract (Derivatives):

Forward contract outstanding as at Balance Sheet date:

March 31, 2026 Buy US $ Nil

March 31, 2025 Buy US $ Nil

b) Details of Unhedged Foreign Currency Exposure:

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

For the year ended March 31, 2026

Particulars	Currency	Amount in foreign currency	Amount (₹)	Conversion rate
Trade Receivables	USD	10,05,425.00	95.17	94.65
Trade payables	USD	49,380.00	4.67	94.65

For the year ended March 31, 2025

Particulars	Currency	Amount in foreign currency	Amount (₹)	Conversion rate
Trade Receivables	USD	-	-	-
Trade payables	USD	-	-	-

c) Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables. in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars		Profit or (loss)		Equity, net of tax	
		Strengthening	Weakening	Strengthening	Weakening
March 31, 2026	USD (5% movement	(4.52)	4.52	(3.39)	3.39
March 31, 2025	USD (5% movement	-	-	-	-

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33 Financial Instruments - Fair value measurement

a The carrying value and fair value of financial instruments by categories are as below:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying value	Fair value*	Carrying value	Fair value*
Financial assets				
Measured at amortized cost				
Trade receivables	900.16	900.16	-	-
Cash and cash equivalents	81.50	81.50	-	-
Bank balances other than above	264.72	264.72	-	-
Loans	5.73	5.73	-	-
Other financial assets	30.31	30.31	-	-
Total assets	**1,282.40**	**1,282.40**	**-**	**-**
Financial liabilities				
Measured at amortized cost				
Borrowings	830.59	830.59	-	-
Trade payables	478.89	478.89	-	-
Other financial liabilities	51.93	51.93	-	-
Total liabilities	**1,361.41**	**1,361.41**	**-**	**-**

* The fair value of cash and cash equivalents, borrowings, trade payables, other financial assets and liabilities approximate their carrying amounts and hence the same has not been disclosed in the table above.

b Measurement of fair values

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:
a) recognized and measured at fair value
b) measured at amortized cost and for which fair values are disclosed in the financial statements.
To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.
Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Transfers between Level 1, Level 2 and Level 3
There were no transfers between Level 1, Level 2 or Level 3 during the period ended March 31, 2026

Determination of fair values
Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) The fair value of mutual funds are based on price quotations at reporting date.
ii) The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.
iii) The fair values of borrowings at fixed rates are considered to be equivalent to present value of the future contracted cashflows discounted at the current market rate.

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34 Related Party transactions

A List of related parties

S.No	Name	Type	Place of incorporation
1	Neotrafo Solutions India Private	Subsidiary	India
2	Axonify Tech Systems Private	Director in common	India
3	Hi-Power Electrical Industries	Relative of director	India
4	Kanyaka Parameshwari	Relative of director	India
5	Pran Electrics LLP	Director in common	India
6	Premier energies global	Group Entity	India
7	Transcon Transformer Testing	Director in common	India
8	Refroid Technologies Private		India
9	TransGuard Electrical Systems	Relative of director	India
10	Premier Energies Limited	Associate	India

B Key Management Personnel (KMP)

S.No	Name	Relationship
1	Amarpal Gampa	Chairman & Whole Time Director
2	Venkata Nagaraju Bandaru	Whole Time Director
3	Chiranjeev Singh Saluja	Non-Executive & Non-Independent Director
4	Uday Pilani Sudhir	Independent Director
5	Ragunathan Kannan	Independent Director
6	Revathi Rohini Buragadda	Non-Executive & Non-Independent Director
7	Surenderpal Singh Saluja	Non-Executive & Non-Independent Director
8	Surya Ramesh Babu Paila	Director of Subsidiary
9	Captain Krishna Vundrakonda	Director of Subsidiary

C Enterprises over which Key Management Personnel or their relatives exercise significant influence*

S.No	Name
1	Premier Energies Global Environment Private Limited

D Related party transactions

Description	Name of the Party	For the year ended March 31, 2026
Sale of goods	Axonify Tech Systems Private Limited	0.66
	Premier energies global environment private limited	19.90
	TransGuard Electrical Systems	0.09
Sale of services (Job Work)	Hi-Power Electrical Industries LLP	5.23
Sale of services (Cross Charge)	Transcon Transformer Testing Laboratory LLP	0.21
Purchase of goods	Pran Electrics LLP	16.19
	Kanyaka Parameshwari Engineering Pvt Ltd	39.79
	TransGuard Electrical Systems	10.52
	Hi-Power Electrical Industries LLP	19.62
Purchase of services (Rent)	Amar Pal Gampa	0.19
Purchase of services (Jobwork)	Pran Electrics LLP	2.01
Purchase of services (Jobwork)	Kanyaka Parameshwari Engineering Pvt Ltd	1.33
Purchase of services (Testing)	Transcon Transformer Testing Laboratory LLP	0.21
Loans taken	Chiranjeev Singh Saluja	220.00
	Amar Pal Gampa	134.00
	Venkata Nagaraju Bandaru	70.00
Interest expense on loan taken	Chiranjeev Singh Saluja	3.52
	Amar Pal Gampa	2.91
	Venkata Nagaraju Bandaru	2.12
Purchase of assets (Land)	Amar Pal Gampa	12.12
	Kavita Rudrangi	1.35
	Bandaru Subba Rao	13.47
Issue of Equity Share Capital	Premier Energies Limited (Issue of Equity Shares no - 52009 of face value 10 at 48,069)	2,500.02

All transactions with related parties are on arm's length basis. None of the balances are secured

35 Balances receivable from / payable to related parties :

Description	Name of the Party	For the year ended March 31, 2026
Trade Receivable	Axonify Tech Systems Private Limited	0.80
	Premier energies global environment private limited	5.58
	Refroid Technologies Private Limited	5.42
	Transcon Transformer Testing Laboratory LLP	10.03
Trade Payable	TransGuard Electrical Systems	1.47
	Hi-Power Electrical Industries LLP	98.92
	Pran Electrics LLP	7.89
	Kanyaka Parameshwari Engineering Pvt Ltd	28.79
	Amar Pal Gampa	0.12
Loans payable	Chiranjeev Singh Saluja	220.00
	Amar Pal Gampa	134.00
	Venkata Nagaraju Bandaru	70.00
Interest payable	Chiranjeev Singh Saluja	2.02
	Amar Pal Gampa	1.15
	Venkata Nagaraju Bandaru	0.64
ECL	Transcon Transformer Testing Laboratory LLP	10.03
	Refroid Technologies Private Limited	5.42
Other receivables	Neotrafo Solutions India Pvt Ltd	2.13

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Particulars	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	% Change	Explanation for variance more than 25%
Current ratio (in	Current assets	Current liabilities	1.98	-	NA	Since this is the first year for the company, there is no variance to be considered
Debt-Equity ratio (in	Total Debt	Shareholder's equity	0.31		NA	
Debt service	Earnings available for debt service	Debt service	201.43	-	NA	
Return on Equity	Net Profit after taxes	Equity	4.86%	-	NA	
Inventory turnover	Cost of goods sold	Average Inventory	1.03	-	NA	
Trade receivables	Revenue from operations	Average trade receivable	1.01	-	NA	
Trade payables	Adjusted expenses	Average trade payables	2.42	-	NA	
Net capital turnover	Revenue	Working capital	0.73	-	NA	
Net profit ratio	Net profit	Revenue from Operations	14.38%	-	NA	
Return on Capital Employed (ROCE) (in %)	Earnings before interest and taxes	Capital Employed	6.38%	-	NA	
Return on Investment (ROI)	Dividend and income generated from investments	Total Investment	2.02%	-	NA	

1) Long-Term borrowings + Short-Term borrowings + interest accrued
2) Net profit after tax + Non-operating cash exp like depreciation, amortisation and provisions + Interest
3) Interest payments + Principal repayments
4) Represents cost of material consumed + purchases of stock-in-trade + changes in inventories of finished goods and work-in-progress
5) Adjusted expenses includes purchase of stock in trade, purchases of raw material, contract execution expenses, employee benefit expenses (excluding contribution to provident and other funds, gratuity and compensated absences expense, share based payment expense) and other expenses (excluding provision for warranty, provision for doubtful debts, foreign exchange loss, bad debts/ assets written off, loss on sale of property, plant and equipment and provision for impairment of investment).
6) Average capital employed is the average of opening and closing values of total equity, total debt (including lease liabilities and accrued interest), deferred tax liabilities (net of deferred tax asset) less intangible assets.

36 As per the proviso to Rule 3(1) of the Companies (Accounts) Rules 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software and ensuring that the audit trail cannot be disabled. The Company uses accounting software systems for maintaining its books of account, which have the feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the software systems. Further no instance of audit trail feature being tampered with was noted in respect of the software

37 **Trade payables (Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006)**

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount due thereon remaining unpaid to any supplier as at the end of each accounting year	166.93	
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the supplier beyond the appointed day during each accounting year	0.02	
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	
Total	166.95	-

38 **Additional regulatory information required by Schedule III of Companies Act, 2013 Other statutory information:**

1. The Company does not have any Benami property where proceedings have been initiated or are pending against the Company for holding such property.
2. The Company does not have any transactions with companies struck off.
3. The Company does not have any charges or satisfaction pending for registration with the ROC beyond the statutory period.
4. The Company has not traded or invested in cryptocurrency or virtual currency during the financial year.

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5. The Company has not been declared a wilful defaulter by any bank, financial institution, government, or government authority.

6. The Company does not have any transactions not recorded in the books of account that were surrendered or disclosed as income during Income-tax assessments under the Income-tax Act, 1961.

7. The Company has complied with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017.

8.1. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries), or

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

8.2. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

9. No scheme of arrangement has been approved by the competent authority under Sections 230 to 237 of the Companies Act, 2013 during the period.

10. The loan has been utilised for the purpose for which it was obtained, and no short-term funds have been used for long-term purposes.

39 Segment reporting

Segments are identified in line with Indian Accounting Standard (Ind AS) 108 "Operating Segments", taking into consideration the internal organisation and management structure as well as the differential risk and returns of each of the segments. Operating segments are components of the Group whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete information is available. Based on the Group's business model, Transformers market have been considered as a single business segment for the purpose of making decisions on allocation of resources and assessing its performance. Hence, no separate financial disclosures provided in respect of its single business segment.

Operations of the Group are managed from different locations each of these locations are aggregated based on exchange control regulations; and the underlying currency risk. Accordingly, the following have been identified as operating and reportable segments: (a) "Within India", and (b) "Outside India". In presenting geographic information, segment revenue has been based on the location of the customer and segment assets are based on geographical location of assets.

(i) Break up of revenue based on geographical segment

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Segment Revenue:		
Within India	752.00	0.00
Outside India	155.56	0.00
Total	**907.56**	**0.00**

(ii) The carrying amount of Non current operating assets by location of assets

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Segment Revenue:		
Within India	4,303.50	0.00
Outside India	0.00	0.00
Total	**4,303.50**	**0.00**

40 **Summary of Net Assets and Profit and loss**

Name of the entity	As at March 31, 2026							
	Net assets/ (Liabilities) i.e Total assets minus liabilities (% of consolidated net assets)	Amount	Share in profit/(loss) (% of consolidated profit/(loss))	Amount	Share in other comprehensive income (% of total comprehensive income)	Amount	Share in Total comprehensive income (% of total comprehensive income)	Amount
A. Parent	94.03%	2,666.66		140.12		0.85		-
B. Subsidiary	4.70%	133.35				-		
Non-controlling	1.62%	45.97		(9.56)		-		36.41
D. Consolidation	0.36%	10.10				-		-
Net amount	**100.00%**	**2,835.88**	**0.00%**	**130.55**	**0.00%**	**0.85**	100.00%	**36.41**

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Name of the entity	As at March 31, 2025							
	Net assets/ (Liabilities) i.e Total assets minus liabilities (% of consolidated net assets)	**Amount**	**Share in profit/(loss) (% of consolidated profit/(loss)**	**Amount**	**Share in other comprehensive income (% of total comprehensive income)**	**Amount**	**Share in Total comprehensive income (% of total comprehensive income)**	**Amount**
A. Parent	0%	-	0%	-	0%	-	0%	-
B. Subsidiary	0%	-	0%	-	0%	-	0%	-
Non-controlling	0%	-	0%	-	0%	-	0%	-
D. Consolidation	0%	-	0%	-	0%	-	0%	-
Net amount	**0.00%**	-	**0.00%**	-	**0.00%**	-	**0.00%**	-

For and on behalf of the Board of Directors
Transcon Ind Limited

Amar Pal Gampa
Director
DIN: 02614332

Chiranjeev Singh Saluja
Director
DIN: 00664638

Place: Hyderabad
Date: May 14, 2026

SHARAD & ASSOCIATES ★ Chartered Accountants ★ M. NO. 202692

TRANSCON IND LIMITED ★ HYD