



Date: 21st July, 2026

Ref.: PIL/ANB/L-028/2026-27

Company Code: PRAJIND	Security Code No.: 522205
National Stock Exchange of India Ltd.	BSE Ltd.
Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	Phiroze Jeejeebhoy Towers, 25 th Floor, Dalal Street, Mumbai - 400 001

Sub.: Annual Report for the financial year 2025-26 along with Notice of Annual General Meeting

Dear Sir/Madam,

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2025-26 including Notice of 40th Annual General Meeting (AGM) of the Company which is being sent to the Members through electronic means as per the circulars from Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Important details with regard to AGM are as under:

Sr. No.	Particulars	Details
1.	AGM details	Thursday, the 13th August, 2026 at 10:00 a.m. through Video Conferencing/Other Audio Video Visual Means
2.	Cut-off date to determine list of members entitled to receive Notice of AGM and Annual Report	Friday, 10 th July, 2026
3.	Cut-off date (Record date) to determine list of members entitled to receive final dividend	Thursday, 6 th August, 2026
4.	Dividend Payment Date	By 11 th September, 2026
5.	Cut-off date to determine list of members entitled for e-voting	Thursday, 6 th August, 2026
6.	Remote e-voting start time, day and date	9:00 a.m. (IST), Monday, the 10th August, 2026
7.	Remote e-voting end time, day and date	5:00 p.m. (IST), Wednesday, the 12th August, 2026

Praj Industries Limited

Regd. Office: 'Praj Tower', 274 & 275/2, Bhumkar Chowk, Hinjewadi Road, Hinjewadi, Pune 411057. Ph.: +91-20-71802000 / 22941000
f: +91-20-22941299 e: info@praj.net w: www.praj.net

CIN: L27101PN1985PLC038031



The link to view the Notice of AGM and Annual Report is as under:

<https://www.praj.net/wp-content/uploads/2026/07/Praj-Industries-Ltd-Annual-Report-2025-26.pdf>

Thanking you.

Yours faithfully,

FOR PRAJ INDUSTRIES LIMITED
ANANT
NARAYAN
BAVARE
ANANT BAVARE
COMPANY SECRETARY &
COMPLIANCE OFFICER
(M. NO. 21405)

Digitally signed by ANANT NARAYAN BAVARE
DN: c=IN, o=Personal, postalCode=411046, l=Pune,
st=Maharashtra, street=NO.22/1 KAMALJA CITY CO
HOUSING SOCIETY,
2.5.4.20=61c9e87e1b6d5e80f6b5fabc0229d3ae286ce
66642b16c0e4557d5513145249,
serialNumber=dc49d94115511b586de51ea82f0eea102
ad43540d731e5b716931b63e912c3f1,
email=anantbavare@praj.net, cn=ANANT NARAYAN
BAVARE
Date: 2026.07.21 12:05:51 +05'30'

Encl.: as above

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f: +91-20-22941299 e: info@praj.net w: www.praj.net

CIN: L27101PN1985PLC038031

BUILDING FOR FUTURE➔



40th
Annual Report
2025-2026

“ At Praj, our journey has always been rooted in building indigenous, scalable technologies that **translate vision into impact.**

From first-of-its-kind ethanol complexes to advanced biofuels, from bioplastics to next-generation energy platforms, our focus remains steadfast: **disciplined execution, engineering excellence and long-term value creation.** ”



Dr. Pramod Chaudhari
Founder Chairman

Awards & Recognition

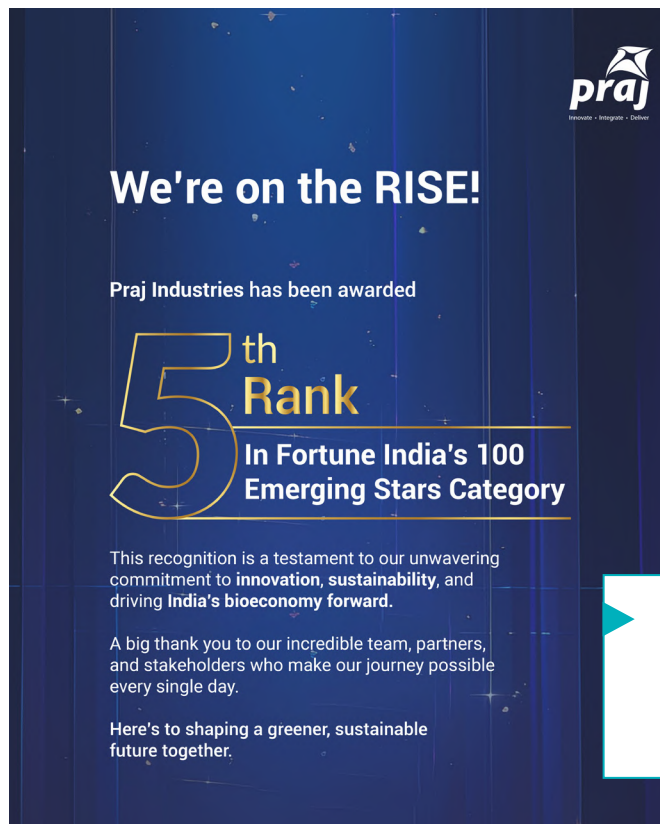


During the year, Praj Industries and its subsidiaries received several prestigious recognitions, reflecting excellence across sustainability, innovation, engineering, and business performance.



CII Global Summit on Technology, R&D and Intellectual Property.

Recognized among the
Top 50 Innovative Companies of 2025
by the Confederation of Indian Industry (CII),
highlighting a strong innovation culture and R&D capabilities



Winner of the
Deloitte Enterprise Growth Awards 2025,
recognizing exceptional growth, innovation, and leadership

Praj GenX received the
Silver Award at the National Awards for Manufacturing Competitiveness (NAMC) 2024-25,
hosted by the International Research Institute for Manufacturing (IRIM), recognizing manufacturing excellence and operational efficiency

Ranked
#5 on Fortune India's 100 Emerging Stars list, acknowledging leadership in sustainable energy and the circular bioeconomy

Award of Recognition at the
5th Global Road Construction Conference 2025
for contribution to the bitumen industry



Praj Foundation was honoured with the
Champions of Change - CSR Award 2025
in the Health & Sanitation category by the Pune
Zilla Parishad, recognizing its impactful community
development and healthcare initiatives aligned with the
UN Sustainable Development Goals (SDGs) 2030

Rotary Green CSR Award 2026

conferred by the Rotary Club for commitment to
sustainability and environmental conservation



The Rani Chennamma batch at Praj GenX was recognized
at the **Weldfab Tech Awards 2026**, where a team member
Soumya, received the **Best Woman Welder of the Year**
honor, highlighting excellence in high-precision fabrication
and inclusive manufacturing

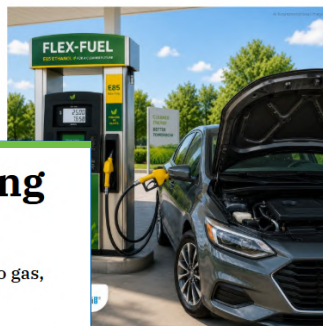
Energy Independence at the Centre of the Talk



1

FFV kit conversion can save about Rs 14,000 crore in oil imports, boost ethanol use by 460 crore litres; industry calls for policy framework

By Parshwati Saha - May 30, 2026



India can significantly boost ethanol use as a vehicle fuel by retrofitting a portion of the existing BS-VI vehicle fleet with Flex Fuel Vehicle (FFV) kits. This will boost energy security, lessen crude oil imports and increase ethanol consumption by the automobile sector.

According to the industry proposal, converting just 25% of the country's BS-VI two-wheelers and 10% of four-wheelers with FFV kits could create an additional annual ethanol utilisation potential of nearly 460 crore litres.

2

A multi-fuel path to securing cooking energy PREMIUM

Adopting a diversified fuel strategy involving compressed bio gas, ethanol and green hydrogen, among others, can reduce our dependence on LPG imports

By Dilip S Patil

Updated - March 23, 2026 at 06:15 AM.



4

Sitharaman flags the 3F challenge: Fuel, fertiliser and foreign exchange

Speaking at SIDBI's 37th Foundation Day, the FM highlighted the 3Fs challenging the economy, even as she reiterated that India's domestic fundamentals remained firmly intact

3

Trending Twisha Sharma Falta Election result Bandra Demolition Delhi Gymkhana Club Andhra Pradesh You < >

India plans to mandate 1% Sustainable Aviation Fuel blending from January 2027

Manju V / May 24, 2026, 20:57 IST

Select TOI as Comments Share AA



flights

Mumbai: India is preparing to mandate a 1% blending of Sustainable Aviation Fuel (SAF) in aviation turbine fuel (ATF) from January 2027, senior officials from state-run oil marketing companies said at a conference on Saturday. The impact on airfares would be minimal, roughly Rs 100-200 per ticket, said a scientist.

SAF is a renewable fuel derived from alternative feedstocks such as used cooking oil, crops, biogenic residues, and waste materials.



5

BioE3: Bold leap of Bharat into the future of biotechnology

India's biotechnology sector is entering a transformative phase with the launch of the BioE3 Policy, approved under the leadership of Prime Minister Narendra Modi. Designed to integrate economy, environment and employment, this policy aims to accelerate biomanufacturing, foster innovation and position India as a global leader in sustainable bioeconomy growth

7

Fueling a new future: How biofuels can revitalise rural India and ease urban strain

By Atul Mulay - December 30, 2025



In an editorial written by **Atul Mulay, President and Global SBU Head – Bio Energy at Praj Industries Limited, and Member & Chairman of the Bio-Economy Committee at the Indian Federation of Green Energy (IFGE)**, titled "Fueling a new future: How biofuels can revitalise rural India and ease urban strain" on The Hindu Business Line, he said that the migration of people from rural to urban cities in search of jobs and livelihood has presented itself as the most persistent development challenge in the country. The key to unlocking the phenomenon is strategically vital for achieving

balanced national growth, wherein both rural and urban centres register equal growth.

6

Ethanol beyond transportation: Unlocking opportunities in gensets and static engines

India's Ethanol Blended Petrol programme has already transformed the transport fuel landscape by achieving the E20 target ahead of schedule. The next opportunity now lies in extending ethanol's role beyond mobility, into gensets, static engines, and captive power applications.

Sanjay Ganjoo

Updated Dec 23, 2025 3:20 PM IST

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8

From ethanol to bio-isobutanol: India's next leap

PREMIUM

Unlike petrol, where ethanol has found a natural fit, diesel requires fuels that can integrate seamlessly into existing engines and infrastructure while maintaining fuel characteristics

By Dilip S Patil

Updated - April 04, 2026 at 09:30 AM.



9

The next energy leap: Replicating ethanol's success in diesel

The real question is no longer feasibility, but how quickly India can build a complete ecosystem to scale bio-isobutanol

By Dilip S Patil

Updated - April 12, 2026 at 09:30 AM.



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Board of Directors



Dr. Pramod Chaudhari
Founder Chairman



Berjis Desai
Non-Executive
Non-Independent
Director



Utkarsh Palnitkar
Independent
Director



Vinayak Deshpande
Independent
Director



Dr. Shridhar Shukla
Independent
Director



Rujuta Jagtap
Independent
Director



Ajay Deshpande
Independent
Director



Ashish Gaikwad
Managing
Director



Sachin Raole
Joint Managing
Director & CFO



Parth Chaudhari
Non-Executive
Non-Independent
Director

Corporate Information

Board of Directors

Dr. Pramod Chaudhari, Founder Chairman
 Mr. Shishir Joshipura, CEO & Managing Director
 (up to 30th June, 2025)
 Mr. Ashish Gaikwad, Managing Director
 Mr. Sachin Raole, Joint Managing Director & CFO
 Mr. Berjis Desai, Non-Executive Director (w.e.f. 1st July, 2025)
 Ms. Parimal Chaudhari (up to 11th August, 2025)

Mr. Parth Chaudhari, Non-Executive Director
 (w.e.f. 11th August, 2025)
 Mr. Utkarsh Palnitkar, Independent Director
 Mr. Vinayak Deshpande, Independent Director
 Dr. Shridhar Shukla, Independent Director
 Ms. Rujuta Jagtap, Independent Director
 Mr. Ajay Narayan Deshpande, Independent Director

Company Secretary & Compliance Officer

Mr. Anant Bavare

Auditors

Statutory Auditors: M S K A & Associates LLP
 Cost Auditors: Dhananjay V. Joshi & Associates
 Internal Auditors: Khare Deshmukh & Co.
 Secretarial Auditors: MSN Associates

Bankers

Bank of Maharashtra
 The Hong Kong and Shanghai Banking Corporation Limited
 ICICI Bank Limited
 Citibank N.A.
 Standard Chartered Bank

Registered Office

"Praj Tower", S. No. 274 & 275/2, Bhumkar
 Chowk- Hinjewadi Road, Hinjewadi,
 Pune 411 057, Maharashtra, India

Registrar & Share Transfer Agent

MUFG Intime India Pvt. Ltd. (formerly known as Link Intime
 India Pvt. Ltd.) Block No 202, 2nd Floor, Akshay Complex,
 Off Dhole Patil Road, Pune 411 001, Maharashtra, India

R & D Unit I

Praj Matrix – The Innovation Center,
 Gat No. 402, 403, 1098, Village Urawade,
 Tal. Mulshi, Pune 412 115, Maharashtra, India

R & D Unit II

Shreenathnagar, Patethan, P.O. Rahu, Tal. Daund,
 Dist. Pune 412 207, Maharashtra, India

R & D Unit III

Plot No. E-20 & E-21, additional MIDC Area, Jejuri, Tal. Purandar, Pune 412 303, Maharashtra, India

Manufacturing Facilities

- Unit I Gat No.748 and Unit II Gat No. 745, 746,
 Sanaswadi, Tal. Shirur, Dist. Pune 412 208,
 Maharashtra, India
- Kandla SEZ Unit I, Plot No. 307 to 314, Gandhidham,
 Kutch 370 230, Gujarat, India
- Kandla SEZ Unit II, Plot No. 282 to 286 and 294 to
 298, Gandhidham, Kutch 370 230, Gujarat, India

•Praj HiPurity Systems Ltd.

Gut No. 437, 438, 456, 467, 204 & 205, Near Gokul Hotel, Kondle
 Road, Village Usar, Taluka - Wada,
 District - Thane 421 303, Maharashtra, India

•Praj GenX Ltd.

Plot No. 3 & 7, Padubidri Karkala Road, ASPEN SEZ, Nandicoor,
 Udipi, Karnataka 574 111, India

Presence in

India, Thailand, the USA, the Philippines and Tanzania



Scan this QR code using your smartphone
 or tablet to learn more about us.

Message from the Founder Chairman



As we enter our fifth decade, our conviction remains stronger than ever. The transition towards a sustainable, circular, and self-reliant economy is underway. While challenges remain, the direction is clear. The technologies are advancing, the ecosystem is maturing, and the opportunities are immense.



Dear Shareholders

I am pleased to present the 40th Annual Report of your Company for FY 2025–26.

The world finds itself at a defining moment. The geopolitical developments have fundamentally altered the global energy discourse. What was once viewed primarily through the lens of economics is now increasingly recognized as a matter of national security, strategic autonomy, and long-term resilience.

The ongoing volatility in global energy markets has reinforced a critical lesson: excessive dependence on imported fossil fuels carries significant economic and geopolitical risks. For India, which continues to import a substantial portion of its energy requirements, achieving energy self-reliance is not merely a policy aspiration—it is a strategic necessity.

Encouragingly, India has demonstrated that transformational change is possible. The success of the country's biofuel initiatives has shown how policy, technology, industry, and agriculture can work together to create scalable and sustainable solutions. The next phase of this journey lies in extending this momentum to sectors that are harder to decarbonize and more dependent on imported energy sources.

At Praj, we believe that the future of energy will be shaped by a portfolio of solutions rather than a single molecule. Apart from ethanol, Sustainable Aviation Fuel (SAF), bio-isobutanol, compressed biogas, renewable chemicals, bioplastics, and other bio-based products will collectively contribute to a more diversified, secure, and sustainable energy and industrial ecosystem.

What is particularly encouraging is that these opportunities are no longer confined to laboratories and pilot projects. Technologies that were once considered futuristic are steadily moving towards commercial deployment. Around the world, governments, industries, and investors are increasingly aligning around the twin imperatives of decarbonization and energy security. This convergence is creating unprecedented opportunities for innovation-led companies.

Over the years, Praj has consciously expanded its horizons beyond biofuels. Today, our capabilities span industrial biotechnology, renewable chemicals and materials, precision engineering, critical process equipment, high-purity water systems, water and wastewater solutions, and advanced manufacturing. This diversification is not incidental, it

reflects our belief that the transition towards a sustainable future will require integrated solutions across energy, chemicals, materials, and manufacturing.

India's vision of Viksit Bharat 2047 presents a unique opportunity to build leadership across these domains. With its strong agricultural base, growing scientific capabilities, entrepreneurial spirit, and supportive policy environment, India is well positioned to emerge as a global hub for sustainable fuels, bio-based products, advanced biotechnology, and high-value engineering solutions. Praj remains committed to contributing meaningfully to this national mission through innovation, technology development, and responsible growth.

I am pleased to announce that the Board and shareholders have approved the appointment of Mr. Sachin Raole as Joint Managing Director & Chief Financial Officer, effective April 30, 2026. Having played a pivotal role in strengthening the Company's financial, governance, and risk management framework, Sachin will, alongside Mr. Ashish Gaikwad, Managing Director, further strengthen the leadership team. In his expanded role, he will provide strategic oversight of the Company's financial and

human capital, driving organizational capability, disciplined capital allocation, and execution excellence to support Praj's expanding business portfolio and long-term growth ambitions.

As we enter our fifth decade, our conviction remains stronger than ever. The transition towards a sustainable, circular, and self-reliant economy is underway. While challenges remain, the direction is clear. The technologies are advancing, the ecosystem is maturing, and the opportunities are immense.

At Praj, we are committed to building for that future—one that delivers energy security, environmental stewardship, economic prosperity, and long-term value for all stakeholders.

I would like to express my sincere gratitude to our shareholders, customers, employees, partners, and all stakeholders for their continued trust and support.

Warm Regards,

Dr. Pramod Chaudhari

Founder Chairman
June 2026

Message from the MD



Ashish Gaikwad

Managing Director

June 2026

Dear Shareholders,

The long-term global mega-trend of energy transition and the need for bioeconomy is well established, even as its on-ground momentum continues to negotiate the short challenges. This dynamic was evident during 2025–26, as we navigated a relatively subdued business environment shaped by macroeconomic uncertainties, shifting policy signals, and delays in investment decisions across our key segments.

This was reflected in our financial performance for the year. Revenue performance during the year was impacted by longer-than-anticipated order conversion cycles. Profit margin was impacted by a combination of softer execution leading to cost

escalations and overruns, changes in project mix, and continued investments in building future-ready technologies and capabilities. While EBITDA margins saw some compression during the year, disciplined cost management and operational efficiencies helped us maintain overall financial stability.

At the same time, our balance sheet continues to remain strong, providing us the resilience and flexibility required to invest through the cycle. Our R&D capability is the cornerstone of our business model. We continued 'seed-planting' of new technologies and innovations, even in the challenging times.

Importantly, we have used this phase to strengthen our operational foundation and prepare for the next wave of growth.

Across our core bioenergy business, we continued to enhance our portfolio of offerings, improve process efficiencies, optimize project execution, and deepen customer engagement. Our large customer base of existing plants served as a strong source of service revenue stream. Our customers continue to seek several technical and operational enhancements from our life-cycle services portfolio. We also made steady progress in advancing next-generation solutions—such as Bio-Isobutanol (Bio-IBA) and Sustainable Aviation Fuel (SAF) - moving them closer to commercial readiness through focused investments, partnerships, and engineering validation.

During the year, we successfully operated Ethanol-to-Jet (ETJ) process at our fully Integrated Sustainable Aviation Fuel (SAF) demonstration

plant at Praj Matrix—marking a significant milestone in the global transition to low-carbon aviation fuels. We have also developed special engineering design skills and SAF plant modularization capabilities to serve the emerging SAF opportunities.

Operational excellence remained a key priority during the year, with continued focus on enhancing project execution, strengthening supply chain resilience, improving cost and working capital efficiency, and driving process optimization to build a more agile, efficient, and scalable organization.

Encouragingly, we are beginning to see early signs of recovery in order inflows and project pipeline visibility. With increasing policy clarity, stronger decarbonization commitments globally, and growing industry confidence in advanced biofuels and bio-based products, the structural demand drivers for our business remain firmly intact.

We continued to strengthen Praj GenX through investments in manufacturing and modular engineering, positioning the business to address emerging opportunities in carbon capture, gas processing, hydrogen, and data centres across domestic and global markets.

The opportunity ahead is significant, and the best is yet to come. Our focus is clear—translate this opportunity into disciplined execution, stronger margins, and sustainable growth. The investments we have made in technology, engineering capabilities, and organizational strength have prepared us well for the next phase. We enter the coming year with greater readiness, sharper focus, and confidence in our ability to deliver long-term value.

Message from the Joint MD & CFO



Sachin Raole

Joint MD & CFO

June 2026

Dear Shareholders,

It is both an honour and a profound responsibility to address you for the first time as Joint Managing Director and Chief Financial Officer of Praj Industries.

I am deeply grateful to the Founder Chairman, Dr. Pramod Chaudhari, Board of Directors for their confidence and to all our stakeholders for their continued trust. Having been associated with Praj's growth journey over the years, I have witnessed how our unwavering commitment to innovation, sustainability and value creation has enabled us to build a globally respected organisation. I step into this role with humility, enthusiasm and a strong sense of responsibility to carry this legacy forward.

As we navigate an increasingly dynamic global business landscape, Praj remains firmly anchored in its values of innovation, sustainability, and responsible growth. Our focus continues to be on creating long-term value while maintaining the financial discipline that has been a hallmark of our journey.

From a financial perspective, our priorities are clear—profitable growth, strong cash generation, prudent capital allocation, and a resilient balance sheet. We will continue to pursue opportunities that strengthen our market position while ensuring that growth is sustainable. Equally important will be our focus on operational excellence, productivity improvement, and digital transformation across the enterprise.

At Praj, we recognize that our greatest strength lies in our people. The dedication, expertise, and entrepreneurial spirit of our employees have been instrumental in building a globally respected organization. As industries evolve and new opportunities emerge, we are committed to nurturing future-ready talent, fostering a culture of learning and innovation, and creating an inclusive workplace where individuals can realize their full potential. We believe that investing in human capital today is essential for sustaining leadership tomorrow.

Looking ahead, our 2030 vision provides a clear roadmap for the future. It reflects our aspiration to scale new heights through innovation-led growth, global expansion, and sustainable solutions that contribute meaningfully to the energy transition and circular economy.

As the world accelerates its pursuit of decarbonization and resource efficiency, Praj is uniquely positioned to leverage its technology leadership across bioenergy, sustainable fuels, bioproducts, and industrial sustainability solutions.

The journey to 2030 will demand agility, innovation, and collaboration. With a strong foundation, talented people, differentiated technologies, and the trust of our stakeholders, we are confident of achieving our aspirations while creating lasting value for society and our shareholders.

I thank our customers, employees, partners, investors, and Board members for their unwavering support. Together, we shall advance with purpose, execute with excellence and realise the aspirations embodied in 2030.

Let us continue to innovate, integrate, and deliver a sustainable future together.

Witnessing a Vision Become Reality



India is creating a revolution with many automotive leaders launching Flex Fuel Vehicles that are compatible with E20 and higher ethanol blends. These steps bring us closer to a future powered by cleaner, indigenous fuels.

For Praj, this is more than just a launch, it is the realization of the vision of our Founder, Dr. Pramod Chaudhari, who believed that biofuels should be accessible to every Indian, creating value for farmers, consumers, and the nation alike.

Praj is proud to power over 60% of India's ethanol blending program through its indigenous technologies, contributing to a cleaner and more self-reliant future.



Innovate. Integrate. Deliver.

40+ years

of experience and expertise

4

manufacturing locations

1000+

references

90+

research scientists

400+

references outside India

400+

patents

Across 100+

countries

40%

business from repeat customers

1300+

employees

21+ years

of regular dividend payout

Praj at a Glance (Consolidated)

	UOM	25-26	24-25	23-24	22-23	21-22
SALES (GROSS)	₹ Mn.	31678.828	32280.422	34662.784	35280.378	23432.744
OTHER INCOME	₹ Mn.	503.549	607.865	434.986	356.008	241.242
TOTAL INCOME	₹ Mn.	32182.377	32888.287	35097.770	35636.386	23673.986
TOTAL EXPENDITURE EXCLUDING DEPRECIATION	₹ Mn.	30363.745	29319.915	30882.603	32146.666	21399.302
EBITDA (EXCLUDING OTHER INCOME other than Forex)	₹ Mn.	1718.231	3248.320	3878.064	3180.001	2058.494
DEPRECIATION	₹ Mn.	1055.645	864.409	440.559	302.471	225.912
PROFIT BEFORE TAX (after exceptional item)	₹ Mn.	499.166	2985.535	3774.608	3187.249	2048.773
PAT BEFORE MINORITY INTEREST	₹ Mn.	238.467	2189.330	2833.909	2398.182	1502.421
PAT AFTER MINORITY INTEREST	₹ Mn.	238.416	2189.101	2833.560	2397.941	1502.395
OTHER COMPREHENSIVE INCOME	₹ Mn.	33.168	(21.642)	(49.961)	(16.331)	(22.437)
TOTAL COMPREHENSIVE INCOME	₹ Mn.	271.635	2167.688	2783.948	2381.851	1479.984
NET BLOCK OF FIXED ASSETS + CWIP + Including capital advance	₹ Mn.	5,670.039	5898.857	5253.148	3275.140	2892.399
SHARE CAPITAL	₹ Mn.	367.626	367.626	367.626	367.426	367.347
RESERVES AND SURPLUS	₹ Mn.	12723.630	13450.045	12377.073	10412.558	8789.838
NET WORTH	₹ Mn.	13091.256	13817.671	12744.699	10779.984	9157.185
EPS BASIC	₹	1.30	11.91	15.42	13.05	8.18

Ratios	UOM	25-26	24-25	23-24	22-23	21-22
EBIDTA (EXCLUDING OTHER INCOME) TO SALES	%	5%	10%	11%	9%	9%
PBT TO SALES	%	2%	9%	11%	9%	9%
PAT TO SALES	%	1%	7%	8%	7%	6%
RONW	%	2%	16%	24%	24%	17%
ROCE	%	6%	22%	31%	30%	23%
NO. OF SHARES	Nos.	18,38,13,088	18,38,13,088	18,38,13,088	18,37,13,088	18,36,73,088
DIVIDEND	%	180%	300%	300%	225%	210%
BOOK VALUE PER SHARE	₹	71.22	75.17	69.34	58.68	49.86
CASH EPS	₹	7.04	16.61	17.82	14.70	9.41

Management Discussion and Analysis Report

Economic & Energy Landscape

The global economic landscape during the year was significantly shaped by persistent geopolitical tensions, particularly in key energy-producing regions like West Asia. These developments have reinforced a critical structural reality, energy dependence is a strategic vulnerability.

Despite progress in renewables, the world continues to rely heavily on fossil fuels. According to the International Energy Agency, oil still accounts for nearly 30% of global energy consumption, with a significant portion concentrated in a few exporting regions. This concentration exposes importing nations to supply disruptions, price volatility, and geopolitical risks.

India exemplifies this challenge. The country imports over 85% of its crude oil requirement and around 50% of its natural gas consumption. This level of dependence makes energy security a national priority, particularly in an increasingly uncertain global environment.

A key priority for India remains energy self-reliance under the Atmanirbhar Bharat vision, with increasing emphasis on reducing dependence on imported fossil fuels and on building resilient domestic energy systems. Biofuels and bio-based solutions clearly emerge as strategic enablers of energy independence. Unlike fossil fuels, biofuels can be domestically produced, leveraging agricultural feedstocks and waste streams. This not only reduces dependence on imports but also strengthens rural economies and creates decentralized energy systems.

India's Ethanol Blending Program (EBP) provides a compelling example of this transformation. India has already achieved 20% ethanol blending, resulting in a reduction of approximately 4.5 crore barrels (~10 million MT) of crude oil imports annually, foreign exchange savings estimated at over ₹50,000 crore per year, and avoidance of nearly 700 lakh tonnes of CO₂ emissions.

The success of EBP demonstrates how a coordinated ecosystem—combining policy support, technology innovation, and agricultural integration—can deliver scalable

impact. Importantly, it also establishes a replicable model—not just within India, but for other nations seeking to reduce fossil fuel dependence while strengthening domestic value chains.

Looking ahead, this model can be extended to Sustainable Aviation Fuel (SAF) for the hard-to-abate aviation sector, bio-isobutanol (IBA) for diesel applications, and Compressed Biogas (CBG) for transport and industry. These segments represent the next frontier of the energy transition and offer a significant opportunity to replicate and scale the ecosystem approach demonstrated in ethanol.

Globally, the SAF market alone is expected to grow exponentially, with demand projected to reach over 100 billion liters annually by 2050 (Source: International Air Transport Association), presenting a significant opportunity for countries like India.

With its strong agricultural base, established biofuel ecosystem, and advancing industrial biotechnology capabilities, India is uniquely positioned not only to achieve energy self-reliance but to emerge



as a global leader in sustainable fuels and the bioeconomy. The country has the potential to become a supplier of technology, expertise, and solutions to the world, shaping the future of low-carbon energy systems.

In an era defined by geopolitical uncertainty, the shift towards indigenous, renewable, and circular energy systems is no longer optional—it is strategic. Biofuels and the broader bioeconomy will play a central role in enabling this transition—with India at the forefront of driving and demonstrating this change globally.

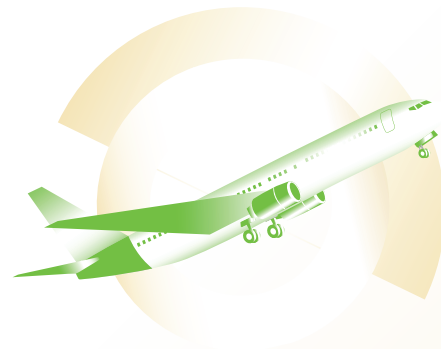


Viksit Bharat 2047

India's pathway to achieving the Viksit Bharat 2047 vision is intrinsically linked to transforming its energy and mobility landscape, with bioenergy and biofuels playing a pivotal role in enabling sustainable and inclusive growth. As the economy scales towards a projected \$30 trillion and energy demand rises significantly, biofuels such as ethanol, compressed biogas (CBG), and sustainable aviation fuel (SAF) offer immediate, scalable, and infrastructure compatible solutions to decarbonize transportation across road, rail, and aviation. This aligns with the national policy direction articulated by NITI Aayog, which positions biofuels as a critical component of India's low-carbon mobility strategy.

Bioenergy presents a strategic pathway to reduce dependence on imported fossil fuels, strengthening long-term energy security by leveraging indigenous feedstocks such as agricultural residues, municipal solid waste, and industrial by-products to build a decentralized and resilient energy ecosystem. The growth of a robust bioeconomy further reinforces this transition by converting biomass and waste streams into value-added energy carriers, promoting circularity, enhancing resource efficiency, and generating additional income streams for farmers and rural communities. With continued policy support and a clear national roadmap, bioenergy is set to emerge as a key pillar in shaping a self-reliant, sustainable, and globally competitive India by 2047.

Complementing the growth of bioenergy, India's journey towards Viksit Bharat 2047 also requires



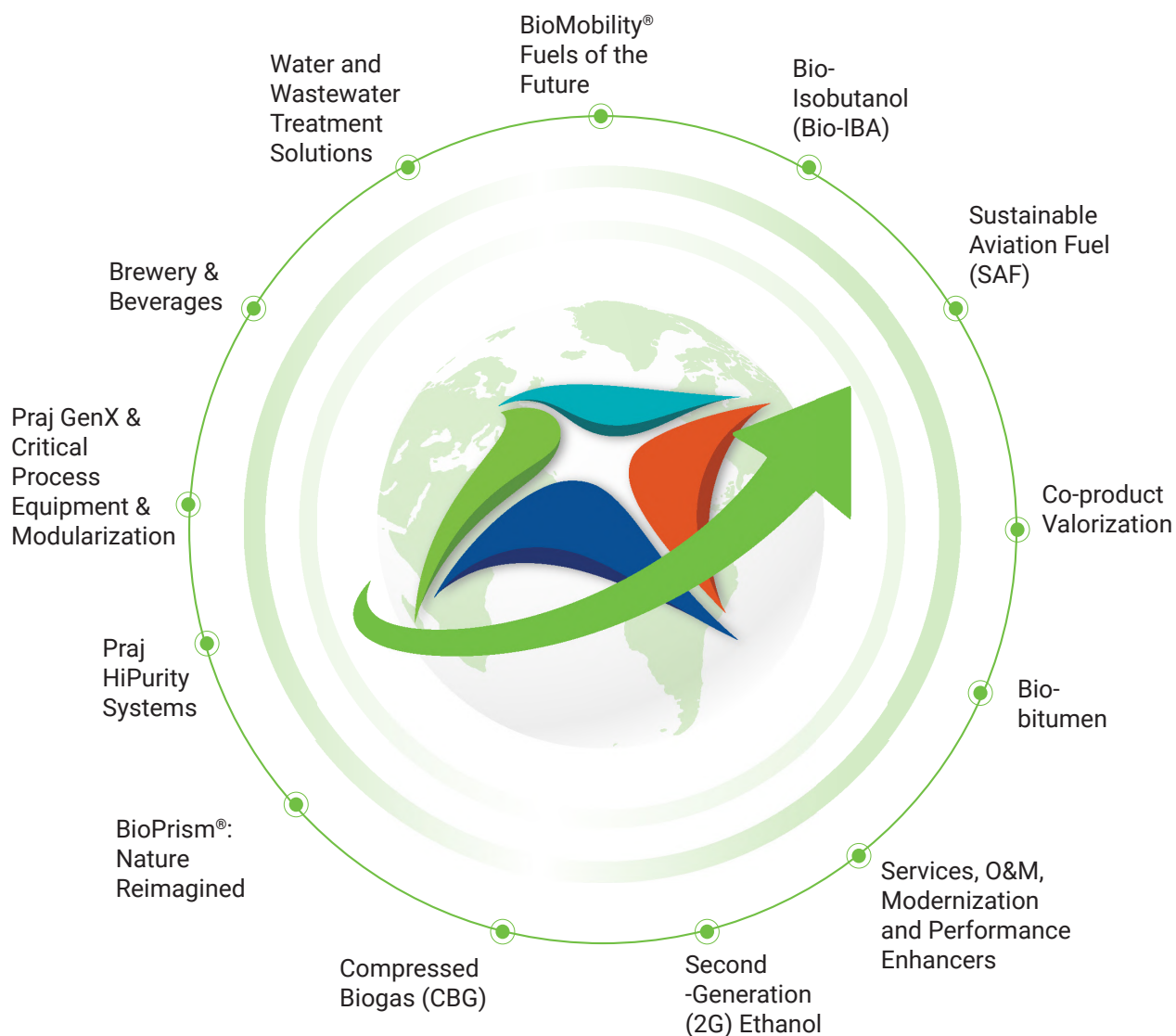
strengthening capabilities in advanced manufacturing, biotechnology, and high-value engineering. The Government's BioE3 (Biotechnology for Economy, Environment and Employment) policy reflects this strategic direction by promoting bio-manufacturing, precision fermentation, and bio-based products as key pillars of the next-generation economy. In parallel, investments in pharmaceutical and biotechnology infrastructure are creating demand for high-purity systems, modular process solutions, and advanced engineering capabilities.

Emerging opportunities in critical process equipment, water and wastewater treatment, and sustainable industrial infrastructure are further supporting the transition towards a technology-driven and resource-efficient industrial ecosystem. At the same time, the growing global demand for high-value engineering solutions presents a significant opportunity for India to strengthen its position as a competitive hub for engineering exports and technology-led manufacturing. By integrating innovation, sustainability, and advanced engineering, these sectors are expected to play an important role in shaping a resilient, globally competitive, and knowledge-driven economy by 2047.

Business Performance Overview

Delays in investment decisions and extended project finalization timelines across segments led to a relatively subdued business environment during the year under review. Despite these near-term challenges, Praj maintained a strong strategic focus, prioritizing capability building, technology advancement, and operational resilience.

The Company continues to invest in future-ready platforms that align with long-term industry trends, ensuring readiness for the next growth cycle.



1 BioMobility® Fuels of the future



At the core of Praj's bioenergy business is BioMobility®, encompassing renewable fuel solutions that serve both transportation and industrial energy requirements, including emerging applications in hard-to-abate sectors.

With India having already achieved 20% ethanol blending, the next phase of growth lies in expanding ethanol usage beyond conventional blending into a wider set of applications. This includes the adoption of higher ethanol blends such as E85 and E100, supported by the gradual introduction of flex-fuel vehicles (FFVs), which can significantly enhance ethanol consumption in the mobility sector.

There is also a strong opportunity to extend ethanol use beyond blending into stationary and distributed energy applications, such as gensets and decentralized power generation, particularly for rural and industrial use cases.

India beyond E20



Higher blends



Systematic introduction of flex fuel vehicles



Static applications for ethanol: Gensets, mobile towers



Ethanol to SAF



Replicate EBP success for diesel economy (Bio-isobutanol blending with diesel)

E20



2 Bio-Isobutanol (Bio-IBA)

Decarbonizing the diesel economy remains a critical priority for India, with diesel accounting for nearly 40% of the country's transport fuel consumption. In this context, bio-isobutanol (Bio-IBA) is emerging as a promising next-generation biofuel due to its compatibility with existing diesel engines and fuel infrastructure. It offers a practical pathway for extending biofuels into the diesel segment while supporting cleaner combustion and lower emissions.

Praj has been advancing Bio-IBA technology at Praj Matrix, its innovation hub. The Company has worked on application development for the last two years in collaboration with Automotive Research Association of India (ARAI), Bharat Petroleum Corporation Limited (BPCL), and global engine manufacturers. The technology has undergone extensive validation across mobility and industrial applications, including successful testing of gensets operating on 100% IBA by leading engine manufacturers.

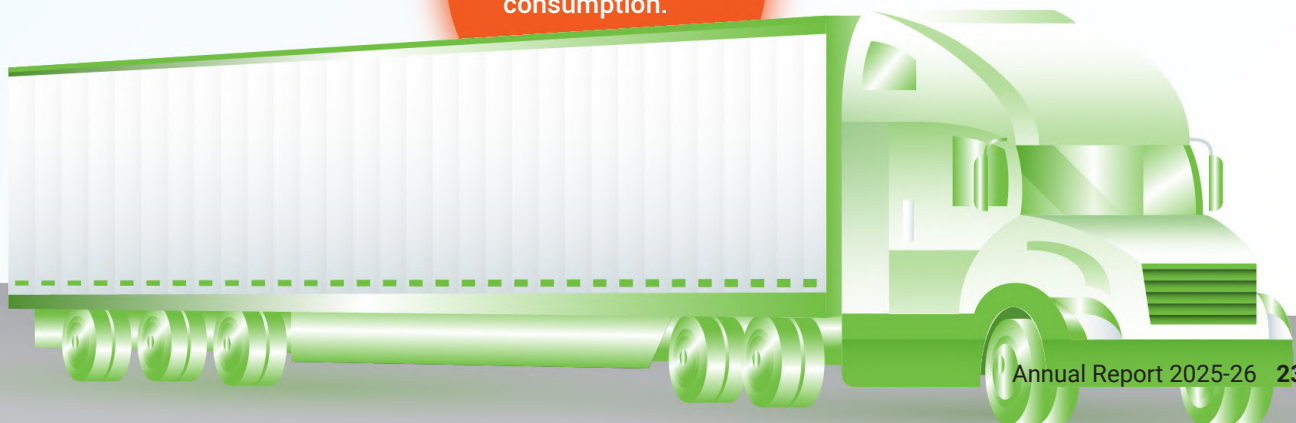
A key advantage of the technology is the ability to integrate bolt-on IBA modules within existing ethanol plants, allowing producers flexibility to switch between ethanol and isobutanol production based on market demand. This improves asset utilization while also creating avenues to address surplus ethanol capacity.

Diesel consumption in India reached approximately 94.7 million tonnes in FY 2025–26 (Source: PPAC, Ministry of Petroleum & Natural Gas), driven largely by transport, construction, mining, and industrial sectors. Bio-IBA offers a renewable alternative that can reduce dependence on fossil fuels while leveraging existing fuel logistics and engine infrastructure. Importantly, it also serves as a key intermediate for Sustainable Aviation Fuel (SAF), further strengthening its strategic relevance in the emerging low-carbon fuels ecosystem.



Praj is actively collaborating with industry stakeholders across the value chain to accelerate the commercialization of bio-isobutanol (bio-IBA). These efforts are aimed at demonstrating the technical and commercial viability of bio-IBA and enabling its adoption as a next-generation low-carbon fuel.

In India, diesel accounts for nearly 40% of the country's transport fuel consumption.



3 Sustainable Aviation Fuel (SAF)

Praj has made significant progress in advancing its SAF capabilities, strengthening its position in the emerging global aviation decarbonization landscape.

The momentum behind SAF continues to accelerate globally. Aviation accounts for approximately 2–3% of global CO₂ emissions, and SAF is widely regarded as the most viable near-term pathway for decarbonizing long-haul aviation. Regulatory mandates and policy incentives are driving demand across major aviation markets. The European Union has already implemented a SAF blending mandate starting at 2% in 2025, rising to 6% by 2030 and 70% by 2050. Similar mandates and targets have been announced by the United Kingdom, Singapore, Japan, Brazil, Indonesia, and India. According to IATA, SAF demand is expected to exceed 100 billion litres annually by 2050, requiring substantial investments across feedstock supply chains, technology platforms, and production infrastructure. This global transition is creating significant opportunities for scalable and feedstock-flexible SAF technologies. India is emerging as a promising SAF market, with a phased blending roadmap of 1% by 2027 and 5% by 2030.

Praj has made significant progress in advancing its SAF capabilities, strengthening its position in the emerging global aviation decarbonization landscape. During the year, the Company achieved a key milestone with the successful validation of its integrated SAF demonstration plant for the Ethanol-

to-Jet (EtJ) pathway, following earlier validation using isobutanol as feedstock. This makes Praj the first company globally to demonstrate a fully integrated Alcohol-to-Jet (AtJ) solution across both ethanol and isobutanol pathways at demo scale, with readiness for commercial deployment.

In parallel, Praj has been actively contributing to ecosystem development through a strategic Memorandum of Understanding with International Air Transport Association (IATA) and Indian Sugar and Bio-energy Manufacturers Association (ISMA), aimed at establishing certification frameworks and lifecycle assessment methodologies for SAF in India.

This collaboration, aligned with global standards such as CORSIA, is a critical step towards enabling market acceptance of indigenous SAF.

With validated technology, proven feedstock flexibility, and a rapidly evolving policy and industry ecosystem, Praj is well positioned to play a leading role in enabling the scale-up of SAF—both in India and globally.



4 Co-product Valorization

There is an increasing focus on enhancing plant economics through the development of value-added co-products, enabling diversification of revenue streams beyond fuel. Technologies for recovery of distillers' corn oil (DCO) and rice protein are gaining traction, allowing producers to extract higher value from existing feedstocks. These co-products find applications in sectors such as

animal nutrition, food ingredients, and industrial applications, thereby improving overall plant profitability. By enabling integrated processing and maximizing output from the same input, co-product valorization plays a critical role in margin enhancement and risk diversification, particularly in a dynamic pricing environment for biofuels.

During the year, Praj continued to strengthen its offerings in co-product recovery and process integration, with increasing customer interest in technologies aimed at improving feedstock utilization, enhancing plant profitability, and enabling integrated biorefinery operations.



5 Bio-bitumen

Bio-bitumen is emerging as a promising renewable alternative for road construction, offering India an opportunity to reduce dependence on imported petroleum-derived bitumen, of which the country imports a significant portion to meet its annual demand of nearly 90–100 lakh tonnes. Derived as a co-product from processes such as CBG and 2G ethanol production, bio-bitumen not only supports decarbonization but also improves biorefinery economics by creating additional value from lignin and other biomass-derived streams.

Praj has developed multiple grades of bio-bitumen compatible with VG30, VG40, and modified bitumen formulations, with successful road demonstrations and ongoing work towards broader standardization and specification development in collaboration with research institutions and industry stakeholders.

These efforts are aligned with Praj's integrated biorefinery approach, which maximizes value from biomass through the production of fuels, chemicals, materials, and co-products, while enhancing feedstock utilization, improving commercial viability, and supporting a circular bioeconomy.



6

Services, O&M, Modernization and Performance Enhancers

Praj continues to expand its portfolio of lifecycle services, including operations and maintenance (O&M), modernization, and retrofit solutions, aimed at improving plant efficiency, reliability, and longevity. There is increasing demand for upgradation of existing facilities through integration of advanced technologies that enhance process efficiency, increase yields, and reduce energy and water consumption. These interventions help customers optimize operating costs, improve sustainability performance, and maximize asset utilization.

A growing area of focus is the deployment of performance enhancers that improve overall plant productivity and operational stability. These include solutions for yield improvement, fermentation efficiency enhancement, and extending the shelf life of feedstock, enabling customers to improve process reliability and operate plants more efficiently throughout the year.

During the year, Praj continued to work closely with customers on modernization and debottlenecking initiatives across operating plants, while expanding deployment of process optimization solutions and performance enhancement

technologies aimed at improving yields, reducing utilities consumption, and enhancing operational consistency. The Company also strengthened its lifecycle service offerings through increased focus on digital monitoring, operational support, and long-term customer partnerships.

As customers increasingly prioritize operational excellence and cost competitiveness, performance enhancement solutions are emerging as an important value driver, while also creating recurring revenue streams and strengthening long-term customer engagement.





Praj Alcohol Masterclass is a recurring industry engagement initiative that equips distillery professionals with practical insights on process optimization, operational excellence, safety, and emerging technologies. By fostering knowledge exchange and continuous learning, the platform reinforces Praj's commitment to supporting the long-term success of the ethanol industry.



7

Second-Generation (2G) Ethanol

Progress in second-generation (2G) ethanol continued during the year, supported by the advancement of a key project: integrated 1G and 2G bio-refinery at Bargarh, Odisha, being developed by Bharat Petroleum Corporation Limited. The facility, designed to produce 100 KLPD of 2G ethanol using agricultural residues such as rice straw, represents a significant step in scaling waste-to-fuel technologies in India. Praj has played a critical role as the technology licensor for the 2G ethanol process, reinforcing its leadership in advanced biofuels.

Beyond technology deployment, the project demonstrates the broader impact of 2G ethanol in enabling a circular bioeconomy. Designed to mobilize approximately 850 MT per day of agricultural residue, of which 70% is utilized for 2G ethanol production and the remaining for energy production, the facility enables a reduction in stubble burning, supports farmers across ~1.6 lakh acres, and generates an estimated ₹100 crore annually in rural

economic value. Such integrated bio-refineries highlight the potential of 2G ethanol to address energy security, environmental challenges, and rural development simultaneously, reinforcing its role in India's next phase of biofuel growth.

During the year under review, BPCL flagged off its first tanker lorry carrying domestically produced 1G bio-ethanol from the Bargarh Bio-Refinery to the IOTL Raipur Depot. This is a significant milestone for India's biofuel sector, marking the commencement of ethanol dispatch and integration by a major Oil Marketing Company (OMC) through its fuel distribution network, reinforcing the growing mainstream adoption of domestically produced biofuels within India's energy ecosystem.

The 2G bio-refinery at Panipat, Haryana, developed by Indian Oil Corporation Limited, is operational and achieved significant scale-up in capacity utilization during the year. Praj has played a critical role in the project as the technology licensor



and Engineering, Procurement and Construction Management (EPCM) partner for the 2G ethanol facility.

The 2G bio-refinery at Bathinda, Punjab, being developed by Hindustan Petroleum Corporation Limited, is under mechanical completion and is expected to commence production of 2G ethanol in Q4 FY27. Praj's role in the project is that of the technology licensor for the 2G ethanol technology and process.



8 Compressed Biogas (CBG)

Compressed Biogas (CBG) is emerging as a critical component of India's energy transition, offering a scalable pathway to convert agricultural residues, municipal solid waste, industrial by-products, and other organic feedstocks into clean, renewable energy. Beyond its role as a low-carbon fuel, CBG addresses pressing waste management challenges while creating value from resources that would otherwise remain underutilized. The sector is also benefiting from growing demand for co-products such as solid bio-manure and bio-bitumen, which improve overall plant economics and enhance the commercial viability of integrated bioenergy projects.

The strategic importance of CBG is further amplified by India's need to diversify its cooking and gaseous fuel mix. While LPG has played a transformative role in expanding access to clean cooking energy, its import dependence exposes the country to global supply disruptions and price volatility. Expansion of domestically produced fuels such as CBG can strengthen energy security, reduce import dependence, and support the development of a more resilient and circular energy ecosystem. Importantly, CBG can be seamlessly integrated into existing PNG and CNG infrastructure, enabling

its use across cooking, mobility, and industrial applications through established gas distribution networks.

Recognizing these benefits, policymakers have continued to strengthen support for the sector. India has established a roadmap for blending 3% CBG in CNG and domestic PNG during FY 2026-27, increasing to 4% in FY 2027-28 and 5% by FY 2028-29. Recent assessments indicate that the country is on track to achieve the current year's blending target, providing a strong demand signal for project developers and investors. Further accelerating ecosystem development, the Ministry of Petroleum and Natural Gas launched the Sampurn CBG Unnati Programme, aimed at enhancing feedstock availability, improving operational efficiencies, and supporting rapid expansion of CBG production capacity across the country.

At the state level, the recently approved Maharashtra State CBG Policy 2026 marks another significant step towards large-scale deployment. Backed by an initial allocation of ₹500 crore, the policy promotes conversion of agricultural and municipal waste into clean energy through incentives such as viability gap funding of up to ₹15 crore per project,

concessional land allocation, and SGST reimbursement on CBG sales. The policy is expected to accelerate waste-to-wealth projects and strengthen the enabling ecosystem for bioenergy investments in one of India's largest agricultural and industrial states.

Praj continues to advance its capabilities across a wide range of feedstocks, reflecting the diversity of India's biomass resources. The Company has developed solutions for agricultural residues, press mud, spent wash, municipal solid waste, cattle dung, food waste, and other organic feedstocks. Through feedstock-flexible process designs, proprietary pre-treatment technologies, advanced anaerobic digestion systems, and biogas upgrading solutions, Praj enables efficient conversion of waste streams into high-quality CBG while maximizing value recovery through co-products.

With strong technology capabilities, extensive bioenergy experience, and integrated project execution expertise, Praj is well-positioned to support the scale-up of India's CBG ecosystem and contribute to the country's transition towards a more self-reliant, circular, and sustainable energy future.



9

BioPrism®: Nature Reimagined

BioPrism® reflects Praj's strategic expansion into the broader bioeconomy, with a focus on enabling sustainable alternatives to fossil-based chemicals and materials.

Praj continues to advance its portfolio of bio-based materials and renewable chemicals through technologies for lactic acid (LA), the key building block for Polylactic Acid (PLA), along with ongoing development in Polyhydroxyalkanoates (PHA) and 2,3-Butanediol (2,3-BDO). PHA represents a family of biodegradable biopolymers with applications in packaging, agriculture, personal care, and specialty consumer products, while 2,3-BDO is a versatile platform chemical used in the production of synthetic rubber, solvents, performance chemicals, and as a precursor for Sustainable Aviation Fuel (SAF) and other advanced fuels. Together, these technologies position Praj to participate across multiple segments of the evolving bio-based materials and renewable chemicals market.

Praj's lactic acid technology has entered the commercialization phase, supported by active market



engagement and project prospects. As the primary feedstock for PLA production, lactic acid plays a critical role in enabling sustainable alternatives for packaging, consumer goods, and other bio-based applications. Through strategic partnerships for downstream polymerization, Praj is well-positioned to participate in the rapidly growing PLA value chain.

A key differentiator is Praj's biopolymer demonstration facility at Jejuri, near Pune, which has emerged as an important validation and customer engagement center. The facility has been visited by multiple

prospective customers and industry stakeholders, providing an opportunity to demonstrate process integration, product quality, and commercial readiness. Significantly, it remains one of the few integrated demo-scale facilities in the segment, providing Praj with a distinct advantage in accelerating customer confidence and market adoption.

In parallel, technologies for PHA and 2,3-BDO continue to progress through development and validation stages, strengthening the Company's pipeline of next-generation renewable chemicals and materials. Together, these efforts position Praj to participate across multiple segments of the evolving bio-based economy and reinforce its role in enabling the transition towards more sustainable and circular industrial systems.



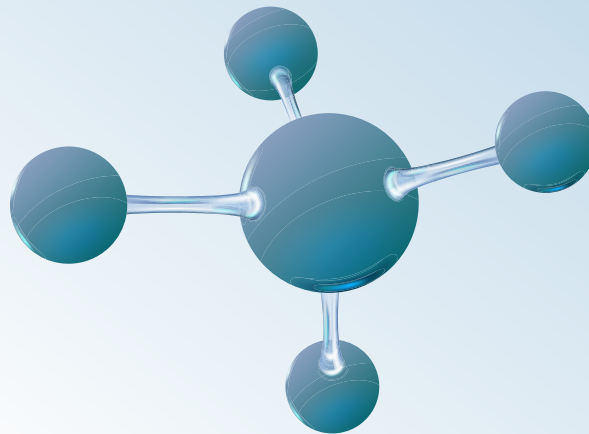
10 Praj HiPurity Systems

Praj HiPurity Systems Limited continues to strengthen its position as a key pillar within the Company's diversified portfolio, enabling expansion into high-precision, technology-intensive segments such as pharmaceuticals, biotechnology, semiconductors, and emerging bio-based industries. The business demonstrated resilience and steady growth, supported by investments in life sciences and specialty manufacturing. Its focus on high-purity water systems, modular process solutions, and value-added services continues to differentiate its offerings in highly regulated sectors, while increasing adoption of modular, skid-based systems has enhanced execution efficiency and reduced on-site complexities.

The business has also expanded its focus towards high-growth sectors such as semiconductors and advanced electronics manufacturing, where water purity and resource management are critical. Leveraging the combined strengths of PHS and Praj's water and wastewater treatment business, the Company is developing integrated solutions encompassing high-purity water systems, water recycling, and advanced wastewater treatment for semiconductor and advanced manufacturing facilities. This integrated approach enables

customers to address stringent process reliability and sustainability requirements through a single engineering partner.

PHS continues to strengthen its presence across regulated domestic and international markets, with growing participation in global life sciences and advanced manufacturing supply chains. The business remains focused on enhancing technology offerings, expanding modularization and advanced fabrication capabilities, and deepening customer engagement through lifecycle services.



11

Praj GenX and Critical Process Equipment & Modularization

Praj GenX represents a significant step in the Company's evolution towards high-value engineering and global industrial solutions. Building on Praj's process engineering legacy, the business focuses on delivering critical process equipment, modular skids, and engineered systems for applications across energy transition, clean fuels, chemicals, and emerging industrial sectors.

During the year, Praj GenX continued to strengthen its modularization capabilities. This approach enhances quality control, improves safety, reduces execution timelines, and minimizes site-related risks.

A key highlight was the growing engagement from global customers through technical audits, capability assessments, and site visits to the Praj GenX facility. These interactions reflect increasing confidence in the Company's engineering standards, manufacturing quality, and project execution capabilities, while strengthening its participation in large and complex international projects. The business also began receiving orders and enquiries from major oil and energy companies, marking an important milestone in expanding its presence within the broader hydrocarbon and industrial infrastructure ecosystem.

Praj GenX has also expanded capabilities across high-growth sectors, including data centers and advanced manufacturing, where demand for precision-engineered and modular systems continues to rise. The business remains aligned with global megatrends such as energy transition, decarbonization, supply chain localization, and digital infrastructure growth.

Praj GenX continues to invest in infrastructure, manufacturing capabilities, digital engineering tools, and specialized talent to support long-term growth. While these investments may impact near-term financial performance, they are expected to position the business strongly to capture growing global demand for modular and high-specification engineering solutions.

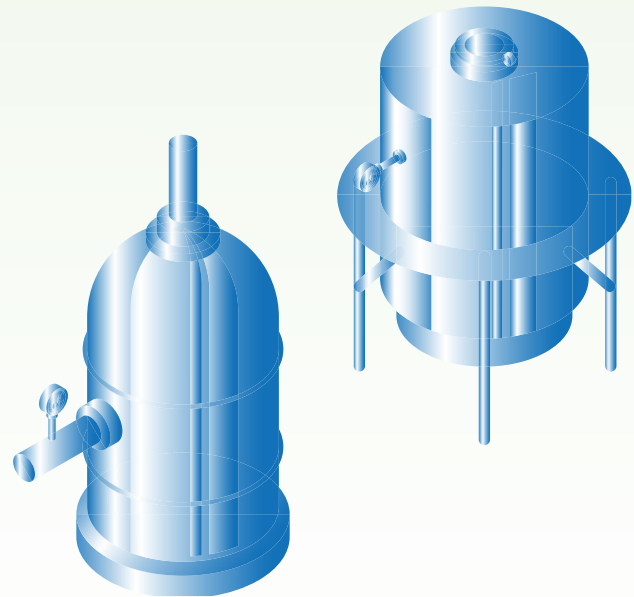


12 Brewery & Beverages

Praj's Brewery and Beverages business continues to strengthen its position as a key contributor within the Company's portfolio, backed by deep expertise in fermentation, process engineering, and integrated plant solutions. Praj remains a trusted partner for globally leading beverage companies, supported by its strong installed base and long-standing customer relationships.

A key milestone achieved recently is the successful completion of a major greenfield brewery project in India for a leading global brewery company, reinforcing Praj's capability in delivering complex, end-to-end brewery solutions. Such projects also create long-term opportunities through lifecycle services, retrofits, upgrades, and operational support. The Company is currently engaged in the design and engineering phase of what is expected to be one of the largest industrial-scale brewery projects in India.

The business continues to expand its offerings beyond industrial-scale brewery solutions into segments such as malt spirits and liquid foods, while strengthening its portfolio of technology-led solutions focused on improving plant efficiency, sustainability, and operational performance. It has also advanced offerings such as thermal energy recovery systems, retrofit solutions, and plant automation technologies aimed at enhancing energy efficiency, productivity, and process consistency.



With a strong global footprint, strategically located manufacturing facilities, and continued investments in innovation, Praj is well positioned to capitalize on the growing demand for high-quality, sustainable beverage infrastructure. The business is expected to remain a steady contributor to the Company's growth, while also complementing its broader strategy of expanding into high-value engineering segments.



13 Water and Wastewater Treatment Solutions



Water and wastewater treatment continues to play an increasingly important role in Praj's engineering portfolio, driven by growing emphasis on sustainability, resource efficiency, and regulatory compliance across industries. During the year, the Company strengthened its capabilities across the water value chain, including high-purity water systems, effluent treatment, water recycling, and Zero Liquid Discharge (ZLD) solutions.

The evolving demand from sectors such as semiconductors, battery manufacturing, and advanced manufacturing is creating opportunities for integrated and high-specification water management solutions. Praj's integrated approach—combining technology, engineering, manufacturing, modularization, and lifecycle services—enables delivery of end-to-end solutions addressing both ultra-high purity process requirements and complex wastewater treatment needs. Increasing adoption of water recycling and ZLD solutions, supported by tightening environmental regulations and sustainability goals, further strengthens the growth outlook for the business.

Going forward, water and wastewater treatment is expected to remain a key growth driver within the engineering business, supported by rising environmental compliance requirements, expansion of high-tech manufacturing sectors, and the broader shift towards sustainable industrial practices. Praj remains focused on innovation, integrated execution, and long-term customer partnerships to capitalize on these opportunities.



Human Capital

Praj recognizes its people as a key enabler of long-term growth, innovation, and operational excellence. The Company continues to invest in capability building and skill development across critical areas such as biotechnology, engineering, modular engineering and fabrication, advanced manufacturing, and digital technologies, with a strong focus on building a future-ready workforce aligned with evolving business needs. During the year, the Company strengthened its talent base through infusion of key talent across strategic growth areas, while also investing in

young talent development through structured learning initiatives that combine classroom training, project-based learning, and exposure to customers and business operations. Cross-functional and cross-business deployment of talent across various business units further supported broad-based learning, collaboration, and organizational capability enhancement.

Continuous learning, leadership development, and collaborative work culture remain central to fostering innovation and strengthening organizational capabilities.

The Company also places strong emphasis on employee well-being, workplace safety, diversity, inclusion, and engagement through structured initiatives focused on safety practices, employee development, and a people-centric work environment. In addition, Praj has proactively aligned its HR policies and compensation structures with the requirements of the New Labour Codes, reinforcing its commitment to progressive people practices, regulatory compliance, and sustainable long-term growth.



Innovation and R&D

Innovation remains central to Praj's strategy, anchored in a strong technocrat-led legacy and a deeply institutionalized R&D framework. With a portfolio of 400+ patents and a dedicated team of research scientists, the Company continues to translate complex biological and chemical processes into scalable industrial solutions. In response to evolving market dynamics, Praj's R&D efforts are increasingly focused on future fuels and the bioeconomy, including Sustainable Aviation Fuel (SAF), bio-isobutanol, Compressed Biogas (CBG), and renewable chemicals and materials.

A key milestone during the year was the successful validation of Praj's integrated SAF demonstration facility for the Ethanol-to-Jet (EtJ) pathway, making it the first company globally to validate Alcohol-to-Jet (AtJ) technologies across both ethanol-to-jet and isobutanol-to-jet pathways at demo scale. This reinforces the Company's readiness to support the next phase of global aviation decarbonization. In parallel, R&D efforts are focused on process intensification, feedstock flexibility, and efficiency improvements, enabling optimization of existing assets and supporting the transition from greenfield expansion to value-driven, brownfield enhancements.

The Company also strengthened its capabilities in next-generation biomanufacturing through the launch of an Advanced Precision Fermentation Lab at Praj Matrix. The facility focuses on large-scale precision fermentation and advanced



bioprocessing across applications in pharmaceuticals, food, biofuels, cosmetics, and sustainable materials. This initiative is closely aligned with the Government of India's BioE3 (Biotechnology for Economy, Environment and Employment) Policy, which aims to position India as a global hub for bio-manufacturing and industrial biotechnology.

Further strengthening this ecosystem approach, Praj formalized a strategic collaboration with National Centre for Cell Science (BRIC-NCCS), supported by the Department of Biotechnology, Government of India, to advance academia-industry collaboration in microbial research,

industrial biotechnology, and scalable bio-manufacturing. These initiatives reinforce Praj's long-term commitment to innovation-led growth and to enabling India's transition towards a globally competitive bioeconomy.



Sustainability

Creating Sustainable Social Impact

Praj Foundation continues to work towards building resilient and empowered communities through focused interventions in healthcare, education, water conservation, and livelihoods. Guided by a holistic approach to sustainable development, the Foundation's initiatives aim to create long-term social impact while addressing critical grassroots challenges across rural and underserved regions.

Preventive Healthcare for Women

Preventive healthcare for women remains a key area of focus through the Foundation's flagship healthcare program, Food is Medicine. Operating across 12 locations in Maharashtra and Gujarat, the program covers over 150 villages, directly impacting more than 13,000 women and reaching approximately 65,000 individuals.

By promoting kitchen gardens, reviving iron-rich cooking traditions,

and linking health with livelihood opportunities through poultry and food processing, the initiative addresses anaemia, improves immunity, and supports income generation—creating a model of holistic empowerment.

Maternal and Child Health

Recognizing the importance of antenatal and postnatal care for mother and child, the Foundation also supports over 300 pregnant women and more than 600 children up to the age of two years in the tribal regions of Vikramgad (Palghar) and Dhadgaon (Nandurbar).

The initiative focuses on



Awareness on maternal and child nutrition



Promotion of kitchen gardens for year-round access to organic food



Monitoring of growth parameters (weight and height)



Immunization tracking and follow-ups



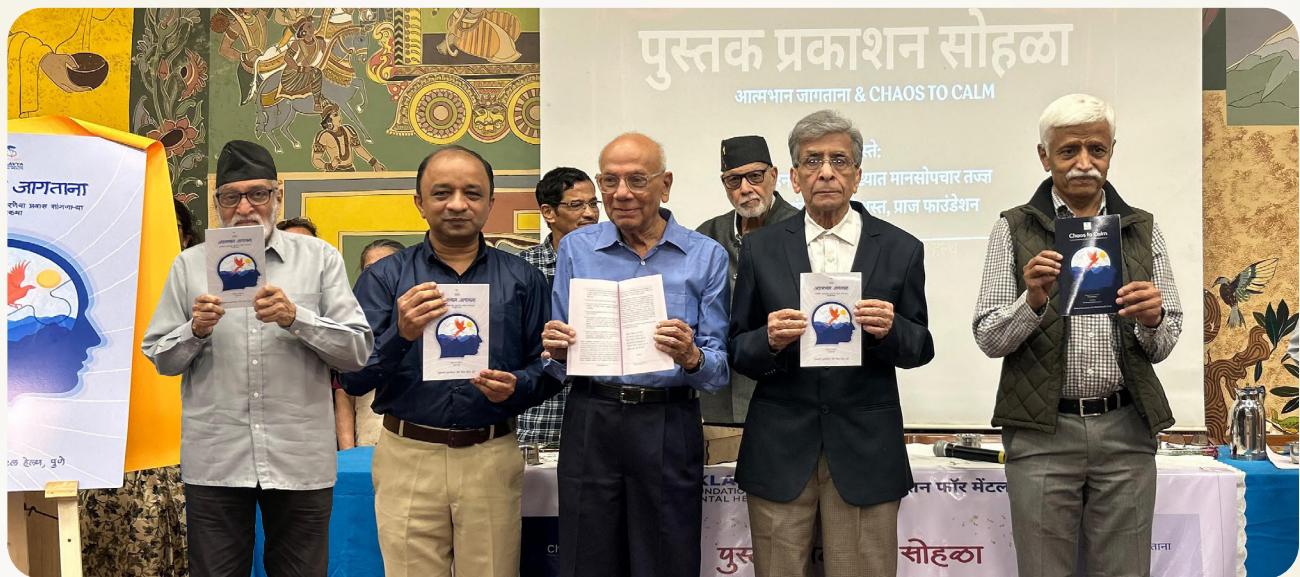
Education on developmental milestones



These interventions have resulted in over 70% of babies being born with normal birth weight, timely achievement of developmental milestones, and reduction in malnutrition and stunting, while supporting age-appropriate cognitive development.

Mental Health and Caregiver Support

The Foundation also continues its efforts in the area of mental health and caregiver support.



1

Over **100 caregivers in Pune and Nashik** have been trained through workshops on patient care, emotional resilience, and self-care practices

2

Formation of **support groups** has enabled shared learning and collective problem-solving

3

Publication of a **bilingual (Marathi & English) book** documenting recovery journeys has provided inspiration and guidance



Additionally, the Foundation has supported **training programmes for parents of children with autism and other disabilities**, benefiting over 50 families and enhancing their ability to provide effective care.

Water Conservation

Water conservation remains central to building rural resilience. Praj Foundation has implemented large-scale water management initiatives across 103 villages (83 in Maharashtra and 20 in Gujarat).

10,500+

wells and borewells rejuvenated

53,000+

acres brought under sustainable irrigation

11,500+

families

44,000+

individuals benefited

These efforts have strengthened water security, enhanced agricultural productivity, and restored community confidence in local water resources.



Education and Livelihoods

Praj Foundation's education initiatives aim to bridge the gap between aspiration and access by strengthening foundational skills and enabling employability.

These interventions are designed to build long-term capabilities, promote

self-reliance, and create sustainable livelihood opportunities.

Through its integrated approach, Praj Foundation continues to deliver measurable social impact, empowering communities, strengthening rural ecosystems, and enabling sustainable development at scale.



14,000+ children supported in foundational literacy and numeracy



140+ schools and Anganwadis strengthened



285+ teachers trained



250+ youth received vocational training



325+ livelihoods created for women and youth in rural areas

Risk Management and Internal Controls

The Company continues to strengthen its Enterprise Risk Management (ERM) framework to effectively navigate a dynamic and evolving business environment. The framework enables systematic identification, assessment, monitoring, and mitigation of strategic, operational, financial, regulatory, and technology-related risks across businesses and geographies. Key risks include policy

and regulatory uncertainties, delays in customer investment decisions, commodity price volatility, execution challenges in large-scale projects, geopolitical developments, and technology adoption risks in emerging segments.

Praj's ERM approach is integrated with business planning and operational processes, supported by robust internal controls, periodic

risk reviews, and strong governance mechanisms. Continuous monitoring, structured mitigation plans, and cross-functional oversight help enhance organizational resilience and ensure proactive response to evolving market conditions. The Company's internal control systems are designed to safeguard assets, ensure regulatory compliance, maintain operational integrity, and support sustainable long-term growth.

Details of significant changes in Key Financial Ratios along with detailed explanation therefor: (change of 25% or more as compared to the immediately previous financial year)

Standalone Praj	UOM	31-Mar-26	31-Mar-25	Variation	Major reason for variance
Debtors Turnover	Days	86	95	-9%	N.A.
Inventory Turnover	Days	59	54	9%	N.A.
Interest Coverage	Times	N.A.	N.A.	N.A.	N.A.
Current Ratio	Times	1.50	1.57	-5%	N.A.
Debt Equity ratio	Times	N.A.	N.A.	N.A.	N.A.
Operating Profit Margin	%	6.22%	12.31%	-49%	Composition of sales mix, disruption in supply chain & logistics and, delay in project execution leading to cost escalation affected the profit margin
Net Profit Margin	%	4.66%	9.63%	-52%	
RoNW	%	8.46%	19.77%	-57%	

Forward Looking Statement

This document contains forward-looking statements that reflect the Company's strategic vision, growth expectations, and future business outlook. These statements are based on current market conditions, industry trends, government policies, and management's assumptions regarding business performance, technological advancements, and expansion plans. While Praj Industries remains committed to innovation, sustainable growth, and long-term value creation, actual results may differ materially due to various factors, including changes in macroeconomic conditions, regulatory frameworks, geopolitical developments, and market dynamics. The Company assumes no obligation to update or revise any forward-looking statements, except as required under applicable laws. Stakeholders are advised to consider these statements in the context of inherent uncertainties and evolving business environments.



BOARD'S REPORT

To,
The Members of Praj Industries Limited

Your Directors are pleased to present the 40th Report together with the Audited Financial Statements of Praj Industries Limited ("the **Company**") for the financial year ended on 31st March, 2026.

1. FINANCIAL HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS:

The Audited Financial Statements of the Company as on 31st March, 2026 have been prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the **Act**"), read with Rule 7 of the Companies (Accounts) Rules, 2014 and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**").

During the year under review, your Company recorded a standalone total income of ₹26,579 Mn., (previous year ₹28,169 Mn.), with profit after tax of ₹1,205 Mn. (previous year ₹2,644 Mn.). On a consolidated level, total income stood at ₹32,182Mn. (previous year ₹32,888 Mn.), with profit after tax of ₹238 Mn. (previous year ₹2,189 Mn.).

The summarized financial highlights are depicted below:

(₹ in Mn.)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	25,859	27,447	31,679	32,280
Other Income	720	723	504	608
Total Income	26,579	28,169	32,182	32,888
Total Expenses	24,719	24,954	31,416	30,184
PBT (Before exceptional items)	1,860	3,215	763	2,704
(+) Exceptional item	-238	282	-264	282
PBT	1,622	3,497	499	2,986
(-) Tax Expenses	417	853	261	797
PAT	1,205	2,644	238	2,189
Other Comprehensive Income	37	-24	33	-21
Total Comprehensive Income	1,242	2,620	272	2,168
(+) Balance in Profit & Loss account	11,714	10,197	11,390	10,325
Profit Available for Appropriations	12,956	12,817	11,662	12,493
Appropriations				
i) Dividend	-1,103	-1,103	-1,103	-1,103
Balance in Statement of Profit & Loss	11,853	11,714*	10,559	11,390#

* Includes Debt instruments balance through Other Comprehensive Income.

Includes Debt instruments balance through Other Comprehensive Income and exchange differences on translation of foreign operations.

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34(2)(e) of the Listing Regulations forms part of this Annual Report.

3. DIVIDEND:

The Board of Directors at its meeting held on 28th May, 2026 have recommended final Dividend of ₹3.60/- per share (i.e. 180%) of face value of ₹2/- each for the financial year 2025-26. The dividend is payable subject to shareholders' approval at the ensuing Annual General Meeting (AGM). The final dividend pay-out, if approved by the shareholders in the ensuing AGM, will be around ₹661.727 Mn.

The dividend pay-out is in line with the Company's Dividend Distribution Policy.

4. DIVIDEND DISTRIBUTION POLICY:

In accordance with Regulation 43A of the Listing Regulations, the Company has formulated a Dividend Distribution Policy which is available on the Company's website and link for the same is given in "Annexure 1".

5. RESERVES:

During the year under review, the Company does not propose to transfer any amount to the General Reserve.

6. CREDIT RATING:

- (i) CRISIL has re-affirmed "A1+" rating to the Company's short-term banking facilities which signifies that the degree of safety regarding timely payment of instruments is very strong.
- (ii) CRISIL has also re-affirmed "AA/Stable" rating to the Company's long-term bank facilities which signifies high safety with regard to timely payment of long-term financial obligations.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

(i) Appointment:

Dr Pramod Chaudhari (DIN: 00196415)

The Shareholders at their meeting held on 11th August, 2025, have approved the appointment of Dr Pramod Chaudhari as Founder Chairman & Mentor-Praj Group (Whole Time Director in the category of Executive Director) for a period of five (5) years w.e.f. 1st July, 2025 till 30th June, 2030, by way of Special Resolution.

Mr. Berjis Desai (DIN: 00153675)

The Shareholders at their meeting held on 11th August, 2025 have approved the appointment of Mr. Berjis Desai as Non-Executive Non-Independent Director, liable to retire by rotation w.e.f. 1st July, 2025.

Mr. Parth Chaudhari (DIN: 07010109)

Ms. Parimal Chaudhari (DIN: 00724911) retired by rotation at the 39th AGM and not offered herself for re-appointment.

Based on the recommendation of Nomination & Remuneration Committee (NRC), Board at its Meeting held on 29th April, 2025 has approved the appointment of Mr. Parth Chaudhari (DIN: 07010109) as Non-Executive Non-Independent Director, liable to retire by rotation w.e.f. the date of 39th AGM i.e. 11th August, 2025 in place of Ms. Parimal Chaudhari, which was further approved by the Shareholders at 39th AGM held on 11th August, 2025.

Mr. Sachin Raole (DIN: 00431438)

Based on the recommendation of NRC, Board at its Meeting held on 28th April, 2026 has approved the appointment of Mr. Sachin Raole (DIN: 00431438) as Joint Managing Director & Chief Financial Officer for a period of five (5) years w.e.f. 30th April, 2026 till 29th April, 2031, subject to approval of Shareholders by way of Postal Ballot.

(ii) Cessation:

Ms. Parimal Chaudhari (DIN: 00724911)

Ms. Parimal Chaudhari (DIN: 00724911) retired by rotation at the 39th AGM and she didn't offer herself for re-appointment.

Mr. Shishir Joshipura (DIN: 00574970)

Mr. Shishir Joshipura (DIN: 00574970), has completed his tenure as CEO & Managing Director of the Company and consequently ceased to be the Director of the Company w.e.f. 30th June, 2025.

(iii) Director liable to retire by rotation:

Mr. Berjis Desai (DIN: 00153675)

Mr. Berjis Desai (DIN: 00153675) retires by rotation at 40th AGM and has not offered himself for re-appointment due to his appointment as a Member of National Commission for Minorities, New Delhi, which require his substantial commitment of time.

(iv) Key Managerial Personnel (KMP):

The Company has the following KMPs as on 31st March, 2026;

Name of the KMP	Designation
Dr Pramod Chaudhari	Chairman
Mr. Ashish Gaikwad	Managing Director
Mr. Sachin Raole	CFO & Director-Resources
Mr. Anant Bavare	Company Secretary

8. DECLARATION FROM INDEPENDENT DIRECTORS:

The Independent Directors have submitted their annual declaration to the Board confirming that they fulfill all the requirements as stipulated in Section 149(6) and 149(7) of the Act read with rules framed there under and Regulations 16(1)(b) and 25 of the Listing Regulations.

9. SUBSIDIARY COMPANIES:

Praj Engineering & Infra Ltd., India, Praj HiPurity Systems Ltd., India, Praj GenX Ltd., India, Praj Americas Inc., U.S.A., Praj Far East Co. Ltd., Thailand, Praj Far East Philippines Ltd. Inc., The Philippines and Praj Projects (Tanzania) Ltd. continue to be subsidiaries of your Company.

Based on the Audited Financial Statements for the financial year 2025-26, Praj HiPurity Systems Limited has been identified as a material subsidiary in accordance with the provisions of Regulation 16 of the Listing Regulations.

Since the aforesaid subsidiary met the materiality threshold only upon finalization of the Audited Financial Statements for the financial year 2025-26, the provisions applicable to material subsidiaries under Regulation 24 of the Listing Regulations were not applicable during the year under review.

Consolidated Financial Statements of the Company prepared in accordance with Section 129(3) of the Act, and the applicable Accounting Standards, which include the results of the Subsidiary Companies, forms part of this Annual Report. Further, a statement containing salient features of the financial statements of all subsidiaries in prescribed Form AOC-1, is enclosed as "Annexure 2".

Copies of Annual Accounts and related detailed information of all the subsidiaries can also be sought by any Shareholder of the Company by making a written request to the Company Secretary at the address of the Registered Office of the Company in this regard. The Annual Accounts of the Subsidiary Companies are also available for inspection at the Company's Registered Office. The separate Audited Financial Statements in respect of each of the Subsidiary Companies are also available on the website of the Company at <https://www.praj.net/investors-type/financial-reports-of-subsiidiaries/>

The Company has formulated a policy for determining 'material subsidiary' which is hosted on the Company's website and link for the same is given in "Annexure 1".

10. CORPORATE SOCIAL RESPONSIBILITY ("CSR"):

Pursuant to and in compliance with Section 135 of the Act and Rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board has constituted a CSR Committee. The details of the CSR Committee constitution, CSR activities and other details, as required under Section 135 of the Act and the CSR Rules, are given in the CSR Report at "Annexure 3".

The CSR Policy is placed on the Company's website and link for the same is given in "Annexure 1".

11. CORPORATE GOVERNANCE:

Pursuant to Regulation 34 of the Listing Regulations, Report on Corporate Governance along with the certificate from a Practising Company Secretary certifying compliance with conditions of Corporate Governance is annexed to this Report as "Annexure 4".

12. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR):

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the BRSR on initiatives taken from an environmental, social and governance perspective, in the prescribed format is annexed to this Report as "Annexure 5".

13. BOARD MEETINGS:

The Board met five (5) times during the financial year, the details of which are given in the Corporate Governance Report which forms an integral part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Act and the Listing Regulations as amended from time to time.

14. COMMITTEES OF THE BOARD:

The details of all the Committees such as composition, terms of reference and meetings held during the year under review are set out in the Corporate Governance Report which forms an integral part of this Annual Report.

15. AUDITORS:

(i) Statutory Auditors:

M/s M S K A & Associates LLP (formerly known as M S K A & Associates), Chartered Accountants (Firm Reg. No.: W101187/105047W), were appointed as the Statutory Auditors of the Company for a period of five (5) years from

39th AGM until the conclusion of 44th AGM to be held in the calendar year 2030.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

(ii) Internal Auditors:

The Internal Auditors, Khare Deshmukh & Co., Chartered Accountants, Pune have conducted internal audits periodically during the financial year 2025-26 and submitted their reports to the Audit Committee.

Their reports have been reviewed by the Statutory Auditors and the Audit Committee.

The Board has appointed Khare Deshmukh & Co., Chartered Accountants, Pune, as Internal Auditors of the Company for the financial year 2026-27.

(iii) Cost Auditors:

In terms of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, your Company has appointed Dhananjay V. Joshi & Associates, Cost Accountants as Cost Auditors of the Company for the financial year 2026-27 at the remuneration of ₹0.325 Mn. which is subject to ratification by the Shareholders at the 40th AGM.

The maintenance of cost records as specified under Section 148 of the Act is applicable to the Company, and accordingly, all the cost records are made and maintained by the Company and audited by the cost auditors.

(iv) Secretarial Auditors:

M/s MSN Associates, Company Secretaries (Firm Registration No. 29533) were appointed as the Secretarial Auditors of the Company for a period of five (5) years from 39th AGM until the conclusion of 44th AGM to be held in the calendar year 2030.

Secretarial Audit Report

In accordance with the provisions of Section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s MSN Associates, Company Secretaries (Firm Registration No. 29533), to conduct the Secretarial Audit of the Company for the financial year 2025-26. The Secretarial Audit Report (MR-3) for the financial year 2025-26 forms part of this Annual Report as "Annexure 6".

The Secretarial Audit Report for the financial year 2025-26 does not contain any qualifications, reservations, adverse remarks or disclaimer.

Annual Secretarial Compliance Report

Pursuant to and in compliance with the provisions of Regulation 24A(2) of the Listing Regulations, M/s MSN Associates, Company Secretaries (Firm Registration No. 29533), have issued Annual Secretarial Compliance Report for the financial year ended 31st March, 2026. The Company has submitted the said report to the Stock Exchanges within the prescribed time frame.

16. MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments, affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of the report.

17. RISK MANAGEMENT:

Pursuant to Regulation 21 of the Listing Regulations, the Company has constituted a Risk Management Committee, details of the Committee along with terms of reference are provided in the Corporate Governance Report which forms an integral part of this Annual Report.

The Company has framed a Risk Management Policy to ensure sustainable business growth and to promote a pro-active approach in identifying, reporting, evaluating and mitigating risks associated with the business of the Company. The policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. The Risk Management Policy is hosted on the Company's website and link for the same is given in "Annexure 1".

The enterprise risks and their mitigation plans are presented by the risk owners to the Risk Management Committee. The Enterprise Risk Management (ERM) framework is aimed at effectively mitigating the business and enterprise risks through strategic actions. The mitigation plans for enterprise and business risks are reviewed and updated on a periodic basis to the Risk Management Committee, Audit Committee and the Board of Directors of the Company.

In today's challenging and competitive environment, strategies for mitigating inherent risks associated with

business and for accomplishing the growth plans of the Company are imperative. The common risks *inter-alia* are risks emanating from; Regulations, Cyber Risks, Competition, Business, Technology obsolescence, Investments, Retention of talent, Finance, Politics and Fidelity etc.

In today's complex business environment, Cyber risks have considerably increased. During the year, we continued our efforts to keep ourselves up to date with cyber security events globally to achieve higher compliance and its continued sustenance.

As mentioned in Risk Management Policy, these risks are assessed and steps, as appropriate, are taken to mitigate the same.

The Company has instituted adequate Internal Controls and processes to have a cohesive view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities.

In the opinion of the Board, there are no risks which may threaten the existence of the Company.

18. INTERNAL FINANCIAL CONTROLS:

The Company has in place, adequate internal financial controls with reference to Financial Statements commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

19. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, duly amended, in respect of Directors & KMPs of the Company is furnished hereunder:

Sr. No.	Name	Designation	Ratio of remuneration of Directors to the median remuneration of employees	% Increase/ (Decrease) in remuneration over FY 2024-25
1.	Dr Pramod Chaudhari	Chairman	58.43	(0.79)
2.	Mr. Shishir Joshipura ¹	CEO & Managing Director	29.00	(54.84)
3.	Mr. Ashish Gaikwad	Managing Director	27.03	_*
4.	Mr. Sachin Raole ²	Joint Managing Director & CFO	10.32	(105.44)
5.	Ms. Parimal Chaudhari ³	Non-Executive Non-Independent Directors	1.13	_*
6.	Mr. Parth Chaudhari ⁴		-	-
7.	Mr. Berjis Desai ⁵		0.97	_*
8.	Mr. Vinayak Deshpande	Independent Directors	2.59	Nil
9.	Mr. Utkarsh Palnitkar		1.94	25.00
10.	Dr Shridhar Shukla		1.29	12.50
11.	Ms. Rujuta Jagtap		0.49	Nil
12.	Mr. Ajay Narayan Deshpande		0.49	Nil
13.	Mr. Anant Bavare	Company Secretary	2.66	3.52

¹ceased to be Director due to completion of tenure on 30th June, 2025

²appointed as Joint Managing Director & CFO w.e.f. 30th April, 2026

³ceased to be Director due to retirement by rotation on 11th August, 2025

⁴appointed with effect from 11th August, 2025

⁵appointed with effect from 1st July, 2025

* not comparable since the appointment was for part of the year (i.e. either in previous year or during FY 2025-26)

The median remuneration of employees of the Company during the financial year 2025-26 was ₹1.546 Mn., there was an increase of around 11.62% in the median remuneration of employees.

There were 1,155 permanent employees on the rolls of the Company as on 31st March, 2026.

Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2025-26 was around 7.5% whereas the managerial remuneration for the same financial year increased by around 5%.

The key parameters for the variable component of remuneration paid to the Directors are considered by the Board of Directors based on the recommendations of NRC as per the Remuneration Policy for the Directors, KMP and Senior Management Personnel.

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMP and Senior Management Personnel.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are available to Shareholders for inspection on request.

In terms of Section 136 of the Act, the said Statement is open for inspection at the Registered Office of the Company. The Annual Report is being sent to the Shareholders excluding the aforesaid statement. Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary.

20. REMUNERATION POLICY FOR DIRECTORS AND KMPs:

The Company's Remuneration Policy for Directors/KMPs is directed towards rewarding performance based on periodical review of achievements. The Remuneration Policy is in consonance with the existing industry practice which is attached as "Annexure 7" to this Report.

The said policy is also available on the Company's website and link for the same is given in "Annexure 1".

21. EMPLOYEE STOCK OPTION PLAN ("ESOP"):

During the year under review, your Directors confirm that no shares were granted or issued by the Company under the Employee Stock Option Plan 2011 of the Company.

A statement giving complete details, as at 31st March, 2026, pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, is available on the Company's website at <https://www.praj.net/investors-type/esop-disclosure/>.

22. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

To ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical

behaviour, the Company has adopted a Vigil Mechanism / Whistle Blower Policy. Key features of this policy are given in Corporate Governance Report. The said policy is hosted on the website of the Company and link for the same is given in "Annexure 1".

23. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The details of loans, guarantees and investments covered under Section 186(4) of the Act are given in the notes to the Audited Standalone Financial Statements. (Please refer note nos. 4, 11 & 31 to the Standalone Financial Statements)

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the financial year 2025-26 with related parties were in the ordinary course of business and on an arm's length basis. Such transactions form part of the notes to the financial statements provided in this Annual Report. Particulars of related party transactions are provided in note no. 31 in the Standalone Financial Statements.

There were no materially significant related party transactions which could have potential conflict with the interests of the Company at large. None of the transactions with related parties falls under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 does not apply to the Company for the financial year 2025-26 and hence the same is not provided.

Your Company has formulated a Policy on Related Party Transactions which is available on the Company's website and link for the same is given in "Annexure 1".

25. BOARD EVALUATION:

Pursuant to and in compliance with the provisions of Section 134 of the Act and Rules made thereunder and as provided in Schedule IV to the Act and the Listing Regulations, the Board, in consultation with the NRC lays down the evaluation criteria for the performance of Executive / Non-Executive / Independent Directors.

Independent Directors have three key roles -Governance, Control and Guidance. Some of the performance indicators based on which the Independent Directors are evaluated include:

- (i) Ability to contribute to and monitor the Company's corporate governance practices.
- (ii) Ability to contribute by introducing international best practices to address top-management issues.
- (iii) Active participation in medium to long-term strategic planning.
- (iv) Commitment to the fulfillment of Directors' obligations and fiduciary responsibilities, which include participation in the Board and the Committee Meetings.

The evaluation of all the Directors, Committees and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

26. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, Annual Return for the financial year ended on 31st March, 2026, in prescribed web form MGT-7 to be filed with Ministry of Corporate Affairs is available on the website of the Company at <https://www.praj.net/investors-type/annual-return/>.

27. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Act, the Board hereby submits its responsibility statement for the financial year 2025-26 as follows:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2026 and of the profit of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE ACT:

During the year, the Auditors have not reported to the Audit Committee, any incidence of fraud as defined under Section 143(12) of the Act, committed against the Company by its officers or employees.

29. DEPOSITS:

The Company has not accepted any deposits from public as per the provisions of Sections 73 and 74 of the Act read with Rules made thereunder and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

30. SECRETARIAL STANDARDS:

The Company has complied with the applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

31. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

During the year under review, pursuant to and in compliance with the provisions of Sections 124 and 125 of the Act and Rules made thereunder, the Company has transferred:

- (i) 14,690 equity shares to IEPF, whose dividend has remained unclaimed / unpaid for a consecutive period of seven (7) years and
- (ii) ₹9,74,362/- (Rupees Nine Lakhs Seventy Four Thousand Three Hundred Sixty Two only) and ₹2,92,900/- (Rupees Two Lakhs Ninety Two Thousand Nine Hundred only) to IEPF, being the unclaimed dividend, pertaining to the final dividend for the financial year 2017-18 and interim dividend for the financial year 2018-19 respectively after giving notice to the Shareholders to claim their unclaimed / unpaid dividend.

As on 31st March, 2026, 3,07,347 equity shares are lying with IEPF.

32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the year, there were no significant material orders passed by the regulators and courts, which would impact the going concern status of the Company.

33. INSOLVENCY AND BANKRUPTCY CODE (IBC):

There were no proceedings admitted against the Company under IBC 2016.

34. COMPLIANCE OF PROVISIONS OF THE MATERNITY BENEFIT ACT, 1961:

The Company is in compliance with the applicable provisions of Maternity Benefit Act, 1961.

35. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has constituted Internal Committee for each location. The name of all Committee members and their contact details are available on the Company's notice board along with the Policy on Prevention of Sexual Harassment (POSH), which is accessible to all employees of the Company.

Awareness programs were conducted on the POSH during the financial year. Also, all new joiners at the Company undergo separate induction on POSH policy.

The following is a summary of Sexual Harassment Complaints received and disposed during the financial year 2025-26, under the aforesaid Act:

Number of complaints received during the year : Nil

Number of complaints disposed off during the year : N.A.

Number of cases pending for more than ninety days : Nil

36. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

(i) Conservation of Energy:

Your Company continues to place strong emphasis on energy conservation by adopting

sustainable practices across its manufacturing, design, and operational activities:

Waste-to-Energy Integration: Praj's proprietary RenGas™ technology enables efficient production of compressed biogas from agricultural residues such as rice straw, Napier grass, and press mud. The technology has been deployed across multiple industrial installations, supporting renewable gas generation and reduction in GHG emissions.

Energy Efficient Design & Engineering: The Praj Technology and Engineering Group continues to design and engineer plants with a strong focus on reducing energy and water consumption through process optimization and advanced thermal integration and Value-added Co-product maximization.

(ii) Technology Absorption:

Praj is a technology-driven enterprise focused on innovation-led growth through the continuous development, absorption, and commercialization of technologies in bioenergy, renewable chemicals, and materials. The Company's R&D efforts at Praj Matrix continue to strengthen its leadership in the global bioeconomy.

Key technology developments and deployment status are summarized below:

Corn to Ethanol High Titre: The Company has developed high-titre Indian corn-to-ethanol technology to support capacity expansion and improve plant viability. The technology is currently progressing toward commercialization.

Distiller's Corn Oil: To further improve plant viability, value-added co-products are essential. The Company has developed a solution for recovery of high-value co-products such as Distiller's Corn Oil (DCO) from corn thin stillage. During the year, the Company successfully commissioned and handed over multiple DCO plants, marking an important step toward commercialization of integrated ethanol biorefinery concepts.

Sustainable Aviation Fuel: The Company has developed Sustainable Aviation Fuel (SAF) solutions through Alcohol-to-Jet (ATJ) pathways using ethanol as a feedstock. The Company has successfully demonstrated its integrated SAF technology at its R&D facility, Praj Matrix, validating its readiness for commercial

deployment. The technology produces SAF compliant with international aviation standards (ASTM D7566) and is compatible with existing aviation infrastructure. This positions Praj among the global leaders offering end-to-end integrated SAF solutions that support decarbonization of the aviation sector.

Bio-Isobutanol (IBA) for blending in Diesel: The Company is actively advancing commercialization of its bio-isobutanol technology through strategic collaborations and technology integration platforms.

The Company is currently executing India's first bio-isobutanol plant, representing a key milestone in advancing next-generation biofuels and renewable hydrocarbon pathways. Bio-isobutanol serves as a platform molecule for blending in diesel and for the production of SAF.

RenGas Technology: The Company successfully commissioned a pressmud-to-biogas plant and ramped up capacity from 0% to 100% of rated capacity within a record 60 days. In addition, Praj has developed proprietary feedstock preparation and stabilization solutions such as PMStab™, BMSolve™, and NGStab™ to enhance yield and process efficiency.

Bioplastics & Biopolymers: The Company has developed an integrated technology platform for polymer-grade and food-grade lactic acid on the Planera™ platform. The Company's technology encompasses fermentation and downstream processing, enabling production of lactic acid for PLA applications.

The Company is also expanding its Bio Prism™ portfolio, with a focus on PHA, a molecule that is naturally biodegradable. PHA is currently in the advance stage of technology development cycle and deployment.

Bio-bitumen: The Company has developed a proprietary process to produce bio-bitumen from lignin-rich cake, offering a renewable

alternative to fossil-based bitumen used in road construction. The technology has been validated field applications, including successful road construction trials. Based on this positive validation and growing market interest, the technology is now at an advanced stage of commercial offering.

(iii) Expenditure incurred on Research and Development during the financial year 2025-26:

Your Company has spent ₹661.84 Mn. on Research and Development during the financial year 2025-26.

(iv) Foreign Exchange Earnings & Outgo:

(₹ in Mn.)

Particulars	31 st March, 2026	31 st March, 2025
Earnings	9,760	4,163
Outgo	1,729	2,101
Net Foreign Exchange Earnings	8,031	2,062

Your Company has retained its status as a net forex earner consecutively for past 28 years.

37. ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the continued co-operation and support extended to the Company by Customers, Collaborators, Government Authorities, Bankers, Suppliers, Auditors. They also place on record their appreciation for the dedication and value-added contribution made by all the employees.

Your directors would also like to thank all the Shareholders who have reposed confidence in the Company and its future.

For and on behalf of the Board of Directors

Dr Pramod Chaudhari

Chairman

(DIN: 00196415)

Date : 28th May, 2026

Place: Pune

ANNEXURE 1

CORPORATE POLICIES OF THE COMPANY

Sr. No.	Policy Name	Weblink
1.	Dividend Distribution Policy [Regulation 43A of the Listing Regulations]	Click here for Policy
2.	Policy on determination of Material Subsidiary [Regulation 16(1)(c) of the Listing Regulations]	Click here for Policy
3.	Corporate Social Responsibility Policy [Section 135 of the Act]	Click here for Policy
4.	Risk Management Policy [Regulation 21 of the Listing Regulations and as defined under Section 134 of the Act]	Click here for Policy
5.	Nomination & Remuneration Policy [Regulation 19 of the Listing Regulations and as defined under Section 178 of the Act]	Click here for Policy
6.	Vigil Mechanism/Whistle Blower Policy [Regulation 22 of the Listing Regulations and as defined under Section 177 of the Act]	Click here for Policy
7.	Policy for Related Party Transactions [Regulation 23 of the Listing Regulations and as defined under the Act]	Click here for Policy
8.	Familiarisation Programme for Independent Directors [Regulations 25(7) and 46 of the Listing Regulations]	Click here for Policy
9.	Code of Conduct for Board and Senior Management [Regulation 17 of the Listing Regulations]	Click here for Policy
10.	Code of Conduct to Regulate, Monitor and Report of Trading by Designated Persons [Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations]	Click here for Policy
11.	Policy for procedure of inquiry in case of leak or suspected leak of unpublished price sensitive information [Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations]	Click here for Policy
12.	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information [Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations]	Click here for Policy
13.	Policy on determination of Materiality of Events/Information [Regulation 30 of the Listing Regulations]	Click here for Policy
14.	Policy on Board Diversity [Regulation 19 of the Listing Regulations]	Click here for Policy
15.	Archival Policy [Regulation 30 of the Listing Regulations]	Click here for Policy
16.	Policy on Preservation of Documents [Regulation 9 of the Listing Regulations]	Click here for Policy

ANNEXURE 2 FORM AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENT OF SUBSIDIARIES PURSUANT TO SECTION 129(3) READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014

(₹ in Mn.)

Sr. No.	Name of the Subsidiary Company	Praj Far East Philippines Ltd. Inc., The Philippines	Praj Americas Inc. USA	Praj Far East Co., Ltd. Thailand	Praj Projects (Tanzania) Limited	Praj HiPurity Systems Limited, India	Praj Engineering & Infra Limited, India	Praj GenX Limited, India
1	Date of Incorporation	17-08-2012	16-07-2009	01-08-2006	02-12-2024	22-10-2007	30-07-1993	15-03-2023
2	Financial Period of the Subsidiary ended on	31-03-26	31-03-26	31-03-26	31-03-26	31-03-26	31-03-26	31-03-26
3	% of Shareholding	100% of Equity Capital	100% of Equity Capital	100% of Equity Capital	100% of Equity Capital	100% of Equity Capital	99.67% of Equity Capital	100% of Equity Capital
4	Share Capital	11.167	9.281	12.519	0.719	50.000	3.098	0.500
5	Reserves and Surplus	15.416	19.759	11.376	(11.243)	1154.830	362.469	(1831.675)
6	Total Assets	27.394	51.077	26.149	261.815	2486.066	1080.163	2918.427
7	Total Liabilities (Excluding Share Capital And Other Equity)	0.811	22.036	2.256	272.341	1281.236	714.596	4749.603
8	Investments	Nil	Nil	Nil	Nil	Nil	81.701	Nil
9	Turnover	2.369	122.907	4.503	808.180	3329.256	1207.918	889.376
10	Profit/(Loss) for the Current Year (Before Taxes)	(0.441)	5.860	(20.382)	30.571	220.108	22.356	(1262.161)
11	Provision for Taxation (Including Deferred Taxes)	0.031	1.330	0.000	16.025	54.417	12.855	(212.737)
12	Profit/(Loss) for the Current Year (After Taxes)	(0.472)	4.530	(20.382)	14.546	165.691	9.501	(1049.423)
13	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil
14	Original Currency	Peso	Us Dollar	Thai Baht	Tanzanian Shilling	₹	₹	₹
15	Exchange Rate as on 31 st March 2026 in INR-Closing Rate	1.5606	94.7750	2.9127	0.03664	1.00	1.00	1.00
16	Exchange Rate from 1 st April 25 to 31 st March 2026 in INR-Average Rate	1.5302	88.3617	2.7441	0.03452	1.00	1.00	1.00

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

Dr. Pramod Chaudhari
Chairman
(DIN : 00196415)

Ashish Gaikwad
Managing Director
(DIN : 07585079)

Sachin Raole
Joint Managing Director & CFO
(DIN : 00431438)

Anant Bavare
Company Secretary
M.No. : ACS21405

Place: Pune
Date : 28 May 2026



ANNEXURE 3

ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY

1. A brief outline of the Company's CSR policy including overview of projects or programmes proposed to be undertaken and reference to the weblink to the CSR Policy:

Praj Industries Limited ("PIL") is a socially responsible corporate citizen. PIL recognizes trusteeship as a critical function of an organization in discharging its responsibility towards the society, environment and its resultant ecosystem.

The early start on CSR activities has given PIL a tremendous learning and understanding of how CSR projects should be selected, implemented and sustained. PIL has a separate team dedicated to CSR activities. Along with Praj Foundation (CSR arm of PIL), PIL is engaged in various projects. Many of the themes selected also resonate well with the overall national agenda like Health, Water, Clean India (Swachh Bharat).

PIL is committed to supporting sustainable development through effective interventions at various levels.

To ensure this, PIL shall undertake the following activities:

- Environment sustainability and Rural development.
- Healthcare including Preventive health and Eradication of Malnutrition;
- Promotion of Education, Capacity Building, Employment and Gender equality;
- Assistance to Orphanage, Old Age Homes and Differently Aabled;
- Training to promote nationally recognized Sports;
- Protecting art and culture;
- Areas covering Relief to underprivileged.

Implementation of CSR Activities

PIL undertakes CSR activities primarily in and around the areas of operation of the Company. PIL executes the CSR activities directly or through Praj Foundation,

a Charitable Trust having CSR registration number CSR00001195 or appropriate NGOs.

Majority of the CSR funds are expended through Praj Foundation.

The Board approves the Annual Action Plan having the list of CSR activities, eligible expenditure to be incurred on CSR activities, modalities of utilization of funds, implementation schedule, etc. on the recommendation of CSR Committee in the beginning of every financial year.

Monitoring of CSR Activities

PIL has established CSR Committee as per the provisions of the Companies Act, 2013. CSR Committee recommends CSR activities to be undertaken by the Company, to the Board as specified in Schedule VII of the Companies Act, 2013 (hereinafter referred to as "the **Schedule VII**").

The CSR Committee takes periodical review of CSR activities carried out during the financial year and report to the Board.

PIL monitors the progress of the CSR project and activities regularly with respect to quality of its implementation, cost and schedule with the same vigour as its business activities. The impact assessment of its projects are conducted at suitable intervals diligently.

PIL spends, in every financial year, at least 2 per cent of the average net profits of the Company made during the 3 immediately preceding financial years, in pursuance of the Companies Act, 2013 and rules framed there under for the purposes specified in Schedule VII and also in pursuance of this CSR Policy. Surplus arising out of the CSR activity does not form the part of business profits of the Company.

PIL also encourages Personal Social Responsibility (PSR) amongst PRAJites to enhance their social sensitivity by voluntary self-engagement in social activities recognized under Schedule VII. PIL endeavors to undertake activities, not specifically mentioned above, but covered under Schedule VII.

2. Composition of the CSR & Sustainability Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Attendance in CSR & Sustainability Committee Meetings held on		
			28 th April, 2025	5 th November 2025	12 th February 2026
1.	Ms. Parimal Chaudhari *	Chairperson, Non-Executive Non-Independent Director	√	N.A.	N.A.
2.	Mr. Ashish Gaikwad #	Chairman, Managing Director	N.A.	√	√
3.	Mr. Sachin Raole	Member, CFO & Director-Resources	√	√	√
4.	Ms. Rujuta Jagtap	Member, Non-Executive Independent Director	√	√	√

*ceased to be the Member w.e.f. 11th August, 2025

#inducted as a Member w.e.f. 11th August, 2025

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Composition of CSR Committee:

[composition-of-csr-committee-2024.pdf](#)

CSR Policy:

[Corporate-Social-Responsibility-Policy.pdf](#)

CSR Programmes:

<https://www.praj.net/wp-content/uploads/2025/11/CSR-Annual-Action-Plan-for-FY-2025-26.pdf>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not applicable

5. (a) Average net profit of the Company for last three financial years: ₹3431.8 Mn.
- (b) Two percent of average net profit of the Company as per section 135(5): ₹68.64 Mn.
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set off for the financial year, if any: Nil
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹68.64 Mn.
6. (a) Amount spent on CSR projects (both ongoing projects and other than ongoing projects): ₹69.88 Mn.
- (b) Amount spent on Administrative Overheads: Nil
- (c) Amount spent on Impact Assessment, if applicable: Nil
- (d) Total amount spent for the financial year [(a)+(b)+(c)]: ₹69.88 Mn.
- (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Mn.)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
69.88	Nil	N.A.	Nil	Nil	N.A.

I BUILDING FOR FUTURE

(f) Excess amount for set-off, if any:

Sr. No.	Particular	Amount (in Mn.)
(i)	Two percent of average net profit of the Company as per section 135(5)	68.64
(ii)	Total amount spent for the financial year	69.88
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.24
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Refer Note

Note: The total CSR spend during the financial year 2025-26 amounts to ₹69.88 Mn. against an obligation of ₹68.64 Mn. Hence, there is an excess spend of ₹1.24 Mn. for which set-off is not being claimed by the Company.

7. Details of Unspent CSR amount for the preceding three financial years:

Nil

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year:

No

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):

Not applicable

Place: Pune
Date: 28th May, 2026

Ashish Gaikwad
Chairman-CSR Committee
(DIN: 07585079)

Sachin Raole
Joint Managing Director & CFO
(DIN: 00431438)

ANNEXURE 4

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company is committed and strives to achieve optimum performance by adhering to corporate governance practices, at all levels. We aim to maximize shareholder value, while safeguarding and promoting the interests of other stakeholders and maintaining a commitment to ethics and code of conduct. Our corporate structure, business, operations and disclosure practices have been strictly aligned to our Corporate Governance Philosophy. The Company always strives to achieve optimum performance at all levels by adhering to good Corporate Governance practices, such as:

- Fair and transparent business practices;
- Effective management control by the Board;
- Optimum representation from Executive, Non-Executive and Independent Directors on the Board;
- Accountability for performance;

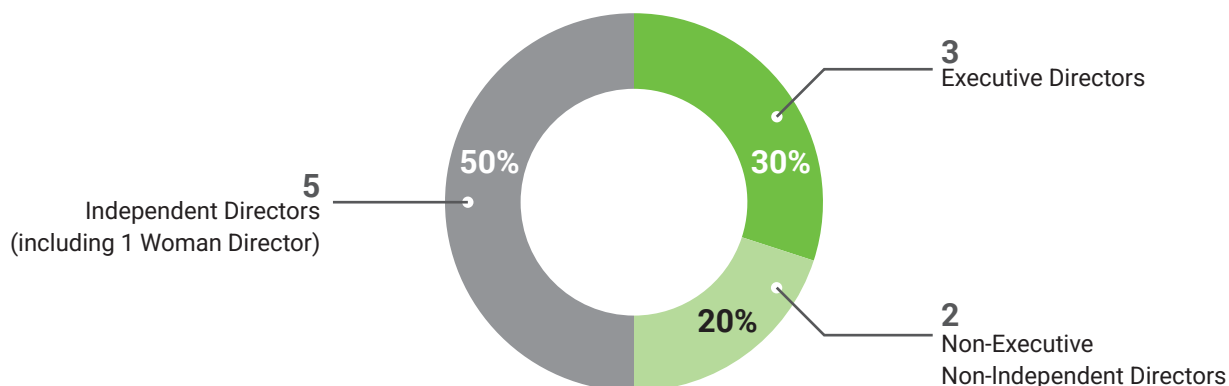
- Monitoring of executive performance by the Board;
- Compliance of laws; and
- Transparent and timely disclosure of financial and other relevant information and performance.

2. BOARD OF DIRECTORS:

(a) Composition and Category of Directors:

The Composition of the Board of your Company is a fair mix of Executive, Non-Executive and Independent Directors, which is appropriate for the size and operations of your Company and is compliant with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**") and Sections 149 and 152 of the Companies Act, 2013 ("the **Act**"). The Board is headed by Dr Pramod Chaudhari, who is a Founder Chairman and Mentor-Praj Group (Whole Time Director in the category of Executive Director).

Composition of the Board



As on 31st March, 2026, the Board of the Company comprised of ten (10) Directors as given below:

Sr. No.	Name of the Director	DIN	Category	
1.	Dr Pramod Chaudhari	00196415	Promoter	Founder Chairman & Mentor-Praj Group (Whole Time Director in the category of Executive Director)
2.	Mr. Ashish Gaikwad	07585079	Non-Promoters	Managing Director
3.	Mr. Sachin Raole	00431438		CFO & Director-Resources*
4.	Mr. Berjis Desai	00153675		Non-Executive Non-Independent Director
5.	Mr. Parth Chaudhari	07010109		Non-Executive Independent Director
6.	Mr. Utkarsh Palnitkar	00170004		
7.	Mr. Vinayak Deshpande	00036827		
8.	Dr Shridhar Shukla	00007607		
9.	Ms. Rujuta Jagtap	00861890		
10.	Mr. Ajay Narayan Deshpande	03435179		

* Mr. Sachin Raole was appointed as Joint Managing Director & CFO w.e.f. 30th April, 2026.

The detailed profile of all the Directors of the Company is available on website of the Company at <https://www.praj.net/board-of-directors/>.

As on the date of this report, all Directors of the Company meet the criteria of maximum number of Directorship as laid down in Section 165 of the Act and the Listing Regulations.

The present strength of the Board reflects a judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

(b) Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting:

The Board met five (5) times during the financial year 2025-26. The time gap between any two meetings was not more than one hundred twenty days. The Board meets at least once in every quarter to review the Company's operations and financial performance. The necessary quorum was present in all the meetings.

Sr. No.	Name of the Director	Attendance in Board Meetings					AGM 11 th August, 2025
		29 th April, 2025	26 th June, 2025	11 th August, 2025	5 th November, 2025	12 th February, 2026	
1.	Dr Pramod Chaudhari	✓	✓	✓	✓	✓	✓
2.	Mr. Shishir Joshipura ¹	✓	✓	N.A.	N.A.	N.A.	N.A.
3.	Mr. Ashish Gaikwad	✓	✓	✓	✓	✓	✓
4.	Mr. Sachin Raole	✓	✓	✓	✓	✓	✓
5.	Mr. Berjis Desai ²	N.A.	N.A.	✓	✓	✓	✓
6.	Mr. Parth Chaudhari ³	N.A.	N.A.	N.A.	✓	✓	N.A.
7.	Ms. Parimal Chaudhari ⁴	✓	✓	×	N.A.	N.A.	N.A.
8.	Mr. Utkarsh Palnitkar	✓	✓	✓	✓	✓	✓
9.	Mr. Vinayak Deshpande	✓	✓	✓	✓	✓	✓
10.	Dr Shridhar Shukla	✓	✓	✓	×	✓	✓
11.	Ms. Rujuta Jagtap	✓	✓	✓	✓	✓	✓
12.	Mr. Ajay Narayan Deshpande	✓	✓	✓	✓	✓	✓

¹ceased to be the Director w.e.f. 30th June, 2025

²appointed as Non-Executive Director w.e.f. 1st July, 2025

³appointed as Non-Executive Director w.e.f. 11th August, 2025

⁴ceased to be the Director w.e.f. 11th August, 2025

(c) Number of shares held in the Company, Number of other Directorships and Chairmanships / Memberships of Committees of each Director as on 31st March, 2026:

Sr. No.	Name of the Director	Number of shares held in the Company	In Indian Public Limited Companies, whether listed or not, including Praj Industries Limited*			Directorships held in Listed Companies	
			Directorships	Committee Member-ships#	Committee Chairman-ships#	Name of the Company	Nature of Directorship
1.	Dr Pramod Chaudhari	4,59,00,000	3	-	-	Praj Industries Ltd.	Founder Chairman & Mentor-Praj Group
2.	Mr. Ashish Gaikwad	Nil	4	-	-	Praj Industries Ltd.	Managing Director
3.	Mr. Sachin Raole	1,00,000	4	3	1	Praj Industries Ltd.	CFO & Director-Resources
4.	Mr. Berjis Desai	Nil	6	5	1	Praj Industries Ltd.	Non-Executive Non-Independent Director
						The Great Eastern Shipping Company Ltd.	
						Man Infraconstruction Ltd.	
						Emcure Pharmaceuticals Ltd.	
						Inventurus Knowledge Solutions Ltd.	Independent Director
						Apollo Tyres Ltd.	
5.	Mr. Parth Chaudhari	Nil	1	-	-	Praj Industries Ltd.	Non-Executive Non-Independent Director
6.	Mr. Utkarsh Palnitkar	Nil	1	1	1	Praj Industries Ltd.	Independent Director
7.	Mr. Vinayak Deshpande	Nil	5	7	3	Praj Industries Ltd.	Independent Director
						Kirloskar Brothers Ltd.	Non-Executive Non-Independent Director
						Voltas Ltd.	
8.	Dr Shridhar Shukla	Nil	2	2	-	Praj Industries Ltd.	Independent Director
9.	Ms. Rujuta Jagtap	Nil	3	3	-	Praj Industries Ltd.	Independent Director
						Techknowgreen Solutions Ltd.	
10.	Mr. Ajay Narayan Deshpande	Nil	2	1	-	Praj Industries Ltd.	Independent Director

* Excludes private Companies (which are not holding or subsidiary of Public Companies), foreign Companies & Section 8 Companies.

Memberships / Chairmanship of Audit Committee and Stakeholders' Relationship Committee of Public Companies.

Information as required under the Listing Regulations is furnished to the Board from time to time.

(d) Details of Skills / Expertise / Competence of the Board of Directors:

Pursuant to the requirement of the Listing Regulations, as amended, the Board has identified the following core skills, expertise and competencies of the Directors in the context of Company's business. While all the Board Members possess the skills identified, their areas of core expertise are given below:

Director	Key Skills/Expertise/Competencies										
	Global Outlook	Business knowledge	Policy Shaping and Industry Advocacy	Strategic Planning	Corporate Social Responsibility and Sustainability	Environment, Social and Governance (ESG)	Risk Management	Corporate Governance	Expertise in Finance, Banking and allied fields	Information Technology, Digital and Artificial Intelligence	Human Capital Management
Dr Pramod Chaudhari	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ashish Gaikwad	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Sachin Raole	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Berjis Desai*	✓	✓	-	✓	✓	-	✓	✓	✓	✓	-
Mr. Parth Chaudhari#	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	-
Mr. Utkarsh Palnitkar	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Mr. Vinayak Deshpande	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Dr Shridhar Shukla	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	-
Ms. Rujuta Jagtap	✓	✓	✓	✓	✓	✓	-	✓	-	✓	✓
Mr. Ajay Narayan Deshpande	✓	✓	✓	✓	✓	✓	✓	✓	-	-	-

*appointed as Non-Executive Director w.e.f. 1st July, 2025

#appointed as Non-Executive Director w.e.f. 11th August, 2025

(e) Number of Meetings of the Board of Directors held and dates on which held:

During the financial year 2025-26, five (5) Board Meetings were held. The dates on which these Meetings were held are given in the Table provided in point no. (b) hereinabove.

(f) Disclosure of relationships between directors inter-se:

Mr. Parth Chaudhari, Non-Executive Non-Independent Director is the son of Dr Pramod Chaudhari and Ms. Parimal Chaudhari.

(g) Familiarization programmes for Independent Directors:

The Board of Directors of the Company has adopted a familiarization programme for Independent Directors. The details of such programme are posted on the Company's website and link for the same is given in "Annexure 1". This programme aims to provide insights into the Company's business to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.

(h) Independent Directors:

The Independent Directors have submitted their annual declaration for the financial year 2025-26 to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Act read with rules framed thereunder.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that the Independent Directors on the Board of the Company fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the Company's management.

(i) Separate Meeting of the Independent Directors:

Pursuant to Schedule IV to the Act and Regulation 25 of the Listing Regulations, separate meeting of the Independent Directors of the Company was held on 30th March, 2026 through online mode, which was attended by all the Independent Directors.

3. COMMITTEES OF THE BOARD:

The Committees of the Board have been constituted to deal with specific areas / activities as mandated by applicable rules and regulations or as delegated by the Board. Given below are the composition and the terms of reference of various Committees constituted by the Board, *inter alia*, including the details of meetings held during the year and attendance thereat.

All Committee decisions are taken, either at the meetings of the Committee or by passing of circular resolutions. The Company Secretary acts as the Secretary for all the Committees. The Chairperson of each Committee briefs the Board on significant discussions at the meetings. During the year under review, all recommendations made by the various Committees were accepted by the Board. The minutes of the meetings of all Committees of the Board are placed before the Board for noting.

As on 31st March, 2026, the Board has constituted the following Committees:

Statutory Committees	{	A.	Audit Committee
		B.	Nomination & Remuneration Committee
		C.	Stakeholders' Relationship Committee
		D.	Risk Management Committee
		E.	Corporate Social Responsibility & Sustainability Committee*
Non-Statutory Committees	{	F.	Share Transfer Committee
		G.	Compensation & Share Allotment Committee

* The nomenclature was changed w.e.f. 12th February, 2026.

A. Audit Committee:

i. Terms of Reference:

The broad terms of reference of Audit Committee include:

- overseeing the Company's financial reporting process and disclosure of financial information;
- reviewing with the management, the quarterly and annual financial statements before submission to the Board for approval;
- reviewing with the management, the performance of Statutory and Internal Auditors and adequacy of internal control systems.

In addition, the powers and role of the Audit Committee are as laid down under Regulation 18 read with Part C of Schedule II to the Listing Regulations and as per Section 177 of the Act read with rules framed thereunder.

ii. Composition, Meetings and Attendance:

The Audit Committee of the Company comprises of four (4) Non-Executive Directors out of which three (3) are Independent Directors as on 31st March, 2026. The Composition of the Audit Committee meets the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations as amended.

The Committee met five (5) times during the financial year 2025-26. The time gap between any two meetings was not more than one hundred twenty days.

The composition of the Committee and attendance at its meetings as at 31st March, 2026 are given below:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Attendance in Audit Committee Meetings held on				
			28 th April, 2025	26 th June, 2025	8 th August, 2025	4 th November, 2025	11 th February, 2026
1.	Mr. Utkarsh Palnitkar	Chairman, Non-Executive Independent Director	✓	✓	✓	✓	✓
2.	Mr. Vinayak Deshpande	Member, Non-Executive Independent Director	✓	✓	✓	✓	✓
3.	Dr Shridhar Shukla	Member, Non-Executive Independent Director	✓	✓	✓	×	✓
4.	Mr. Berjis Desai*	Member, Non-Executive Non-Independent Director	N.A.	N.A.	N.A.	✓	✓

* inducted as a Member w.e.f. 11th August, 2025

In addition to the members of Audit Committee, Executives of Accounts Department, Secretarial Department and Representatives of the Statutory, Cost and Internal Auditors attended the Audit Committee Meetings.

The Members of the Audit Committee meet the Statutory Auditors before the quarterly financial results meetings. During the year, the Managing Director and CFO were permanent invitee to Audit Committee Meetings.

The Chairman of the Audit Committee attended the AGM of the Company held on 11th August, 2025 to respond to members' queries.

B. Nomination & Remuneration Committee ("NRC"):

i. Terms of Reference:

The broad terms of reference of NRC include:

- to recommend / review the remuneration of Executive Directors & Key Managerial Personnels of the Company;
- to identify persons who are qualified to become Directors and who may be appointed in Senior Management;
- to carry out such other duties and functions as stipulated in Section 178 of the Act read with rules framed thereunder and Regulation 19 read with Part D of Schedule II to the Listing Regulations and further amendments thereto.

ii. Composition, Meetings & Attendance:

The NRC of the Company comprises of four (4) Non-Executive Directors out of which three (3) are Independent Directors as on 31st March, 2026.

The Committee met three (3) times during the financial year 2025-26.

The composition of the Committee and attendance at its meetings as at 31st March, 2026 are given below:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Attendance in NRC Meetings held on		
			29 th April, 2025	26 th June, 2025	9 th February, 2026
1.	Mr. Vinayak Deshpande	Chairman, Non-Executive Independent Director	✓	✓	✓
2.	Dr Pramod Chaudhari*	Member, Executive Director	✓	✓	N.A.
3.	Mr. Utkarsh Palnitkar	Member, Non-Executive Independent Director	✓	✓	✓
4.	Dr Shridhar Shukla	Member, Non-Executive Independent Director	✓	✓	✓
5.	Mr. Berjis Desai#	Member, Non-Executive Non-Independent Director	N.A.	N.A.	✓

*ceased to be the Member w.e.f. 11th August, 2025

#inducted as a Member w.e.f. 11th August, 2025

The Chairman of the NRC attended the AGM of the Company held on 11th August, 2025.

iii. Performance Evaluation Criteria for Independent Directors:

Necessary information in this regard has been included in Board's Report on page no. 48, which forms part of this Annual Report.

iv. Remuneration Policy:

The Remuneration Policy of the Company takes into account the individual performance and contribution of the Director, the profitability of the Company, prevalent industry standards and government policy in this regard.

The Policy is displayed on Company's website and link for the same is given in "Annexure 1".

(a) Remuneration of Executive Directors:

The aggregate value of Salary & Perquisites including commission to the Executive Directors for the year ended 31st March, 2026 is as follows:

(₹ in Mn.)

Particulars	Dr Pramod Chaudhari, Chairman ¹	Mr. Shishir Joshipura, CEO & Managing Director ²	Mr. Ashish Gaikwad, Managing Director	Mr. Sachin Raole, CFO & Director- Resources ³
Salary	50.80	11.21	41.79	15.96
Notice Period	N.A.	6 months	6 months	6 months
Tenure	5 years	till 30 th June, 2025	5 years	5 years
Severance Fees	36 months' salary	N.A.	N.A.	N.A.

¹appointed as Founder Chairman & Mentor-Praj Group (Whole Time Director in the category of Executive Director) w.e.f. 1st July, 2025

²the tenure of Mr. Shishir Joshipura was completed on 30th June, 2025

³appointed as Joint Managing Director & CFO w.e.f. 30th April, 2026

In addition to this, the Executive Directors are also entitled to gratuity and encashment of leave, as per the policy of the Company.

(b) Compensation to Non-Executive Directors:

As per the policy, the Company does not pay any sitting fees to the Directors for attending the Meetings. The commission on profit is payable to Non-Executive Directors on the basis of their time and contribution.

The Shareholders of the Company had, in the 28th Annual General Meeting held on 28th July, 2014, approved payment of commission on profits to Non-Executive Directors up to a limit of 3% of the net profit of the Company calculated in accordance with the provisions of the Act. The Board of Directors is authorized, within this limit, to decide the quantum and the recipients for such payment.

The Commission payable to Non-Executive Directors for the financial year 2025-26 is ₹17 Mn. The details are as follows:

(₹ in Mn.)

Sr. No.	Name of the Non-Executive Directors	Commission
1.	Dr Pramod Chaudhari*	3.25
2.	Ms. Parimal Chaudhari	1.75
3.	Mr. Berjis Desai	1.50
4.	Mr. Utkarsh Palnitkar	3.00
5.	Mr. Vinayak Deshpande	4.00
6.	Dr Shridhar Shukla	2.00
7.	Ms. Rujuta Jagtap	0.75
8.	Mr. Ajay Narayan Deshpande	0.75
	Total	17.00

* Dr Pramod Chaudhari was Non-Executive Chairman till 30th June, 2025

The Non-Executive Directors have no pecuniary relationship or transaction with the Company other than commission paid to them.

C. Stakeholders' Relationship Committee ("SRC"):

i. Terms of Reference:

The terms of reference of SRC include:

- To resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;
- To review measures taken for effective exercise of voting rights by shareholders;
- To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar to an Issue and Share Transfer Agent;
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

ii. Composition, Meeting & Attendance:

The Stakeholders' Relationship Committee of the Company comprises of three (3) Directors as on 31st March, 2026.

The SRC held one (1) meeting during the financial year 2025-26.

The composition of the Committee and attendance at its meeting as at 31st March, 2026 are given below:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Attendance in SRC Meeting held on
			28 th April, 2025
1.	Mr. Vinayak Deshpande	Chairman, Non-Executive Independent Director	√
2.	Ms. Parimal Chaudhari*	Member, Non-Executive Non-Independent Director	√
3.	Mr. Sachin Raole	Member, CFO & Director-Resources	√
4.	Ms. Rujuta Jagtap [#]	Member, Non-Executive Independent Director	N.A.

*ceased to be the Member w.e.f. 11th August, 2025

[#]inducted as a Member w.e.f. 11th August, 2025

ii. Name and Designation of Compliance Officer:

Mr. Anant Bavare, Company Secretary is a Compliance Officer of the Company.

iii. Number of Complaints from Investors:

During the financial year 2025-26, the Company received one (1) complaint which was resolved expeditiously. No investors' complaint is pending as on 31st March, 2026.

D. Risk Management Committee ("RMC"):

i. Terms of Reference:

- To review and approve the Enterprise Risk Management Framework (ERMF) of the Company;
- To evaluate risks related to cyber security and ensure that appropriate procedures are in place to mitigate these risks in timely manner.

In addition, the powers and role of the RMC are as laid down under Regulation 21 read with Para C Part D of Schedule II to the Listing Regulations.

ii. Composition, Meetings & Attendance:

Pursuant to and in compliance with the provisions of Regulation 21 of the Listing Regulations, the Company has constituted the RMC. The RMC comprises of five (5) Directors as on 31st March, 2026.

The Committee met two (2) times during the financial year 2025-26. The time gap between two meetings was not more than two hundred ten days.

The composition of the Committee and attendance at its meetings as at 31st March, 2026 are given below:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Attendance in RMC Meetings held on	
			28 th April, 2025	29 th September, 2025
1.	Dr Shridhar Shukla	Chairman, Non-Executive Independent Director	✓	✓
2.	Mr. Shishir Joshipura*	Member, CEO & Managing Director	✓	N.A.
3.	Mr. Ashish Gaikwad [#]	Member, Managing Director	N.A.	✓
4.	Mr. Sachin Raole	Member, CFO & Director-Resources	✓	✓
5.	Mr. Utkarsh Palnitkar	Member, Non-Executive Independent Director	✓	✓
6.	Mr. Parth Chaudhari [#]	Member, Non-Executive Non-Independent Director	N.A.	✓

*ceased to be the Member w.e.f. 30th June, 2025

[#]inducted as a Member w.e.f. 11th August, 2025

E. Corporate Social Responsibility and Sustainability Committee ("CSR & Sustainability Committee"):

i. Terms of Reference:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act;
- To review and monitor the CSR policy of the Company from time to time;
- To recommend the amount of expenditure to be incurred on the activities referred to in Section 135(3) of the Act;
- To provide strategic guidance and oversight into the Company's initiatives & practices towards ESG and Sustainability;
- To review the sustainability targets as well as Company's sustainability performance in relation thereto;
- To formulate and review BRSR related Policies from time to time and other related matters.

iii. Composition, Meetings & Attendance:

The CSR & Sustainability Committee comprises of three (3) Directors as on 31st March, 2026.

The Committee met three (3) times during the financial year 2025-26.

The composition of the Committee and attendance at its meetings as at 31st March, 2026 are given below:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Attendance in CSR & Sustainability Committee Meetings held on		
			28 th April, 2025	5 th November, 2025	12 th February, 2026
1.	Ms. Parimal Chaudhari*	Chairperson, Non-Executive Non-Independent Director	✓	N.A.	N.A.
2.	Mr. Ashish Gaikwad [#]	Chairman, Managing Director	N.A.	✓	✓
3.	Mr. Sachin Raole	Member, CFO & Director-Resources	✓	✓	✓
4.	Ms. Rujuta Jagtap	Member, Non-Executive Independent Director	✓	✓	✓

*ceased to be the Member w.e.f. 11th August, 2025

[#]inducted as a Member w.e.f. 11th August, 2025

F. Share Transfer Committee:

Composition, Meetings & Attendance:

The Share Transfer Committee comprises of three (3) Directors as on 31st March, 2026.

The Committee met three (3) times during the financial year 2025-26.

The composition of the Committee and attendance at its meetings as at 31st March, 2026 are given below:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Attendance in Share Transfer Committee Meetings held on		
			28 th April, 2025	13 th October, 2025	5 th November, 2025
1.	Mr. Sachin Raole	Chairman, CFO & Director-Resources	✓	✓	✓
2.	Ms. Parimal Chaudhari*	Member, Non-Executive Non-Independent Director	✓	N.A.	N.A.
3.	Mr. Shishir Joshipura [#]	Member, CEO & Managing Director	✓	N.A.	N.A.
4.	Mr. Ashish Gaikwad [§]	Member, Managing Director	N.A.	✓	✓
5.	Ms. Rujuta Jagtap [§]	Member, Non-Executive Independent Director	N.A.	✓	✓

*ceased to be the Member w.e.f. 11th August, 2025

[#]ceased to be the Member w.e.f. 30th June, 2025

[§]inducted as Member w.e.f. 11th August, 2025

G. Compensation & Share Allotment Committee:

Composition, Meeting & Attendance:

The Compensation & Share Allotment Committee comprises of five (5) Directors as on 31st March, 2026.

The Committee met one (1) time during the financial year 2025-26.

The composition of the Committee and attendance at its meetings as at 31st March, 2026 are given below:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Attendance in Compensation & Share Allotment Committee Meeting held on
			28 th April, 2025
1.	Mr. Vinayak Deshpande	Chairman, Non-Executive Independent Director	✓
2.	Dr Pramod Chaudhari	Member, Executive Director	✓
3.	Mr. Sachin Raole	Member, CFO & Director-Resources	✓
4.	Ms. Rujuta Jagtap	Member, Non-Executive Independent Director	✓
5.	Dr Shridhar Shukla	Member, Non-Executive Independent Director	✓

4. SENIOR MANAGEMENT PERSONNEL:

The particulars of Senior Management including the changes therein during the financial year 2025-26 is provided below:

Sr. No.	Name	Designation	Changes if any
1.	Mr. Ghanshyam Deshpande	President & Chief Innovation Officer	-
2.	Mr. Atul Mulay	President	-
3.	Mr. Shrikant Wale	President	-
4.	Dr. Pramod Kumbhar	President & Chief Technology Officer	-
5.	Dr. Prakash Ranjan	President & Group CHRO	-
6.	Mr. Venkatesh Rao	Executive Vice President	-
7.	Mr. Ajay Pratap Singh	Vice President & Business Head	ceased w.e.f. 5 th September, 2025
8.	Mr. Gaurav Goyal	Joint Vice President	-
9.	Mr. Pushpasen Patil	Joint Vice President	-
10.	Mr. Atul Tare	Vice President	-
11.	Ms. Ashivini Shete	Joint Vice President	-
12.	Mr. Kumar Puri	Assistant Vice President	inducted w.e.f. 9 th December, 2025
13.	Mr. Anant Bavare	Company Secretary	-

5. GENERAL BODY MEETINGS:

i. Details of last three Annual General Meetings (AGMs) are given in table below:

Year	Venue	Date & Time	Special Resolutions passed
2024-25	Through video conferencing	39 th AGM on 11 th August, 2025 at 10:00 a.m.	i) To approve the appointment of Dr Pramod Chaudhari (DIN: 00196415) as Founder Chairman and Mentor-Praj Group (Whole Time Director in the category of Executive Director), beyond the age of 75 years, including terms of his remuneration, for a period of five (5) years with effect from 1 st July, 2025 till 30 th June, 2030.
2023-24	Through video conferencing	38 th AGM on 25 th July, 2024 at 10:00 a.m.	Nil
2022-23	Through video conferencing	37 th AGM on 26 th July, 2023 at 10:00 a.m.	i) To consider and approve re-appointment of Dr Shridhar Shukla (DIN: 00007607) as an Independent Director of the Company. ii) To approve amendments in Articles of Association of the Company.

ii. Postal Ballot:

During the financial year 2025-26, the Company has not sought or passed any resolution through Postal Ballot.

6. MEANS OF COMMUNICATION:

- (i) **Financial Results:** The quarterly/half yearly/annual financial results of the Company are communicated to the Stock Exchanges immediately after they are considered and approved by the Board of Directors and are published in widely circulating dailies such as Financial Express in English and in Loksatta in Marathi. These results are also made available on the Company's website on <https://www.praj.net/investors-type/quarterly-results/>.
- (ii) **News Release, Presentations etc.:** Official news release and detailed presentations made to media, analysts etc. are submitted to the Stock Exchanges and hosted on the Company's website www.praj.net.
- (iii) **Annual Report:** Annual Report containing, *inter alia*, the Board's Report, Management Discussion and Analysis Report, Corporate Governance Report, Business Responsibility and Sustainability Report, Auditors' Report and Audited Financial Statements and other important information is circulated to members and others entitled thereto. The Annual Reports of the Company are also available on the website of the Company at <https://www.praj.net/investors-type/annual-reports/>.
- (iv) **Website:** The Company's website www.praj.net contains a dedicated section "Investor Lounge" where information for Shareholders is available.

7. GENERAL SHAREHOLDER INFORMATION:

(i) General information:

Day, Date and Time of 40 th AGM	Thursday, the 13 th August, 2026 at 10:00 a.m.
Venue of 40 th AGM	As the AGM is to be held through VC / OAVM, the deemed venue shall be considered as the Registered Office of the Company
Financial Year	1 st April, 2025 to 31 st March, 2026
Dividend Payment Date	By 11 th September, 2026, subject to approval of the shareholders
Corporate Identification Number (CIN)	L27101PN1985PLC038031
ISIN	INE074A01025
Registered Office Address	"Praj Tower", S. No. 274 & 275/2, Bhumkar Chowk-Hinjewadi Road, Hinjewadi, Pune-411057.
Name and Address of the Stock Exchange	1. National Stock Exchange Ltd. (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 2. BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, 25 th Floor, Dalal Street, Mumbai-400 001
Listing fees	The Annual Listing Fees for 2025-2026 have been paid to NSE and BSE.

(ii) Financial Calendar:

For the year ending on 31st March, 2027, the tentative announcement of financial results are:

Results for the quarter ending June 2026	On or before 14 th August, 2026
Results for the quarter ending September 2026	On or before 14 th November, 2026
Results for the quarter ending December 2026	On or before 14 th February, 2027
Results for last quarter ending March 2027	On or before 30 th May, 2027

(iii) Registrar and Share Transfer Agent (RTA):

MUFG Intime India Private Limited

(Formerly known as Link Intime India Private Limited)

(Unit: Praj Industries Limited)

Block No. 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Pune – 411 001

Tel.: 020-26160084, 26161629, Telefax: 020-26163503, Email: pune@in.mpms.muvg.com

(iv) Share Transfer system:

The Board has delegated the authority for approving transfer, transmission of shares etc. to the Share Transfer Committee.

In terms of amended Regulation 40 of the Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form are not processed unless the securities are held in the dematerialised mode with a Depository Participant. Further, with effect from 24th January, 2022, SEBI has made it mandatory for listed companies to issue securities in dematerialised mode only while processing any investor service request viz. issue of duplicate securities certificates, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

Further, SEBI vide its Circular dated 25th January, 2022, clarified that the RTA/ listed Company shall verify and process the service requests and thereafter issue a 'Letter of Confirmation' in lieu of physical securities certificate(s), to the securities holder/ claimant within 30 days of its receipt of such request after removing objections, if any. The 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/ claimant shall make a request to the Depository Participant for dematerializing the said securities.

The members holding shares in electronic mode should address their correspondence to their respective Depository Participant regarding change of address, change of bank account mandate and nomination.

Investor Helpdesk:

Share transfers and all other investor related activities are attended to and processed at the office of MUFG Intime India Private Limited, RTA.

In order to facilitate investor servicing, the Company has designated e-mail id investorsfeedback@praj.net mainly for registering complaints by investors. Shareholders are requested to address their complaints, if any, on this designated email id only, for quick redressal thereof.

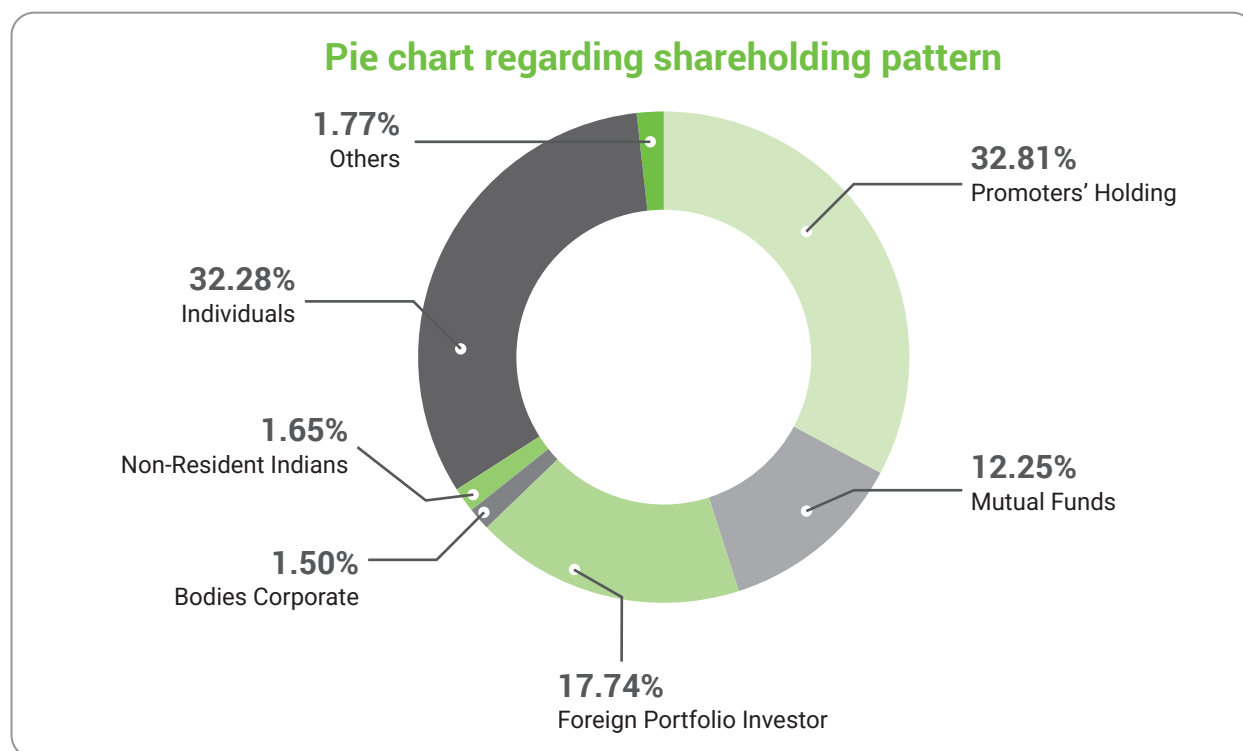
(v) Distribution of shareholding as on 31st March, 2026:

Shares range	Shareholders	Percentage	Total shares for the range	Percentage
1–500	3,91,077	95.4729	2,68,19,710	14.5908
501–1000	10,598	2.5873	80,88,692	4.4005
1001–2000	4,533	1.1066	67,54,260	3.6745
2001–3000	1,277	0.3118	32,21,562	1.7526
3001–4000	579	0.1414	20,54,182	1.1175
4001–5000	404	0.0986	18,77,248	1.0213
5001–10000	619	0.1511	44,61,702	2.4273
10001 and above	534	0.1304	13,05,35,732	71.0155
Total	4,09,621	100.0000	18,38,13,088	100.0000

(vi) Shareholding Pattern as on 31st March, 2026:

Category	31 st March, 2026		31 st March, 2025	
	No. of shares of ₹2/- each	% of holding	No. of shares of ₹2/- each	% of holding
Promoters' Holding	6,03,00,000	32.81	6,03,00,000	32.81
Non-Promoters' holding:				
Mutual Funds	2,25,18,136	12.25	3,29,37,944	17.92
Foreign Portfolio Investor	3,26,15,057	17.74	3,15,43,930	17.16
Bodies Corporate	27,60,049	1.50	34,72,234	1.89
Non-Resident Indians	30,24,995	1.65	27,37,807	1.49
Individuals	5,93,37,674	32.28	4,76,86,036	25.94
Others	32,57,177	1.77	51,35,137	2.79
Total	18,38,13,088	100.00	18,38,13,088	100.00

(vii) Pie chart regarding shareholding pattern:

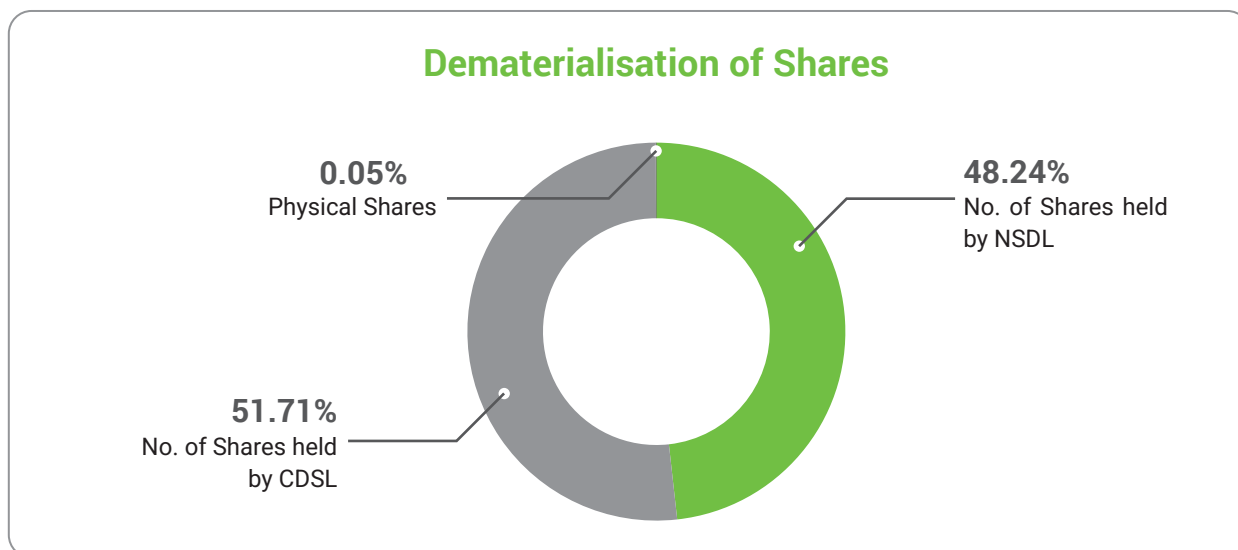


(viii) Dematerialisation of Shares and Liquidity:

The Company's Shares are available for dematerialisation with both the Depositories i.e., NSDL and CDSL and its International Securities Identification Number (ISIN) is INE074A01025.

As on 31st March 2026, out of the total 18,38,13,088 Equity shares, 18,37,15,938 Equity shares representing 99.95% of the total Paid-up Equity Share Capital of the Company were in dematerialised form. The Company's Shares are liquid and are traded in dematerialised form on both the Stock Exchanges i.e., BSE and NSE.

Particulars	As on 31 st March, 2026	Percentage of holding
No. of Shares held by NSDL	8,86,70,535	48.24
No. of Shares held by CDSL	9,50,45,403	51.71
Physical Shares	97,150	0.05
Total	18,38,13,088	100.00



(ix) Praj Industries Ltd.-Suspense Escrow Demat Account:

Pursuant to SEBI Circulars, the Company has opened a Suspense Escrow Demat Account titled 'Praj Industries Limited Suspense Escrow Demat Account' for transfer of Shares which were lying unclaimed for more than 120 days from the date of issuance of Letter of Confirmation to the Shareholders in lieu of physical share certificates for dematerialising their shares.

The details of the shares lying in the Suspense Escrow Demat Account as on 31st March, 2026 are given below:

Sr. No.	Particulars	No. of Shareholders	No. of Shares
1.	Aggregate number of the Shareholders and the outstanding shares in the Suspense Escrow Demat Account lying as on 1 st April, 2025	Nil	Nil
2.	Number of the Shareholders who approached the Company for transfer of shares from Suspense Escrow Demat Account during the year	Nil	Nil
3.	Number of the Shareholders to whom shares were transferred from Suspense Escrow Demat Account during the year	Nil	Nil
4.	Aggregate number of the Shareholders and the outstanding shares in the Suspense Escrow Demat Account lying as on 31 st March 2026	1	2000

(x) Other useful Information for Shareholders:

Mandatory furnishing of PAN, KYC details by holders of physical securities

Pursuant to SEBI mandate, it is mandatory for all holders of physical securities in listed Companies to furnish PAN, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers.

In case of non-updation of PAN, Contact Details including Mobile Number, Bank Account Details and Specimen Signatures in respect of the physical folios, no dividend shall be paid to the investor until all of the aforesaid KYC details are updated by the investor.

Once updated, all the unclaimed dividend previously declared by the Company, except which has been

transferred to IEPF, shall be paid to the shareholder electronically.

Choice of Nomination

In terms of the SEBI circular dated 10th June, 2024, all investors are encouraged in their own interest, to provide choice of nomination by contacting the RTA, if shares are held in physical form or their respective Depository Participant(s), if shares are held in dematerialised form. Further, as mandated in the above mentioned SEBI circular, all new investors are mandatorily required to provide the choice of nomination for their demat accounts (except for jointly held demat accounts).

Forms for availing various Investor services

Investors holding securities in physical mode interface with the RTAs, *inter-alia*, for registering/ updating the KYC details and for the processing of various service requests. The service requests along with requisite forms, as prescribed by SEBI are available on the website of the Company at <https://www.praj.net/investors-type/shareholders-information/>.

Transfer of unpaid / unclaimed amounts and shares to Investor Education and Protection Fund (IEPF)

Pursuant to Sections 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016 (IEPF Rules), the dividend amount that remains unclaimed for a period of seven (7) consecutive years from the date of transfer to Unpaid Dividend Account of the Company will be transferred to IEPF set up by the Government of India along with the corresponding shares to the demat account of IEPF Authority.

Given below are the dates of declaration of dividend and corresponding dates when unclaimed dividends are due for transfer to the IEPF:

Financial Year	Type of Dividend	Date of Declaration	Due date of transfer to IEPF
2018-19	Final Dividend	22/07/2019	27/08/2026
2019-20	Interim Dividend	05/03/2020	10/04/2027
2020-21	Final Dividend	11/08/2021	15/09/2028
2021-22	Final Dividend	04/08/2022	08/09/2029
2022-23	Final Dividend	26/07/2023	30/08/2030
2023-24	Final Dividend	25/07/2024	30/08/2031
2024-25	Final Dividend	11/08/2025	15/09/2032

The shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in webform IEPF-5) prescribed in the IEPF Rules. Shareholders may refer Rule 7 of the said IEPF Rules for refund of shares / dividend etc.

Procedure for claiming unclaimed dividends and underlying equity shares from the IEPF Authority:

1. Register and Login: Register yourself on the MCA website and log in.
2. Access Investor Services: After logging in, click on the 'IEPF related Services' tab under the 'MCA Services' section to file the web-based Form IEPF-5. Attach scanned copies of the required documents as mentioned in the help kit of the form.
3. File Form IEPF-5: Complete and file Form IEPF-5 on the MCA website. Send self-attested copies of the IEPF-5 form, along with the acknowledgement (SRN), indemnity bond and other submitted documents to the Company or Registrar and Share Transfer Agent.
4. Processing: Upon receiving the physical documents, the Company will submit an e-Verification report for further processing by the IEPF Authority.

Please note that once the dividend/shares are transferred to the IEPF, the Company will not be liable for any claims regarding them.

Further, in accordance with the IEPF Rules, the Board of Directors have appointed Mr. Anant Bavare as Nodal Officer of the Company and Ms. Hiranya Deshmukh as Deputy Nodal Officer of the Company for the purposes of verification of claims of shareholders pertaining to shares transferred to IEPF and / or refund of dividend from IEPF Authority and for coordination with IEPF Authority. The details of the Nodal Officer and Deputy Nodal Officer are available on the website of the Company.

Shareholder Engagement Initiatives

Special Drive for Updation of KYC and Claim of Unpaid / Unclaimed Dividends

A "100 days campaign" was organised from 28th July 2025 to 6th November 2025 under the IEPF Saksham Niveshak Programme, to facilitate updation of KYC and bank account details by shareholders and to assist them in claiming unpaid and unclaimed dividends relating to earlier financial years, with a view to preventing transfer of such amounts to the Investor Education and Protection Fund (IEPF).

Subsequently, the Company has initiated a Second 100 days campaign from 1st April, 2026 to 9th July 2026, under the IEPF Saksham Niveshak

Programme, to facilitate investors in claiming their unpaid or unclaimed dividends, as well as in updating their KYC and related details. These campaigns are aimed at further facilitating the direct payment of unclaimed or unpaid dividends to the rightful shareholders by the Company and at strengthening shareholder engagement.

- **Special Window for re-lodgement of transfer requests of Physical Shares**

Pursuant to the SEBI Circular dated 2nd July, 2025, a Special Window was opened from 7th July, 2025 to 6th January, 2026 for the relevant shareholders for re-lodgement of Transfer Deeds lodged before 1st April, 2019 but rejected, returned or unattended due to deficiencies.

Subsequently, pursuant to the SEBI Circular dated 30th January, 2026, the Company has opened a special window from 5th February, 2026 to 4th February, 2027 to enable transfer and dematerialisation of physical shares sold or purchased prior to 1st April, 2019, including cases where earlier transfer requests were rejected, returned or unattended due to deficiencies.

Transfers under this window are permitted only in demat mode and the credited securities will remain under one year lock-in from the date of registration of transfer.

Further, cases involving disputes between transferor and transferee will not be considered in this window and may be settled by transferor and transferee through court/ NCLT process. Also, securities which have been transferred to IEPF shall not be considered under this window for processing.

(xi) Plant Locations/R&D Units:

The Company has its manufacturing facilities/ R&D Units at the following places;

1. S.No.748, Gat No. 745, Sanaswadi, Pune 412 208, Maharashtra, India.
2. Kandla SEZ Unit I, Plot No. 307 to 314, Gandhidham, Kutch 370 230, Gujarat, India.
3. Kandla SEZ Unit II, Plot No. 282 to 286 and 294 to 298, Gandhidham, Kutch 370 230, Gujarat, India.
4. R & D Unit I
Praj Matrix – The Innovation Center
Gat No. 402, 403, 1098, Village Urawade, Tal. Mulshi, Pune- 412 115, Maharashtra, India

5. R & D Unit II
Shreenathnagar, Patethan, P.O. Rahu, Tal. Daund, Dist. Pune 412 207, Maharashtra, India

6. R & D Unit III
Plot No. E-20 & E-21 additional MIDC Area, Jejuri, Tal. Purandar, Pune 412 303, Maharashtra, India

(xii) Address for correspondence:

Members are requested to contact MUFG Intime India Pvt. Ltd., Block No. 202, 2nd floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune-411 001 for queries and share related matters.

(xiii) Credit Ratings:

Necessary information in this regard has been included in Board's Report on page no. 44, which forms part of this Annual Report.

8. OTHER DISCLOSURES:

(i) Materially significant Related Party Transactions:

There were no materially significant related party transactions which could have had potential conflict with the interests of the Company. Transactions with related parties are entered into by the Company in the normal course of business and at arm's length. The details of transactions are periodically placed before the Audit Committee for review and approval. Members may refer to the notes to the accounts for details of related party transactions. (Please refer Note No. 31 to the Standalone Financial Statements).

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Act read with the Rules framed there under including the Listing Regulations. The policy has been placed on the website of the Company and link for the same is given in "Annexure 1".

(ii) Statutory compliance, Penalties and Strictures:

There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, or any other statutory authority on any matter relating to the Capital Market during the last three years, except fine of ₹10,000/- each paid to BSE and NSE regarding non-compliance of

Regulation 44(3) of the Listing Regulations during the financial year 2023-24. The Company has filed the waiver application, as the non-compliance was due to interpretation of the Rule 22(9) of the Companies (Management and Administration) Rules, 2014.

(iii) Vigil Mechanism / Whistle Blower Policy:

In accordance with requirement of the Act as well as the Listing Regulations and amendments made thereto a Vigil Mechanism/Whistle Blower Policy has been adopted by the Board and accordingly a Whistle Blower Policy has been formulated with a view to provide a mechanism for employees of the Company to approach the Audit Committee to report grievance in appropriate or exceptional cases.

(iv) Discretionary requirements as specified in part E of the schedule II of the Listing Regulations:

a. Shareholders' Rights:

The financial results are published in the Loksatta and Financial Express and are also displayed on the Company's website as well as the websites of the Stock Exchanges on which the Company's shares are listed and therefore, have not been separately circulated to the shareholders.

b. Modified Opinion(s) in Audit Report:

During the year under review, there was no audit qualification in the Auditors' Report on the Company's Financial Statements.

There was no modified audit opinion in the Auditors' Report on the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unmodified audit opinions in its financial statements.

c. Separate posts of Chairperson and Chief Executive Officer/Managing Director:

Dr Pramod Chaudhari is the Chairman and Mr. Ashish Gaikwad is the Managing Director of the Company. Both these positions have distinct and well-articulated roles and responsibilities.

d. Reporting of Internal Auditor:

Internal Auditor directly reports to the Audit Committee.

e. Retirement Guidelines:

Executive Directors will retire at the age of 65 years and Non-Executive Directors at the age of 70 years.

However, the Board is at liberty to grant extensions according to which, the term of office of Dr Pramod Chaudhari, Chairman is extended despite his crossing the age of 65 years which is well within the maximum age limit prescribed under Section 196(3)(a) of the Act.

(v) Web link where policy for determining 'material' subsidiaries is disclosed:

The policy for determining 'material' subsidiaries is disclosed on the website of the Company and link for the same is given in "Annexure 1".

(vi) Disclosure of Commodity price risks and commodity hedging activities:

The principal raw material of the Company is steel. It is procured from the domestic as well as overseas suppliers. Some of the other raw materials are also procured from the overseas markets. The Company has got appropriate mechanism to deal with fluctuation in material prices.

(vii) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed to providing and promoting a safe and healthy work environment for all its employees.

- number of complaints filed during the financial year – Nil
- number of complaints disposed off during the financial year – N.A.
- number of complaints pending as on end of the financial year – Nil

(viii) Loans and Advances in the nature of loans to Firms/Companies in which Directors are interested:

The Company and its subsidiaries have not given loans and advances in the nature of loan to companies in which the Directors of the Company are interested during the financial year ended on 31st March, 2026, except those disclosed in the Audited Financial Statements.

(ix) Details of material subsidiaries of the Company; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Based on the Audited Financial Statement for the financial year 2025-26, Praj HiPurity Systems Limited has been identified as a material subsidiary in accordance with the provisions of Regulation 16 of the Listing Regulations. The said subsidiary was incorporated on 22nd October, 2007 in Mumbai, Maharashtra and its Statutory Auditors are M S K A & Associates LLP (formerly known as M S K A & Associates), appointed on 6th August, 2025.

Since the aforesaid subsidiary met the materiality threshold only upon finalization of the Audited Financial Statements for the financial year 2025-26, the provisions applicable to material subsidiaries under Regulation 24 of the Listing Regulations were not applicable during the year under review. The Company is in the process of implementing the necessary measures to ensure compliance with the applicable requirements for material subsidiaries during the financial year 2026-27.

(x) Details of fees paid to Statutory Auditors of the Company for the financial year 2025-26 on a consolidated basis are as follows:

(₹ in Mn.)

Particulars	P G Bhagwat LLP*	M S K A & Associates LLP#
Audit Fees	0.705	5.610
Taxation Services	-	0.650
Total	0.705	6.260

*The tenure of P G Bhagwat LLP completed on 11th August, 2025

#M S K A & Associates LLP were appointed as Statutory Auditors w.e.f. 11th August, 2025

(xi) The Company has complied with all the requirements of Corporate Governance Report as per the Listing Regulations.

9. CODE OF CONDUCT:

The Company has laid down a Code of Conduct for all the Board Members and Senior Management. The Code of Conduct is available on the website of the Company and link for the same is given in "Annexure 1".

The Board Members and Senior Management Personnel have affirmed compliance with the Code. A declaration to that effect signed by Mr. Ashish Gaikwad, Managing Director and Mr. Sachin Raole, Joint Managing Director & CFO forms part of this Report.

10. COMPANY'S CODE OF CONDUCT TO REGULATE, MONITOR, REPORT TRADING BY DESIGNATED PERSONS:

The Company has formulated a Code of Conduct to Regulate, Monitor, Report Trading by Designated Persons to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The code is hosted on the website of the Company and link for the same is given in "Annexure 1".

The Company uses software to monitor the trading in the equity shares of the Company mainly during the trading window closure and the contra trade transactions, by the Designated Persons. The Company also maintains the Structured Digital Database as mandated by SEBI (Prohibition of Insider Trading) Regulations, 2015.

11. CERTIFICATION BY CEO / MD AND CHIEF FINANCIAL OFFICER (CFO):

As per the requirement of Regulation 17(8) of the Listing Regulations, a Certificate, duly signed by MD and CFO of the Company, was placed at the Board Meeting of the Company held on 28th May, 2026 and the same forms part of this report.

12. COMPLIANCE STATUS OF CORPORATE GOVERNANCE REQUIREMENTS AS PRESCRIBED IN THE LISTING REGULATIONS:

The compliance status of corporate governance requirements as prescribed under regulation 17 to 27 and 46(2)(b) to (i) of the Listing Regulations is provided below:

Regulation	Details of Regulation	Compliance Status (Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of the listed Company	Yes
24A	Secretarial Audit Report and Secretarial Compliance Report	Yes
25	Obligations of Independent Directors	Yes
26	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	Yes
26A	Vacancies in respect of certain Key Managerial Personnel	Yes
27	Other corporate governance requirements	Yes
46(2)(b) to (i)	Website	Yes

13. CERTIFICATE ON CORPORATE GOVERNANCE:

The Company has obtained a Certificate from Mr. Nishad Umranikar, Partner, MSN Associates, regarding Compliance of conditions of Corporate Governance as stipulated in Regulation 15(2) read with Clause C of Schedule V to the Listing Regulations and the same forms part of this Report.

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS

To,
The Board of Directors
Praj Industries Limited
Pune

Dear Sir/Madam,

This is to certify that;

- A. We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2026 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, that there were no deficiencies in the design or operation of such internal controls of which we are aware.
- D. We have indicated to the auditors and the Audit Committee;
- (1) that there were no significant changes in internal control over financial reporting during the year;
 - (2) that there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) that there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in Company's internal control system over financial reporting.

FOR PRAJ INDUSTRIES LIMITED

Date: 28th May, 2026
Place: Pune

ASHISH GAIKWAD
MANAGING DIRECTOR
DIN: 07585079

SACHIN RAOLE
JOINT MANAGING DIRECTOR & CFO
DIN: 00431438

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the Members of **Praj Industries Limited**

Pursuant to Regulation 17(5) and Regulation 26(3) read with Schedule V to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we hereby declare that all Board Members and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board (as amended from time to time) and made effective from 28th January, 2006. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2025-26.

FOR PRAJ INDUSTRIES LIMITED

Date: 28th May, 2026
Place: Pune

ASHISH GAIKWAD
MANAGING DIRECTOR
DIN: 07585079

SACHIN RAOLE
JOINT MANAGING DIRECTOR & CFO
DIN: 00431438

CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE COMPLAINT CERTIFICATE

To,
The Members,
Praj Industries Limited
Praj Tower, S.No.274 & 275/2,
Bhumkar Chowk, Hinjewadi, Pune- 411057

I have examined the compliance of conditions of Corporate Governance by **Praj Industries Limited** (hereinafter referred "the **Company**"), for the year ended on 31st March, 2026 as referred to in regulation 15(2) read with clause C of Schedule V and read with regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

I further state that, this certificate is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MSN Associates**
Company Secretaries

CS Nishad Umranikar
Partner

Membership No. FCS 4910

C.P. No. 3070

UDIN: F004910H000520909

Place: Pune
Date: 28th May, 2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Praj Industries Limited
Praj Tower, S.No.274 & 275/2,
Bhumkar Chowk, Hinjewadi, Pune- 411057

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Praj Industries Limited having CIN: L27101PN1985PLC038031 and having registered office at Praj Tower, S.No.274 & 275/2, Bhumkar Chowk, Hinjewadi, Pune- 411057 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Pramod Madhukar Chaudhari	00196415	08/11/1985
2	Ashish Madhukar Gaikwad	07585079	03/02/2025
3	Sachin Vinayak Raole	00431438	16/01/2017
4	Berjis Minoo Desai	00153675	01/07/2025
5	Parth Pramod Chaudhari	07010109	11/08/2025
6	Utkarsh Palnitkar	00170004	31/03/2024
7	Vinayak Kashinath Deshpande	00036827	31/03/2024
8	Shridhar Bhalchandra Shukla	00007607	12/04/2018
9	Rujuta Prakash Jagtap	00861890	21/08/2023
10	Ajay Narayan Deshpande	03435179	25/10/2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MSN Associates**
Company Secretaries

CS Nishad Umrnikar
Partner

Membership No. FCS 4910
C.P. No. 3070
UDIN: F004910H000520788

Place: Pune
Date: 28th May, 2026

ANNEXURE 5

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A : GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identification Number (CIN) of the Listed Entity** : L27101PN1985PLC038031
2. **Name of the Listed Entity** : Praj Industries Ltd.
3. **Year of incorporation** : 1985
4. **Registered Office address** : "Praj Tower", S. No. 274 & 275/2, Bhumkar Chowk - Hinjewadi Road, Hinjewadi, Pune – 411 057.
5. **Corporate address** : "Praj Tower", S. No. 274 & 275/2, Bhumkar Chowk- Hinjewadi Road, Hinjewadi, Pune – 411 057.
6. **E-mail** : info@praj.net
7. **Telephone** : +91-20-7180 2000
8. **Website** : <https://www.praj.net>
9. **Financial year for which reporting is being done** : 2025-2026
10. **Name of the Stock Exchange(s) where shares are listed** : National Stock Exchange of India Limited (NSE) / BSE Limited (BSE)
11. **Paid-up Capital** : ₹ 367.626 Mn.
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report** :
Ms. Snehalata Pratik Chandhare, Lead- Sustainability
 Telephone No. +91-2071802000
 Email address – snehalatapankadan@praj.net
13. **Reporting boundary** : Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).
 The disclosures under this report are made on Consolidated basis.
14. **Name of assessment or assurance provider** : AVA Insights Partners LLP
15. **Type of assessment or assurance obtained** : Limited Assurance

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacture of other Special - Purpose Machinery	100

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Bioenergy Plants	28299	68.00
2.	Engineering Business	28299	32.00

III. Operations

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

Location	Number of plants	Number of offices	Total
National	7	5	12
International	0	4	4

19. Markets served by the entity :

a. Number of locations :

Locations	Number
National (No. of States)	23
National (No. of Union Territories)	3
International (No. of Countries)	22

b. What is the contribution of exports as a percentage of the total turnover of the entity? : 37%

c. A brief on types of customers :

Company offers customized plants, equipment & technology solutions primarily to industrial customers. Some of our customers include PSU Companies and large conglomerates.

IV. Employees

20. Details as at the end of Financial Year :

a. Employees and workers (including differently abled) :

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	1594	1406	88.21	188	11.79
2.	Other than Permanent (E)	467	439	94.00	28	6.00
3.	Total employees (D + E)	2061	1845	89.52	216	10.48
Workers						
4.	Permanent (F)	35	35	100.00	0	0.00
5.	Other than Permanent (G)	3009	2953	98.14	56	1.86
6.	Total workers (F + G)	3044	2988	98.16	56	1.84

b. Differently abled Employees and workers :

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees						
1.	Permanent (D)	4	3	75.00	1	25.00
2.	Other than Permanent (E)	0	0	0.00	0	0.00
3.	Total differently abled employees (D + E)	4	3	75.00	1	25.00
Differently Abled Workers						
4.	Permanent (F)	0	0	0.00	0	0.00
5.	Other than permanent (G)	4	4	100.00	0	0.00
6.	Total differently abled workers (F + G)	4	4	100.00	0	0.00

21. Participation/Inclusion/Representation of women :

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10%
Key Management Personnel*	1	0	N/A

*Excluding Members of the Board of Directors

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years) :

	FY 2026 Turnover rate in current FY			FY 2025 Turnover rate in previous FY			FY 2024 Turnover rate in the year prior to the previous FY		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employee Turnover Rate	19.5%	1.6%	19.6%	10.8%	0.8%	11.6%	12%	25%	15%
Permanent Worker Turnover Rate	0%	0%	0%	NA	NA	NA	NA	NA	NA

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures :

S. No.	Name of the Holding / Subsidiary / Associate Companies / Joint Ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Praj Engineering & Infra Ltd.	Subsidiary	99.67	Yes
2	Praj HiPurity Systems Ltd.	Subsidiary	100.00	Yes
3	Praj Far East Co. Ltd.	Subsidiary	100.00	Yes
4	Praj Americas Inc.	Subsidiary	100.00	Yes
5	Praj Far East Philippines Ltd.	Subsidiary	100.00	Yes
6	Praj GenX Ltd.	Subsidiary	100.00	Yes
7	Praj Projects (Tanzania) Ltd.	Subsidiary	100.00	Yes

VI. CSR Details

- 24.** (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : Yes
(ii) Turnover : ₹31,678.828 Mn.
(iii) Net worth : ₹13,092.537 Mn.

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2026 CFY Number of complaints filed during the year	FY 2026 CFY Number of complaints pending resolution at close of the year	FY 2026 CFY Remarks	FY 2025 PFY Number of complaints filed during the year	FY 2025 PFY Number of complaints pending resolution at close of the year	FY 2025 PFY Remarks
Customers	Yes	20	9	Resolution in progress	28	16	Resolution in progress
Communities	Yes	0	0	Complaints: Nil	0	0	Complaints: Nil
Investor	Yes	0	0	NA	0	0	NA
Employees and Workers	Yes	0	0	Complaints: Nil	0	0	Complaints: Nil
Value Chain partners	Yes	0	0	Complaints: Nil	0	0	Complaints: Nil

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2026 CFY Number of complaints filed during the year	FY 2026 CFY Number of complaints pending resolution at close of the year	FY 2026 CFY Remarks	FY 2025 PFY Number of complaints filed during the year	FY 2025 PFY Number of complaints pending resolution at close of the year	FY 2025 PFY Remarks
Shareholders	Yes	1	0	All complaints were resolved	2	0	All complaints were resolved
Others	Yes	0	0	Complaints: Nil	0	0	Complaints: Nil

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

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Business Ethics	Risk	Ethical behavior is an integrated part of the organization's culture and forms a core part of most of the policies.	A robust Code of Conduct along with whistle-blowing policy and systems that cover all employees and value chain partners, alongside ethics training for employees.	Negative
2	Product Quality & Safety	Opportunity	Quality and safety are of utmost importance in designing products. Praj leverages their high-quality offerings that provides a competitive edge in securing contracts.	Certified with ISO9001, ensuring that the products and services delivered are of the highest order sets the company apart. Developing the talent pool further will ensure even better quality of delivery.	Positive
3	Employee Health & Safety and Critical Incident Risk Management	Risk	Employee and Workforce wellbeing are crucial for achieving success and sustainability in an organization. High-risk environments carry threats of structural failure or site accidents. Proactive management systems are crucial in preventing or addressing these concerns.	Focus on the principle of continuous improvement of safety frameworks with ISO45001 certification. Implement proactive hazard detection and reporting systems to prevent site incidents.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Employee Engagement, Diversity & Inclusion	Opportunity	Having a diverse workforce with a variety of offerings is an asset to the company. Fostering talent through retention and development is important for a high-level workforce.	Engaging the workforce by fostering talent and good relations ensures the overall development of the company. Welcoming new and diverse talent proactively opens the company to fresh perspectives and novel innovations.	Positive
5	Corporate Governance	Risk	Governance policies when not in place can lead to major impact on smooth functioning of an organization and leave it exposed to regulatory sanctions.	Ensure a balanced board composition with well-informed independent directors. Establish a strong policy-oriented governance structure with internal audits and compliance reviews to prevent regulatory sanctions	Negative
6	Data Security	Risk	Data and IT infrastructure being the backbone of the business, Cyber Security if not strengthened, will impact business's confidential information and sustainability.	Deploy AI based monitoring security systems to prevent data breaches before it escalates. Conduct annual cyber awareness training and establish a Cyber Security Assurance Framework.	Negative
7	Product Design & Lifecycle Management	Opportunity	The R&D team works extensively towards making the products and processes more efficient in terms of material and energy consumption. This allows them to cater to the 'green' market and reduce the total cost of ownership for clients.	The growing demand for renewable biofuels for energy sovereignty is an opportunity for the company to expand its presence. By investing in designing solutions catering to the needs of the market, the company can stay ahead of the curve.	Positive
8	Human Rights and Labour Practices	Risk	Concerns regarding labour conditions or human rights challenge the integrity of the organization. In addition to that, they also carry significant legal implications.	Ensure strict compliance with local and international labour laws. The culture of care and trust that is embedded in the organization and made part of various policies contributes to a conscious environment.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Sustainable Supply Chain Management	Opportunity	For us sustainability in supply chain provides opportunity to enhance operations' sustainability and in-turn increase opportunities to achieve lower turnaround time (TAT) with quality for our customers.	There is a growing demand for increasing sustainability in the supply chain from regulatory and market demands. A system that can collect and assess supplier operations enables customer demands to be met more easily.	Positive
10	Management of Legal & Regulatory Environment	Risk	The biofuel industry is dependent on government mandates. Failure to properly navigate these regulatory pathways can lead to execution barriers, project delays, or significant fines.	Dedicatedly track evolving biofuel and environmental mandates, engage actively with industry regulatory bodies, and build operational flexibility to pivot smoothly when laws change.	Negative
11	Climate Change	Opportunity	Climate Action is of prime importance for the company. Through its business offerings, the company is creating opportunities for its customer to reduce impacts of Climate Change.	By increasing the share of biofuels in the market, the company contributes to fighting climate change. In addition, investments in renewable energy can reduce emissions and the cost of operations.	Positive
12	Water & Wastewater Management	Opportunity	Advancement in water management technology is an asset where Praj is taking the lead over its competitors.	Invest in development to enhance water recovery and recycling efficiency. With ZLD and advanced treatment solutions, the company can help clients meet increasingly strict environmental regulations.	Positive

SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Principle	Disclosure Questions		
	1a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	1b. Has the policy been approved by the Board? (Yes/No)	1c. Web Link of the Policies, if available
Principle 1	Yes	Yes	All Policies are available at https://www.praj.net/investors-type/policies/
Principle 2	Yes	Yes	
Principle 3	Yes	Yes	
Principle 4	Yes	Yes	
Principle 5	Yes	Yes	
Principle 6	Yes	Yes	
Principle 7	Yes	Yes	
Principle 8	Yes	Yes	
Principle 9	Yes	Yes	

Principle	Disclosure Questions		
	2. Whether the entity has translated the policy into procedures. (Yes / No)	3. Do the enlisted policies extend to your value chain partners? (Yes/No)	4. Name of the national and international codes / certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.
Principle 1	There are no separate procedures. Policies are inclusive of procedures.	Yes	ISO 27001
Principle 2		Yes	-
Principle 3		Yes	ISO 45001
Principle 4		Yes	-
Principle 5		Yes	-
Principle 6		Yes	ISO 14001
Principle 7		No	-
Principle 8		No	-
Principle 9		No	ISO 9001, ISO 27001

Principle	Disclosure Questions	
	5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met
Principle 1	- Reduce Scope 1 & Scope 2 emission intensity to 50% of base year 2021 by 2035. - Sustain an annual 5000 employee contribution hours to social causes through the internal mechanism of Personal Social Responsibility.	- Addition of 110 kWp Solar energy. Total Renewable energy produced in FY25-26: 256 MWh which contributed to 2% of total energy consumed. - A total of 5260 hours of employee contribution to Personal Social Responsibility.
Principle 2		
Principle 3		
Principle 4		
Principle 5		
Principle 6		
Principle 7		
Principle 8		
Principle 9		

Governance, leadership and oversight

Question Details	Answer Details
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	https://www.praj.net/wp-content/uploads/2023/11/sustainability-management-system1.pdf
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Sachin Raole Joint Managing Director & Chief Financial Officer Phone No. 020-71802000
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. We have a CSR & Sustainability Committee whose role is to provide strategic guidance and oversight into the Company's initiatives & practices towards ESG and Sustainability. We also have a working committee which consists of members from all functions at each location with their HOD as champion of Sustainability.

10. Details of Review of NGRBCs by the Company :

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
	P1 review	P2 review	P3 review	P4 review	P5 review	P6 review	P7 review	P8 review	P9 review
Performance against above policies and follow up action	By Director								
Compliance with statutory requirements of relevance to the principles, and rectification of any non - compliances	By Director								

Subject for Review	Frequency (Annually/ Half yearly/Quarterly/ Any other – please specify)								
Frequency	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non - compliances	Annually								

Principle	Disclosure Questions								
	11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency.								
Principle 1	Yes, independent assessments are conducted by certifying agencies while conducting ISO certification audits. Company has ISO certifications such as ISO 9001, ISO 45001, ISO 14001, ISO 27001.								
Principle 2									
Principle 3									
Principle 4									
Principle 5									
Principle 6									
Principle 7									
Principle 8									
Principle 9									

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

Principle	Disclosure Questions			
	12a. The entity does not consider the Principles material to its business (Yes/No)	12b. The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	12c. The entity does not have the financial or/ human and technical resources available for the task (Yes/No)	12d. It is planned to be done in the next financial year (Yes/No)
Principle 1	Not Applicable			
Principle 2				
Principle 3				
Principle 4				
Principle 5				
Principle 6				
Principle 7				
Principle 8				
Principle 9				

Principle	Disclosure Questions			
	12e. Any other reason (please specify)			
Principle 1	Not Applicable			
Principle 2				
Principle 3				
Principle 4				
Principle 5				
Principle 6				
Principle 7				
Principle 8				
Principle 9				

SECTION C : PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	5	Business Strategy, Sustainability, Governance	100.00
Key Managerial Personnel	5	Business Strategy, Sustainability, Governance	100.00
Employees other than BoD and KMPs	56	Code of Conduct, IT/Cyber Security Uchit/ POSH, Environment Sustainability	75.00
Workers	22	Site based Training Program, Uchit/POSH, HSE	90.00

Note: The number of training and awareness programmes for Board of Directors and Key Managerial Personnel is given on Standalone basis.

2. Details of fines / penalties /punishment / award / compounding fees/ settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note : the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website) :

Sr No	Details	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
1	Fines / penalties / punishment/ award/ compounding fees/ settlement amount	Nil	-	-	-	-

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

Sr. No.	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
1	Nil	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, Company's Code of Conduct policy covers anti-corruption and anti-bribery clause. The policies are applicable to Board & Senior Management, Employees and Suppliers.

Praj Code of Conduct for Board and Senior Management:

<https://www.praj.net/wp-content/uploads/2021/11/praj-code-of-conduct-for-board-and-senior-management.pdf>

Code of Conduct Employees:

<https://www.praj.net/wp-content/uploads/2023/03/Code-of-Conduct-Employees-03-02-2023.pdf>

Supplier Code of Conduct:

<https://www.praj.net/wp-content/uploads/2025/03/Suppliers-Code-Of-Conduct-30-01-2025.pdf>

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

	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2026 Current Financial Year		FY 2025 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

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

N/A

8. Number of days of accounts payables (Accounts payable *365 / Cost of goods / services procured) in the following format :

	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Number of days of accounts payables	63	62

9. Open-ness of business :

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0	0
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0	0
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	<1%	<1%
	b. Sales (Sales to related parties / Total Sales)	<1%	<1%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	<1%	<1%
	d. Investments (Investments in related parties / Total Investments made)	<1%	<1%

*For details on RPT, kindly refer Note no. 30 of "Notes to the Standalone Financial Statements".

Leadership Indicators

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

Yes

If Yes, provide details of the same.

The details and processes in place to avoid or manage instances of conflicts of interest involving members of the board are outlined in the company's "Code of Conduct for Board and Senior Management"

<https://www.praj.net/wp-content/uploads/2021/11/praj-code-of-conduct-for-board-and-senior-management.pdf>

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

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

	FY 2026 Current Financial Year	FY 2025 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	100	100	1. Poly Lactic Acid pilot plant During the year under review, Praj continued to advance its biopolymers platform with progress in lactic acid-to-lactide and PLA technologies. The Company's indigenously developed biopolymer demonstration facility has evolved into an important customer engagement center, attracting visits from multiple prospective customers and partners for technology evaluation and commercialization discussions.
Capex	27.35	16	2. Development of Isobutyl Alcohol for Diesel Alternatives Bio-IBA continued to emerge as a strategic focus area during the year, given its dual potential as a building block for SAF and as a drop-in renewable fuel for diesel replacement. Praj continued to advance R&D and application development activities at Praj Matrix in collaboration with Automotive Research Association of India (ARAI), Oil Marketing Companies (OMCs), and global engine manufacturers, supporting progress towards diesel economy decarbonization and low-carbon fuel deployment. 3. Ethanol to Jet Fuel Technology During the year under review, the Company successfully validated its Ethanol-to-Jet (EtJ) technology pathway at demo scale. With this achievement, Praj Industries became the first organization globally to test and validate both ethanol-to-jet and isobutanol-to-jet pathways under the Alcohol-to-Jet (AtJ) platform, reinforcing its leadership in next-generation aviation decarbonization technologies. 4. Bio bitumen process and testing Developed grades of Bio bitumen compatible with VG30 and VG40, along with modified bitumen blends; successfully demonstrated performance in road applications

2.
 - a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No) Yes**
Suppliers are evaluated on social, ethical, and environmental performance parameters. Sustainable sourcing is the key element in the process of selecting and retaining Business Partners. 'Suppliers Code of Conduct' policy is strictly implemented for all the suppliers. This policy also covers aspects such as human & labour rights, occupational health & safety, and environmental aspects. All the suppliers must mandatorily agree to this Code of Conduct. The Supplier's code of conduct is recently updated. In addition to this, critical suppliers are audited based on sustainability checklists to ensure their performance against these sustainability parameters.
 - b. **If yes, what percentage of inputs were sourced sustainably?**
34.8%

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a) **Plastics (including packaging):**

Disposed through identified scrap merchant by authorized vendor.

(b) **E-waste:**

Disposed through identified scrap merchant by authorized vendor.

(c) **Hazardous waste:**

Disposed through identified scrap merchant by authorized vendor. All hazardous waste is recorded through the manifests submitted to the respective Pollution Control Boards (PCBs).

(d) **Other waste:**

Sanitary waste is sent to authorized recyclers, and we receive impact certificate of commitment.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No)?:

Yes

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

Yes

If Yes, you may provide the explanation:

The annual returns are filed with the Pollution control boards.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Sr No	NIC Code	Name of Product / Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain	Web Link
1	28299	Molasses Ethanol	9.93 %	Cradle-to-Gate	Yes	No	NA

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

Sr No	Name of Product / Service	Description Of The Risk / Concern	Action Taken
1	Molasses Ethanol	LCA of molasses-based ethanol identifies utility operations (steam and power generation) as a contributor to non-biogenic GHG emissions, driven by partial reliance on coal as boiler fuel.	Progressive substitution of coal with renewable biomass (bagasse/agri-residue) as primary fuel for utility operations, can further reduce non-biogenic emission intensity of the product carbon footprint.

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

Essential Indicators

1. a. Details of measures for the well-being of employees :

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1406	1406	100.00	1406	100.00	NA	NA	1406	100.00	NA	NA
Female	188	188	100.00	188	100.00	188	100.00	NA	NA	NA	NA
Total	1594	1594	100.00	1594	100.00	188	100.00	1406	100.00	NA	NA
Other than Permanent employees											
Male	439	439	100.00	439	100.00	NA	NA	439	100.00	NA	NA
Female	28	28	100.00	28	100.00	28	100.00	NA	NA	NA	NA
Total	467	467	100.00	467	100.00	28	100.00	439	100.00	NA	NA

b. Details of measures for the well-being of workers :

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	35	35	100.00	35	100.00	NA	NA	35	100.00	NA	NA
Female	0	0	0.00	0	0.00	0	0.00	0	0.00	NA	NA
Total	35	35	100.00	35	100.00	0	0.00	35	100.00	NA	NA
Other than Permanent workers											
Male	2953	2953	100.00	2953	100.00	NA	NA	2953	0.00	NA	NA
Female	56	56	100.00	56	100.00	56	0.00	NA	NA	NA	NA
Total	3009	3009	100.00	3009	100.00	56	0.00	2953	0.00	NA	NA

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

	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.64%	0.53%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year :

Benefits	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00%	100.00%	Yes	100.00%	100.00%	Yes
Gratuity	100.00%	100.00%	Yes	100.00%	100.00%	Yes
ESI	0.00%	100.00%	Yes	100.00%	100.00%	Yes
Others – Please specify	0.00%	0.00%	Not Applicable	0.00%	0.00%	Not Applicable

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

If not, whether any steps are being taken by the entity in this regard:

NA

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

Yes.

If yes, provide a web-link to the policy:

Weblink :

<https://www.praj.net/wp-content/uploads/2025/03/Principles-and-Policies-Business-Responsibility-30-01-2025.pdf>

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief :

	Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Employees	Yes	Employee grievances can be raised directly to either the reporting manager, department heads or respective HR personnel.
Other than Permanent Employees	Yes	Grievances Committee is established and register is maintained. Suggestions box is also set and checked at regular intervals.
Permanent Workers	Yes	Employee grievances can be raised directly to either the reporting manager, department heads or respective HR personnel.
Other than Permanent Workers	Yes	Grievances Committee is established and register is maintained. Suggestions box is also set and checked at regular intervals.

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

Category	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees /workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees /workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	1594	0	0	1806	0	0
Male	1406	0	0	1639	0	0
Female	188	0	0	167	0	0
Total Permanent Workers	35	0	0	38	0	0
Male	35	0	0	38	0	0
Female	0	0	0	0	0	0

8. Details of training given to employees and workers :

Category	FY 2026					FY 2025				
	Current Financial Year					Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1406	834	59.32	1406	100.00	2090	2090	100.00	2090	100.00
Female	188	161	85.63	188	100.00	196	196	100.00	196	100.00
Total	1594	995	62.42	1594	100.00	2286	2286	100.00	2286	100.00
Workers										
Male	35	35	100.00	35	100.00	7332	7332	100.00	0	0.00
Female	0	0	0.00	0	0.00	18	18	100.00	0	0.00
Total	35	35	100.00	35	100.00	7350	7350	100.00	0	0.00

*Other than permanent workers included plant site-based workers in FY 24-25

9. Details of performance and career development reviews of employees and worker :

Category	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1406	1188	84.49	1639	1392	84.93
Female	188	155	82.44	167	139	83.23
Total	1594	1345	84.38	1806	1531	84.77
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

10. Health and safety management system :

a. Whether an occupational health and safety management system has been implemented by the entity?

Yes

If yes, the coverage such system?

Yes. The entity has implemented a comprehensive Occupational Health & Safety Management System (OHSMS), fully aligned with ISO 14001 and ISO 45001 standards. A well-documented Environmental, Occupational Health & Safety (EOHS) Policy is in place, which provides a structured framework for managing risks and ensuring compliance.

The system covers:

1. Safe and healthy working conditions across all operations.
2. Prevention of work-related injuries and ill health through proactive risk identification, mitigation, and continuous monitoring.
3. Environmental management practices to minimize adverse impacts and promote sustainability.
4. Leadership accountability and employee participation, ensuring safety ownership at every level.
5. Continuous improvement mechanisms, including audits, reviews, and corrective actions to strengthen performance.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Company has carried out Hazard identification and risk assessment for all the manufacturing facilities and other locations to identify work related hazards and assess their risks. Basis the HIRA activity the appropriate control measure are put in place to manage the risks

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)?

Yes

- d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services (Yes/ No)?

Yes

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

Safety Incident/Number	Category	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees & Workers	0.39	0.13
Total recordable work-related injuries	Employees	1	0
	Workers	10	3
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

Company's policy on EOHS (Environmental, Occupational, Health & Safety) strengthens the objective of providing safe & healthy working conditions for the prevention of work-related injury and ill health. Strict adherence to the objectives of this policy along with adoption of ISO 14001 :2015 and ISO 45001 ensure a safe and healthy workplace. Necessary training is imparted to employees, business associates and interested parties to further strengthen the EOHS policy.

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

	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year :

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

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

- Mandatory reporting and investigation of all work-related incidents at leadership & Organization level
- Implementation of Operational Control Procedures at sites
- Implementation of Monthly Safety Motivational Programs
- Uniform safety systems implemented at sites
- Adherence to compliance and statutory requirements
- Monitoring and control through audits from external certifying agencies

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees:

Yes

(B) Workers:

Yes

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

Prior to onboarding a value chain partner, the company conducts due diligence via a self-assessment questionnaire to evaluate the partners. The responses are then verified through an internal review system with further periodic reviews. In addition to this, the company also mandates an undertaking for compliance and adherence to the Supplier Code of Conduct from the vendors to ensure there are no statutory dues pending.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2026 Current Financial Year	FY 2025 Previous Financial Year	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Employees	0	0	NA	NA
Workers	0	0	NA	NA

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

Yes

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	34.80
Working Conditions	34.80

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

The supply chain partners have been assessed, and no significant risks have been identified

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

Essential Indicators

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

Key stakeholders are identified based on direct or indirect impact they have on the business performance or financial health of the organization. We follow global standards for identification of stakeholders and analysis.

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

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics	Concerns raised during such engagement
1	Employees	No	1. Internal communication through email platforms- Praj Connect, Corporate Communication 2. Quarterly interactions by the MD	Others	Keep employees abreast with happenings in economy, business environment, company specific achievements including business performance of organization	NA
2	Customers	No	Email, telephonic calls, virtual meetings, in-person meetings, industry conferences, newsletters	Others	Sales, customer service, customer retention, training on the products / services provided by Praj	NA
3	Investors / Shareholders	No	Investor lounge on the website, quarterly analyst calls, investor conferences, AGMs, annual report	Others	Compliance, to keep investors informed about the quarterly performance and organizational developments	NA
4	Suppliers / Vendors	No	Email, phone, virtual meetings	Others	To keep vendors informed on requirements, timelines, and quality standards	NA
5	SEBI	No	email	Others	Regulatory compliance	NA
6	Media	No	Email, through PR agency, press conferences	Others	Brand visibility, reputation management, dissemination of press releases, leadership interviews	NA
7	Community / NGOs	Yes	Email, community events, social media	Others	Social responsibility	NA

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics	Concerns raised during such engagement
8	Partners / Alliances	No	Email, telephonic calls, virtual meetings, in-person meetings	Others	Collaboration	NA
9	Board of Directors	No	In-person board meetings, virtual meetings	Quarterly	Strategic direction, governance	NA

Leadership Indicators

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

Process For Consultation on ESG:

The Sustainability Team collects feedback from stakeholders in an internal system in addition to a materiality assessment conducted through internal stakeholder engagement. In addition to this, there are plans to formalize the process for such a consultation system in addition to increasing visibility of the sustainability efforts through the company website.

Is Process for Consultation Delegated:

Feedback Process To Board:

The Sustainability Team presents the feedback received through the consultation system to the board level Sustainability Committee. The committee, along with the input from the sustainability team, deliberates on the matters presented to determine the future course of action.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No)?**

Yes

If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Input To Policies And Activities :

The stakeholder engagement process was used to conduct a materiality assessment with the help of various internal stakeholders and proxies to external stakeholders. The identified material topics have been presented to the leadership team to determine avenues for addressing the risks or capitalizing on the opportunities by modifying the activities and processes of the company.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1594	1520	95.36	1806	1806	100.00
Other than permanent	467	467	100.00	480	480	100.00
Total Employees	2076	1987	95.25	2286	2286	100.00
Workers						
Permanent	35	35	100.00	38	38	100.00
Other than permanent	3009	3009	100.00	7350	7350	100.00
Total Workers	3044	3044	100.00	7388	7388	100.00

*Other than permanent workers included plant site-based workers in FY 2025

2. Details of minimum wages paid to employees and workers, in the following format :

Category	FY 2026 Current Financial Year					FY 2025 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	1406	0	0.00	1406	100.00	1639	0	0.00	1639	100.00
Female	188	0	0.00	188	100.00	167	0	0.00	167	100.00
Other than Permanent										
Male	439	0	0.00	439	100.00	451	0	0.00	451	100.00
Female	28	0	0.00	28	100.00	0	0	0.00	0	0.00
Workers										
Permanent										
Male	35	0	0.00	35	100.00	38	0	0.00	38	100.00
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent										
Male	2953	1122	38.0%	1827	61.9%	7332	4840	66.01	2492	33.99
Female	56	43	76.8%	13	23.2%	18	0	0.00	18	100.00

*Other than permanent workers included plant site-based workers in FY 2025

3. Details of remuneration/salary/wages :

a. Median remuneration / wages :

(₹ in Mn.)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	83.07	0	NA
Key Managerial Personnel*	1	4.86	0	NA
Employees other than BoD and KMP	1,406	1.50	188	0.84
Workers	35	NA	0	NA

*Excluding Members of the Board of Directors

Note: The Median remuneration of Board of Directors and Key Managerial Personnel is given on Standalone basis.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format :

	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Gross wages paid to females as % of total wages	6.28 %	4.47 %

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Responsibility : Human Capital department

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

Grievances are registered with Human Resource department which in turn resolves the grievance in line with set internal procedures. In addition, grievances can also be raised through 'Vigil Mechanism and Whistle-blower Policy'. The Audit Committee then appropriately and expeditiously investigates all such grievances in line with the policy for a quick resolution.

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

	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour/Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

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

	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0.00	0.00
Complaints on POSH upheld	0	0

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

Internal committee under POSH, The Protection of Women against Sexual Harassment at Workplace Act, 2013 (POSH Act, 2013), Company's 'Vigil Mechanism and Whistle-blower Policy' provides that while conducting any investigation, reasonable efforts shall be taken to protect the confidentiality and anonymity of the Whistle blower. This policy further provides that the Company undertakes that the Whistle blower will be protected at all costs, provided he / she is under honest belief that the alleged misbehavior took place. There will be no harassment of any nature whatsoever to the Whistle blower if he/she is under honest belief in behavior. This protection will not be available to any Whistle blower who misuses this mechanism for personal benefits.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Efforts are extended to implement the relevant policies with Company's Suppliers, Contractors, Company's own and associated Foundations and others within the sphere of influence. Company's Supplier's Code of Conduct covers all aspects related to protection of human rights.

10. Assessments for the year :

Sr No.	Area of Assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
1	Child labour	100.00
2	Forced/involuntary labour	100.00
3	Sexual harassment	100.00
4	Discrimination at workplace	100.00
5	Wages	100.00
6	Others – please specify	0.00

* only offices and factory premises are considered above

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

No major risks or concerns reported.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

As a part of proactively expanding the scope of POSH to handle instances of harassments against men, the Uchit Committee was formed this year to ensure every person's voice is heard. There have been no complaints received in 2025-26 related to human rights.

2. Details of the scope and coverage of any Human rights due diligence conducted:

NA

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	34.80
Discrimination at workplace	34.80
Child Labour	34.80
Forced Labour/Involuntary Labour	34.80
Wages	34.80
Others – please specify	-

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

Through the assessment process, 34.80% of the company's suppliers have been assessed and no significant risks or concerns have been identified among the partners.

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

Essential Indicators

- Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format :

Parameter	FY 2026 Current Financial Year		FY 2025 Previous Financial Year	
	Value	Unit	Value	Unit
From renewable sources				
Total electricity consumption (A)	970.61	Giga Joule	810.00	Giga Joule
Total fuel consumption (B)	0.00	Giga Joule	0.00	Giga Joule
Energy consumption through other sources (C)	0.00	Giga Joule	0.00	Giga Joule
Total energy consumed from renewable sources (A+B+C)	970.61	Giga Joule	810.00	Giga Joule
From non-renewable sources				
Total electricity consumption (D)	39293.21	Giga Joule	30353.00	Giga Joule
Total fuel consumption (E)	18347.20	Giga Joule	1407.00	Giga Joule
Energy consumption through other sources (F)	0.00	Giga Joule	0.00	Giga Joule
Total energy consumed from non-renewable sources (D+E+F)	57640.41	Giga Joule	31760.00	Giga Joule
Total energy consumed (A+B+C+D+E+F)	58611.02	Giga Joule	32570.00	Giga Joule
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	1850.16	Giga Joule	1008	Giga Joule
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	37632.33	Giga Joule/ Billion USD	20260*	Giga Joule/ Billion USD
Energy intensity in terms of physical output	-		-	

*The Intensity PPP for FY 24-25 have been calculated retrospectively based on past year data

IMF link: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>

**The company's products and services cannot be reflected accurately as physical output

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

If yes, name of the external agency: AVA Insights Partners LLP

- Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) :

No

- Provide details of the following disclosures related to water, in the following format :

Parameter	FY 2026 Current Financial Year		FY 2025 Previous Financial Year	
	Value	Unit	Value	Unit
Water withdrawal by source (in kilolitres)				
(i) Surface water	0.00	kilolitre	0.00	kilolitre
(ii) Groundwater	15611.11	kilolitre	27388.00	kilolitre
(iii) Third party water	118422.38	kilolitre	49143.00	kilolitre
(iv) Seawater / desalinated water	0.00	kilolitre	0.00	kilolitre
(v) Others	0.00	kilolitre	0.00	kilolitre
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	134033.49	kilolitre	76531.00	kilolitre
Total volume of water consumption (in kilolitres)	133658.99	kilolitre	49904.00	kilolitre

Parameter	FY 2026 Current Financial Year		FY 2025 Previous Financial Year	
	Value	Unit	Value	Unit
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations)	4219.19	kilolitre Per Billion ₹	1545	kilolitre Per Billion ₹
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	85818.32	kilolitre Per Billion USD	83142.42*	kilolitre Per Billion USD
Water intensity in terms of physical output**	-		-	

*The Intensity PPP for FY 24-25 have been calculated retrospectively based on past year data

IMF link: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>

**The company's products and services cannot be reflected accurately as physical output

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : Yes

If yes, name of the external agency: AVA Insights Partners LLP

4. Provide the following details related to water discharged :

Parameter	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
		Value	Unit		Value	Unit
Water discharge by destination and level of treatment (in kilolitres)						
(i) To Surface water		0.00	kilolitres		0.00	kilolitres
No treatment		0.00	kilolitres		0.00	kilolitres
With treatment – please specify level of treatment		0.00	kilolitres		0.00	kilolitres
(ii) To Groundwater		0.00	kilolitres		0.00	kilolitres
No treatment		0.00	kilolitres		0.00	kilolitres
With treatment – please specify level of treatment : Tertiary Treatment		0.00	kilolitres	Tertiary	26627.00	kilolitres
(iii) To Seawater		0.00	kilolitres		0.00	kilolitres
No treatment		0.00	kilolitres		0.00	kilolitres
With treatment – please specify level of treatment		0.00	kilolitres		0.00	kilolitres
(iv) Sent to third-parties		0.00	kilolitres		0.00	kilolitres
No treatment		0.00	kilolitres		0.00	kilolitres
With treatment – please specify level of treatment	Secondary	374.5	kilolitres		0.00	kilolitres
(v) Others		0.00	kilolitres		0.00	kilolitres
No treatment		0.00	kilolitres		0.00	kilolitres
With treatment – please specify level of treatment		0.00	kilolitres		0.00	kilolitres
Total water discharged (in kilolitres)		374.5*	kilolitres		26,627.00	kilolitres

*Change in method of calculation compared to FY 2025

Note : Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N).

Yes

If yes, name of the external agency: AVA Insights Partners LLP

5. Has the entity implemented a mechanism for Zero Liquid Discharge? (Y/N)

Yes

If yes, provide details of its coverage and implementation.

Yes, Water from STP & ETP is used for gardening & flushing purposes

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format :

Parameter	Please specify unit	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
NOx	tonnes/year	2.84	165.00*
SOx	tonnes/year	3.76	106.00*
Particulate matter (PM)	tonnes/year	8.58	465.00*
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)	tonnes/year	0.00	0.00
Hazardous air pollutants (HAP)		-	-
Others – please specify		-	-

*Past year data was measured in mg/nm3, going forward, all emissions will be reported in tonnes/year

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?
(Y/N) : Yes

If yes, name of the external agency: AVA Insights Partners LLP

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1362.41	1610
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	7749.50	5986
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent per Billion ₹	287.63	230
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent per Billion USD	5850.47	4718.01*
Total Scope 1 and Scope 2 emission intensity in terms of physical output**	-	-	-

*The Intensity PPP for FY 24-25 have been calculated retrospectively based on past year data

IMF link: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>

**The company's products and services cannot be reflected accurately as physical output

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?
(Y/N) : Yes

If yes, name of the external agency: AVA Insights Partners LLP

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

- (i) Solar Open Access for all locations of Praj in Maharashtra state is being explored. This will substantially reduce the Scope 2 emissions of Praj.
- (ii) Bio-digesters are utilized at specific manufacturing units to process biodegradable and kitchen waste.

9. Provide details related to waste management by the entity, in the following format :

Parameter	FY 2026 Current Financial Year		FY 2025 Previous Financial Year	
	Value	Unit	Value	Unit
Total Waste generated (in metric tonnes)				
Plastic waste (A)	13.179	metric tonnes	20.12	metric tonnes
E-waste (B)	2.754	metric tonnes	2.00	metric tonnes
Bio-medical waste (C)	0.005	metric tonnes	0.00	metric tonnes
Construction and demolition waste (D)	0.000	metric tonnes	0.00	metric tonnes
Battery waste (E)	0.088	metric tonnes	0.00	metric tonnes
Radioactive waste (F)	0.000	metric tonnes	0.00	metric tonnes

Other Hazardous waste. Please specify, if any. (G)

Sr. No.	Parameter	FY 2026 Current Financial Year	FY 2025 Previous Financial Year	Unit
1	Empty Paint Drums, Used Lubricant Oil & Coolant Oil, Etp Sludge	46.10	45.71	Metric Tonnes

Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)

Sr. No.	Parameter	FY 2026 Current Financial Year	FY 2025 Previous Financial Year	Unit
1	Paper, wood & metallic scrap	2679.99	224.75	metric tonnes

Sr. No.	Parameter	FY 2026 Current Financial Year	FY 2025 Previous Financial Year	Unit
Total Waste (A+B+C+D+E+F+G+H)		2742.12	292.58	metric tonnes

Parameter	FY 2026 Current Financial Year		FY 2025 Previous Financial Year	
	Value	Unit	Value	Unit
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	86.56	metric tonnes per Billion ₹	9.06	metric tonnes per billion ₹
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	1760.63	metric tonnes per Billion USD	181.73*	metric tonnes per Billion USD
Waste intensity in terms of physical output**	-		-	

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

Category of waste (Metal Scrap)				
(i) Recycled	2282.11	metric tonnes	0.00	metric tonnes
(ii) Re-used	0.00	metric tonnes	0.00	metric tonnes
(iii) Other recovery operations	0.00	metric tonnes	0.00	metric tonnes
Total	2282.11	metric tonnes	0.00	metric tonnes

Parameter	FY 2026 Current Financial Year		FY 2025 Previous Financial Year	
	Value	Unit	Value	Unit
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)				
Category of waste				
(i) Incineration	0.00	metric tonnes	4.42	metric tonnes
(ii) Landfilling	0.00	metric tonnes	4.42	metric tonnes
(iii) Other disposal operations	460.01	metric tonnes	0.00	metric tonnes
Total	460.01	metric tonnes	8.84	metric tonnes

*The Intensity PPP for FY 24-25 have been calculated retrospectively based on past year data

IMF link: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>

**The company's products and services cannot be reflected accurately as physical output

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : Yes

If yes, name of the external agency: AVA Insights Partners LLP

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

The company is into the business of manufacturing plants and machinery for industrial use. Metals are used in majority of the manufacturing process with a very small proportion of non-recyclable material.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Not applicable

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not applicable

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).**

If not, provide details of all such non-compliances, in the following format:

Not applicable

Leadership Indicators

1. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Web Link	Outcome of the initiative
1	Increasing Solar Capacity in Praj HiPurity Systems Facility	Solar energy capacity of 110 KW peak has been added	NA	In the year 2025-26, 33200 kWh has been generated from this facility
2	Changing Condensate Drain Valves in a Praj Facility	The Condensate Drain Valves have been changed to an Automatic Condensate Drain Valves	NA	Zero-air-loss models from changing the valves ensure compressed air is not wasted during the purging process
3	Compressed Biogas (CBG) Plant	A plant has been set up at Praj's Matrix facility that can convert biomass into usable and transportable compressed biogas fuel.	NA	The CBG plant is a demo plant that is being used to showcase a potential avenue for increasing the share of renewable fuel in the market and contribute to energy sovereignty.

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2. Disclose any significant adverse impact to the environment arising from the value chain of the entity:

Through the assessment process, 34.80% of the company's suppliers have been assessed and no significant risks or concerns have been identified among the partners.

3. What mitigation or adaptation measures have been taken by the entity in this regard:

Through the assessment process, 34.80% of the company's suppliers have been assessed and no significant risks or concerns have been identified among the partners.

4. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts: 34.80%

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations : 12
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to :

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Association of Biotechnology Led Enterprises (ABLE)	National
3	Mahratta Chamber of Commerce, Industries and Agriculture (MCCIA)	National
4	India Brazil Chamber of Commerce	International
5	European renewable ethanol association (E-PURE)	International
6	Indo-American Chambers of Commerce	National
7	International Society of Sugar Cane Technologists (ISSCT)	International
8	UNEM	International
9	The Sugar Technologists' Association of India	National
10	Process Plant & Machinery Association of India (PPMAI)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities :

Name of authority	Brief of the case	Corrective action taken
Nil		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually / Half yearly / Quarterly / Others – please specify) Web Link, if available Add New Refresh No records to display.	Web Link, if available
1	National Biofuel Policy, Sustainable Alternative Towards Affordable Transportation (SATAT Scheme), PM JIVAN YOJNA	Technology partner; by member of working group in organizations like Confederation of Indian Industry (CII), Indian Federation of Green Energy (IFGE) etc.; Participant in Inter-Ministerial meetings.	No	Quarterly	NA
2	Viksit Maharashtra 2047	As a member of Biorefinery Committee and Climate Cell	Yes	Quarterly	NA

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year :

Sr. No.	Name of Project	Details of Project	SIA Notification No	Date of Notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
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Nil

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format :

S. No.	Name of Project	Details of Project	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts Paid to PAFs In the FY (In ₹)
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Nil

3. Describe the mechanisms to receive and redress grievances of the community :

So far there are no such cases. In order to prevent such instances, we ensure the following practices:

- Before starting any project, we interact with the beneficiaries, we understand their needs, we do not force them to be a part of the project, the participation is completely voluntary.
- We ensure community ownership.
- We also ensure necessary due diligence of the NGO with whom we work So far there is no such case.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers :

	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Directly sourced from MSMEs/ small producers	36.13	29.00
Directly from within India	94.00	88.00

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent on non-permanent/ on contrast basis) in the following locations, as % of total wages cost:

Location	FY 2026 Current Financial Year	FY 2025 Previous Financial Year
Rural	1.8	26
Semi-urban	86.3	16
Urban	4.5	1
Metropolitan	7.4	57

(Place to be categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Sr. No.	Details of negative social impact identified	Corrective action taken
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Nil

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In ₹)
1	Maharashtra	Nandurbar	42,98,000
2	Maharashtra	Osmanabad	18,55,000

3. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned / Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
	The company's functions do not utilize any intellectual property based on traditional knowledge. The sector the company operates in does not utilize any traditional knowledge for basis. The company does not have any intellectual property created, owned, or acquired based on traditional knowledge.			

4. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved:

Sr. No.	Name of authority	Brief of the Case	Corrective action taken
	Praj has not engaged in any disputes wherein traditional knowledge is involved.		

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons	% of beneficiaries from vulnerable and marginalized groups
1	Watershed—Sustainable Water Resource Development in drought prone villages	13,341	97.40
2	Rural Development—Holistic village development to ensure sustainable farming and living	847	100.00
3	Preventive Healthcare—Anemia prevention amongst women in rural & tribal areas	8,647	100.00
4	Foundational Education—Attaining Foundational Literacy & Numeracy amongst rural and tribal children	5,548	91.60
5	Skill Development—Skill training for children and youth from rural and tribal areas	160	100.00
6	Livelihood Generation—Creating livelihood opportunities for rural and tribal women and youth	310	100.00
7	Disability Education—Education, physiotherapy, machinery, training and counseling support to children, people, youth and parents	280	100.00
8	Disability Service Center—One stop solution center to get access and support towards govt schemes	2,041	100.00
9	Reducing Inequalities—Good governance center for NT, DNT, ST & other less privileged communities	680	100.00
10	Mental Health—Training to caregivers of person suffering with mental illness	200	100.00
11	POSH Training & Awareness—Capacity building of women and stakeholders on workplace safety and security	250	100.00
12	Community Development—Holistic community development for SC, ST, NT – DNT & other less privileged communities	250	100.00
13	Renewable Energy—Installation of solar system at Residential school	240	100.00
14	Afforestation—Maintenance & survival of planted saplings / trees in tribal hamlets	277	100.00
15	Wildlife Monitoring & Conservation—Training & awareness in the villages to reduce Human – wildlife conflict	4,000	100.00
16	Mother & Child Welfare—Training, counseling and support to pregnant women, lactating mothers and newborn babies	897	100.00
17	Education—Training, counseling and support to pregnant women, lactating mothers and newborn babies=	200	100.00

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback :

Majority of our customers are industries. There are dedicated project managers for such industrial customers and well-defined escalation matrix is in place. Respective project managers or customer executives can log consumer / customer complaints online through customer portal. Complaints are then tracked for timely and satisfactory resolution.

Apart from this, Company carries out the Customer Satisfaction Survey periodically in order to understand overall customer feedback and to take suitable corrective actions.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about :

	As a percentage to total turnover
Environmental and social parameters relevant to the product	45.03
Safe and responsible usage	100.00
Recycling and/or safe disposal	100.00

3. Number of consumer complaints in respect of the following :

	FY 2026 Current Financial Year		Remarks	FY 2025 Previous Financial Year		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	0	0	Did not receive any external complaints. None to report.	0	0	0
Advertising	0	0	NA	0	0	0
Cyber-security	0	0	No Breaches. None to report. Our defense systems block any attack at the firewall, Endpoint level. Hence no breaches observed. Also, our Threat monitoring has also not shown any breach for the year required.	0	0	0
Delivery of essential services	0	0	NA	0	0	0
Restrictive Trade Practices	0	0	NA	0	0	0
Unfair Trade Practices	0	0	NA	0	0	0
Other	20	9	Pending complaints are under resolution	28	16	Pending complaints are under resolution

4. Details of instances of product recalls on account of safety issues :

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy?

Yes

If available, provide a web-link of the policy:

<https://www.praj.net/wp-content/uploads/2024/02/Information-Security-Policy-2024.pdf>

However, we have our ISO 27001 audit done in February period. Revised ISO and IT Security policy are available to Praj users on the LAN.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

Nil

7. Provide the following information relating to data breaches :

a. Number of instances of data breaches :

0. No data breaches

b. Percentage of data breaches involving personally identifiable information of customers :

0.00%

c. Impact, if any, of the data breaches :

Data breaches have demonstrated no significant impact on operations.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):

Yes

Sr. No.	Channel / Platform Name	Weblink
1	Praj Industries Website	https://www.praj.net/
2	Praj HiPurity Systems Website	https://www.prajhipurity.net/
3	Praj GenX Website	https://www.prajgenx.net/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:

To ensure safe and responsible usage of the products, the company ensures three key steps are taken:

- All sites and machinery upon completion are accompanied by a dossier detailing the specifications, safety norms, and training usage guides.
- In addition to this, the company also stations a technician upon completion who will guide the customers in safe and responsible utilization of the machinery.
- All the machinery themselves are also equipped with nameplates that carry hazard signs as well as information on safe use conditions like allowable temperature and pressure limits.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

Disruption or discontinuation of essential services is an extremely rare occurrence. In such an event, the company takes proactive steps to inform the customers personally and identify steps necessary to resume the operations promptly.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The nature of goods and services sold by the company come under no purview that require information displayed on the product. All machinery is fitted with a nameplate describing the system and safe usage conditions and accompanying a comprehensive manual.

Annual surveys regarding customer satisfaction for ongoing services rendered to customers form a key part of the feedback process for the company. These surveys are carried out across all of the company's active national and international customers.

INDEPENDENT PRACTITIONERS' LIMITED ASSURANCE REPORT

To The Directors of Praj Industries Limited

Assurance report on the sustainability disclosures in the Business Responsibility and Sustainability Reporting (BRSR) Core

We have undertaken to perform an independent limited assurance on its BRSR Core disclosures for the financial year ended 31 March 2026 in accordance with the reporting criteria stated Below. No other indicators or disclosures presented in the Company's BRSR form part of this assurance engagement.

Conclusion

We have performed a Limited assurance engagement on whether the Company's sustainability disclosures on the consolidated basis in the BRSR Core Format (refer to Annexure 1) for the period from April 1, 2025, to March 31, 2026, have been prepared in accordance with the reporting criteria (refer table below).

Subject to assurance	Page number in the Annual Report	Period subject to assurance	Reporting criteria
BRSR Core attributes (refer Annexure 1)– Consolidated	116	From 1 April 2025 to 31 March 2026	- Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR) - Guidance notes for BRSR format issued by SEBI - Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standards)

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the "Business Responsibility and Sustainability Report" for the year ended 31 March 2026, is not prepared, in all material respects, Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standards), and Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR) and with reference to the Section A: General Disclosures of "Business Responsibility and Sustainability Report" section of the Annual Report.

Basis for Conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and The AA1000 Assurance Standard (AA1000AS v3)- Accountability Principles for ESG Reporting. Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

Other Information

Our limited assurance engagement was with respect to the year ended 31st March 2026 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

The areas for which limited Assurance is undertaken are also given in Annexure 1 to the report.

Intended Use or Purpose

Our Limited Assurance report has been prepared and addressed to the Directors of Praj Industries Ltd at the request of the company solely, to assist company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addressee of our report. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing

I BUILDING FOR FUTURE

Management's Responsibilities

The management of the Company acknowledge and understand their responsibility for:

- designing, implementing and maintaining internal controls relevant to the preparation of the BRSR Core that is free from material misstatement, whether due to fraud or error;
- selecting or establishing suitable criteria for preparing the BRSR Core, taking into account applicable laws and regulations, if any, related to reporting on the BRSR Core, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the BRSR in accordance with the reporting criteria; disclosure of the applicable criteria used for preparation of the BRSR in the relevant report/statement;
- preparing, fairly stating and calculating the BRSR in accordance with the reporting criteria; and
- ensuring the reporting criteria is available for the intended users with relevant explanation;
- establishing targets, goals and other performance measures, and implementing actions to achieve such targets, goals and performance measures;
- responsible for providing the details of the management personnel who take ownership of the BRSR disclosed in the report;
- ensuring compliance with law, regulation or applicable contracts;
- making judgements and estimates that are reasonable in the circumstances;
- identifying and describing any inherent limitations in the measurement or evaluation of information covered by assurance in accordance with the reporting criteria;
- preventing and detecting fraud;
- selecting the content of the BRSR, including identifying and engaging with intended users to understand their information needs;
- informing us of other information that will be included with the BRSR;
- supervision of other staff involved in the preparation of the BRSR.

Directors are responsible for overseeing the reporting process for the Company's BRSR.

Inherent Limitations

The preparation of the Company's BRSR information requires the management to establish or interpret the criteria, make determinations about the relevance of information to be included, and make estimates and assumptions that affect the reported information.

Measurement of certain amounts with respect to the BRSR Core attributes, some of which are estimates, is subject to substantial inherent measurement uncertainty, for example, GHG footprint, water footprint, energy footprint. Obtaining sufficient appropriate evidence to support our opinion does not reduce the uncertainty in the amounts and metrics.

Our Responsibilities

Our responsibility is to express a limited assurance conclusion, as applicable and given in Annexure 1 to this report based on the procedures we have performed and evidence we have obtained.

For limited assurance, this standard requires that we plan and perform our engagement to obtain limited assurance about whether the BRSR Core Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the report, assessing the risks of material misstatement whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the BRSR Core Attributes.

A limited assurance engagement is substantially less in scope than a Limited assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Summary of Work we performed as the basis for our Conclusion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence that is sufficient and appropriate to provide a basis for limited assurance conclusion.

Our procedures selected depended on our understanding of the information covered by limited assurance and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we:

- assessed the suitability of the criteria used by Combined Entities in preparing the information covered by limited assurance;
- interviewed senior management and relevant staff at corporate and selected locations concerning policies for occupational health and safety, and the implementation of these across the business;
- through inquiries, obtained an understanding of Combined Entities' control environment, processes and information systems relevant to the preparation of the information covered by limited assurance, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- made inquiries of relevant staff at corporate and selected locations responsible for the preparation of the Information covered by limited assurance;
- undertook site visits at 3 manufacturing facilities, based on the significance of these units.
- inspected, at each site visited, a limited number of items to or from supporting records, as appropriate;
- applied analytical procedures, as appropriate;
- recalculated the information covered by limited assurance based on the criteria; and
- evaluated the overall presentation of the information subject to limited assurance to determine whether it is consistent with the criteria and in line with our overall knowledge of, and experience with, the Combined Entities' occupational health and safety.

Exclusions:

Our assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the Company other than those mentioned in the "Scope of Assurance"
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the BRSR Core attributes.
- Financial data (revenue, wages, accounts payable) is relied upon from audited financial statements and has not been independently re-verified.
- Forward-looking statements, targets, aspirations, or statements of intent are excluded from the scope of assurance.
- Legal and regulatory compliance assessments fall outside the scope of this engagement.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.
- We have not assessed the appropriateness of management judgements, assumptions, estimates, methodologies, or commercial decisions used by the Company except to the extent necessary for performing the assurance procedures.
- Data or events occurring outside the defined reporting period 1st April 2025 to 31st March 2026 and boundary have not been assessed.

For AVA Insights Partners LLP

Place: Pune
Date: 28th May, 2026

Supriya Bansal
Partner

Annexure 1–BRSR CORE ATTRIBUTES– LIMITED ASSURANCE FOR FY 2025-2026

Principle	Attribute/Area	Parameter/Metric
Principle 1–E8	Fairness in Engaging with Customers and Suppliers	Number of days of accounts payable
Principle 1–E9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties
Principle 3–E1c	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers
Principle 3–E11	Details of safety related incidents	LTIFR, Recordable Injuries, Fatalities, High Consequence Injuries
Principle 5–E3b	Enabling Gender Diversity in Business	Gross wages paid to females as % of total wages paid by the entity
Principle 5–E7	Diversity in Business	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
Principle 6–E1	Energy Footprint	Total energy consumption Energy intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output)
Principle 6–E3	Water Footprint	Details of water withdrawal by source Total water consumption Water consumption intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output)
Principle 6–E4	Water Footprint	Water Discharge by destination and levels of Treatment
Principle 6–E7	GHG Footprint	Total Scope 1 emissions Total Scope 2 emissions GHG Emission Intensity (Scope 1+2) (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output)
Principle 6–E9	Embracing circularity–waste details	Details related to waste generated by category of waste Waste intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output) Each category of waste generated, Total waste recovered through recycling, re-using or other recovery operations For each category of waste generated, total waste disposed by nature of disposal method
Principle 8–E4	Enabling Inclusive Development	Percentage of input material (inputs to total inputs by value) sourced from suppliers (MSMEs/small suppliers and directly within India)
Principle 8–E5	Enabling Inclusive Development	Wages paid to persons employed in smaller towns as % of total wage cost
Principle 9–E7	Fairness in Engaging with Customers and Suppliers	Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events

ANNEXURE 6

Form no. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Praj Industries Limited
Praj Tower, S. No. 274 & 275/2,
Bhumkar Chowk, Hinjewadi,
Pune-411057

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Praj Industries Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

- (i) The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations, wherever applicable

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable to the Company during the Audit Period);
- (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (not applicable to the Company during the Audit Period);
- (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (not applicable to the Company during the Audit Period);
- (f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client to the extent of securities issued; (not applicable to the Company during the Audit Period);
- (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: (not applicable to the Company during the Audit Period); and
- (h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable to the Company during the Audit Period).

(vi) I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, no other law was applicable specifically to the company.

I BUILDING FOR FUTURE

I have also examined compliance with the applicable clauses and regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with Stock Exchange.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further

information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.
- I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- I further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For MSN Associates

Company Secretaries

CS Nishad Umranikar

Partner

Membership No. FCS 4910

C.P. No. 3070

UDIN: F004910H000520634

Date: 28th May, 2026

Place: Pune

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as **Annexure A** and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
Praj Industries Limited
Praj Tower, S. No. 274 & 275/2,
Bhumkar Chowk, Hinjewadi,
Pune-411057

My Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
4. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MSN Associates

Company Secretaries

CS Nishad Umranikar

Partner

Membership No. FCS 4910

C.P. No. 3070

UDIN: F004910H000520634

Date: 28th May, 2026

Place: Pune

ANNEXURE 7

NOMINATION & REMUNERATION POLICY

1. PHILOSOPHY:

The Company strongly believes that the system of Corporate Governance protects the interest of all the stakeholders by inculcating transparent business operations and accountability from management towards fulfilling the consistently high standard of Corporate Governance in all facets of the Company's operations.

The Company is committed to provide employment to all eligible applicants on the principles of equality without any discrimination.

2. OBJECTIVE:

- Transparent process of determining remuneration at Board and Senior Management level of the Company would strengthen confidence of stakeholders in the Company and its management and help in creation of long term value for them.
- Appropriate balance between the elements comprising the remuneration so as to attract potential high performing candidates for critical position in the Company for attaining continual growth in business.
- The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time).

3. COVERAGE:

The policy is applicable to determining remuneration of:

Executive Directors

Non- Executive Directors

Key Managerial Personnel

Senior Management Personnel

In the backdrop of the above, the Board of Directors in its meeting held on 25th May, 2023, has suitably amended this Policy with immediate effect.

4. DEFINITIONS:

- Board means Board of Directors of the Company.
- Key Managerial Personnel shall have the same meaning as given in Section 2(13) of the Companies Act, 2013 read with rules there under.
- "Senior Management" shall mean personnel of the company (which include persons engaged as retainer or on contractual basis) who are members of its core management team excluding Board of Directors, comprising all members of management one level below the executive directors i.e. Level L4. Also any appointment or cessation of the functional head, shall be placed for noting by the Nomination & Remuneration Committee."

Explanation 1:—In case of any dispute whether a person is member of Senior Management or not, decision of concerned Executive Director shall be final.

Explanation 2: Considering the criticality of a particular function, even if a person is not covered in the above definition, the Chairman will have discretion to treat him/ her as member of Senior Management for the purpose of this Policy.

Explanation 3: The term "Functional Head" shall mean the person, other than those in Level L4 and includes a person who is in an independent charge of any function.

The words and definitions not described herein above shall have the respective meanings under the Acts and legislations governing the same.

5. TERMS OF REFERENCE/ROLE OF COMMITTEE:

The Terms of Reference of the Committee shall be:

- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance.
- To ensure that the level and composition of remuneration is reasonable and is sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.

- To ensure that relationship of remuneration to performance in respect of Directors, Key Managerial Personnel and employees of Senior Management is clear and meets appropriate performance benchmarks; and
- To ensure that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
- To formulate the criteria for determining qualifications of Directors, Key Managerial Personnel and employees of Senior Management, and also to determine criteria for positive attributes and independence of Directors.
- To formulate criteria for evaluation of every Director including Independent Director and the Board.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and employees of Senior Management.
- To provide to Key Managerial Personnel and Senior Management, reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To devise a policy on Board diversity from time to time.
- To develop a succession plan for the Board and to regularly review the plan.

6. RETIREMENT AGE OF DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL:

The KMP and Senior Management Personnel shall retire as per the prevailing HR policy of the Company.

As decided by the Board of Directors in its meeting held on 24.05.2011 the retirement age for Executive Directors shall be 65 years and for Non-Executive Directors shall be 70 years. The Board of Directors shall be at liberty to grant any extension as and when required on case to case basis.

7. STATUTORY POWERS OF THE COMMITTEE:

- The committee shall have a power to express opinion whether the Director possesses the requisite qualification for the practice of the profession, when remuneration is proposed to be paid for the services to be rendered in any other capacity and such services to be rendered are of a professional nature.
- Where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, the Committee may approve the payment of remuneration as per Section II of Part II of Schedule V to the Companies Act, 2013.

8. COMPOSITION OF COMMITTEE:

The Committee shall comprise of at least three Non-Executive Directors, at least half of whom shall be independent Directors. The Board may appoint the Chairperson of the Company whether executive or non-executive as member of this committee.

9. CHAIRPERSON:

- The Chairperson of the Committee shall be an Independent Director.
- In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one of the Independent Directors amongst them to act as Chairperson.
- The Chairperson of the Nomination and Remuneration Committee shall endeavor to be present at the Annual General Meeting.

10. MISCELLANEOUS:

- A member of the Committee is not entitled to be present when his or her own or his or her relative(s) remuneration is discussed at a meeting or when his or her or his or her relative(s) performance is being evaluated.
- The Committee may invite Executive Directors, functional heads and outside experts, as it considers appropriate, to be present at the meetings of the Committee.

The Company Secretary of the Company shall act as Secretary of the Committee.

INDEPENDENT AUDITOR'S REPORT

To the Members of **Praj Industries Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Praj Industries Limited ("the **Company**"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "**standalone financial statements**").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the **Act**") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("**Ind AS**") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in

our audit of the standalone financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1.	Revenues are recognised under Ind AS 115, "Revenue from Contracts with Customers" basis the nature and type of contracts (i.e., products, projects and services) involved. The Company is engaged in the business of process and project engineering. The Company recognizes revenue on the basis of stage of completion in proportion of the contract costs incurred at balance sheet date, relative to the total estimated costs of the contract to completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract. This process involves significant management judgement, particularly in estimating total costs to complete, assessing project progress, and determining the timing of revenue and profit recognition. These estimates also include contingencies for uncertainties such as project risks and claims for liquidated damages if any, which are reviewed and reassessed periodically during the contract lifecycle. Moreover, significant judgements are involved in determining the expected losses on onerous contracts, when such losses become probable based on the expected total contract cost. Revenue and profits for the year may deviate significantly on account of changes in the above judgements and estimates. Therefore, considering the judgements and complexities involved in the estimation process and due to the significance of the amounts to the standalone financial statements, this is a key audit matter. Refer to note no 29 of the standalone financial statements.	Our procedures in respect of recognition of construction contract revenue and related cost included the following: 1. Tested the design, implementation and operating effectiveness of key internal financial controls, including those related to estimation of construction contract costs, contract revenue and review and approval thereof. 2. Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 "Revenue from Contracts with Customers". 3. Tested sample contracts for identification of performance obligations and contract value. 4. For selected sample of contracts with customers, performed the following procedures: i) Obtained and read customer contracts, customer communications, and price or scope variation orders if any for the project. ii) Tested the calculation of percentage of completion as per input method adopted by the management including the testing of costs incurred and recorded against the contracts. iii) Verified relevant supporting documents and performed cut off procedures for construction contract related costs incurred through the reporting period. iv) Assessment of costs-to-complete: Performed procedures on balance cost estimation, compared actual costs to budgeted costs and discussed variances with project teams, tested the costs accrued at year-end and tested the significant assumptions for balance costs-to- complete. Discussed progress to date with project teams to determine whether the remaining costs to complete appear sufficient for the residual risks identified for those projects. v) Performed retrospective review of Management's forecasting process by reviewing past trends of estimated costs to actual costs over time, discussed variances with project teams and substantively tested where relevant, the elements of the committed cost to executed purchase orders 5. Provision for liquidated damages and claims: Discussed with management and project teams to understand the status of the project, likelihood of customers imposing any contractual penalties through inspection of the relevant documents, etc. 6. Performed analytical procedures and conducted inquiries about any unusual trends of revenue recognition, checked exceptions for contracts with low or negative margins, loss making contracts/ onerous contracts, contracts with significant changes in cost estimates and significant overdue net receivable positions for contracts, etc 7. Ensured that the disclosures provided in notes are in accordance with the Ind AS 115 and Companies Act, 2013.

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
2.	Impairment of trade receivables and contract assets is accounted through allowance for Expected Credit Losses (ECL) under Ind AS 109. The assumptions used for estimating the expected credit loss in respect of these balances is an area which is influenced by Management's judgment. The calculation of the impairment allowance under ECL method is highly judgmental as it requires management to assess the estimated credit losses in respect of trade receivables based on credit risk profile of customers, project status, past collection experience, ongoing litigations and disputes, if any, economic and market conditions and applicable forward looking estimates and recoverability of contract assets ('unbilled revenue') and retention money. Considering such assessment, management uses a provision matrix to recognize impairment for expected credit losses in respect of trade receivables and contract assets. Given the relative significance of these balances to the standalone financial statements, Management judgement and uncertainties involved as well as the nature and extent of audit procedures performed to assess the recoverability of trade receivables and contract assets, we determined this to be a key audit matter. Refer to note no 38 of the standalone financial statements.	Our procedures in respect of recoverability of trade receivables and contract assets included the following: 1) Evaluated the design and tested the operating effectiveness of key internal financial controls over Management's assessment of recoverability of trade receivables and contract assets. 2) For selected samples of contracts i) Obtained an understanding from Management the related contractual terms, collection experience, basis of Management's assessment of collectability, and expected realization plan. ii) Performed test of details over key contract terms, correspondence with customers and subsequent settlements/collections, where relevant. iii) Tested the ageing of trade receivables and contract assets at the year end. 3) Reviewed the key assumptions and data sources used by Management in the provision matrix model to calculate the probability of default and estimate the expected credit losses in respect of trade receivables and contract assets. 4) For aged contract asset balances, held discussions with management on timing and expectation of recoverability, historical payment records, status of certified dues and other relevant correspondence with customers to challenge adequacy of impairment allowance considered. 5) Verified the consistency of various inputs and assumptions use by the Company's management to determine impairment provisions. 6) Ensured the adequacy of presentation and related disclosures in the financial statements are in line with the accounting standards and Schedule III.

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
3.	As at March 31, 2026, the Company held inter corporate loans amounting to INR of ₹ 2,910.000 millions and investment amounting to ₹ 0.50 millions in Praj GenX Limited, a wholly owned subsidiary. Due to accumulation of losses amounting to ₹ 1831.675 million incurred by the subsidiary, there is risk of Impairment of investments and loans and advances given to the subsidiary. The recoverable amount of the investment and loans granted to the subsidiary is assessed based on future discounted cash flows of the subsidiary. We considered this as a key audit matter due to significant judgement involved in estimating future cash flows of the subsidiary and in determining the discount rate to be used. Changes in inputs and assumptions could impact the results of the impairment assessment.	Our procedures in respect of impairment assessment of investment and recoverability of loans included the following: 1) Tested design and implementation and operating effectiveness of controls over the Company's process of impairment assessment and approval of forecasts. 2) Assessed the valuation methodologies applied by the Company, including understanding the basis and key assumptions underlying projected profitability. 3) Evaluated the reasonableness of key assumptions and analysed forecasted cash flows of subsidiary based on our understanding of the Company and the industry/markets in which they operate. 4) Compared the forecasted financial information with historical performance to assess consistency and reliability of management's estimates. 5) With the assistance of our valuation specialists, evaluated the reasonableness of the methodology and assumptions used by testing the source information underlying the determination of such assumptions and mathematical accuracy of the calculations; 6) Performed sensitivity analysis of the various key assumptions to assess its impact on the impairment. 7) Obtained independent confirmations to assess completeness and existence of loans given to subsidiary as on 31 March 2026. 8) Ensured the adequacy of disclosures in respect of the investments and loans in subsidiary.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

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

I BUILDING FOR FUTURE

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

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

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

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

We give in "**Annexure A**" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Other Matter:

The standalone financial statements of the Company for the year ended March 31, 2025, were audited by another auditor whose report dated April 29, 2025 expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the **Order**"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2 (h) (vi) below on reporting under Rule 11(g).
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 28 to the standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any

derivative contracts. Refer Note 38 to the standalone financial statements.

- iii. There has been no delay in transferring amounts, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.
- iv. (a). The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 41 (vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("**Intermediaries**"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("**Ultimate Beneficiaries**") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b). The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 41 (vii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("**Funding Parties**"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("**Ultimate Beneficiaries**") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c). Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

- v. (a). The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- (b). The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 12 (h) to the Standalone financial statements).
- vi. Based on examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that we are unable to comment on audit trail at database level due to absence of SOC report, as explained in Note 43 to the financial statements.

Further, except for above, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with except for above. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

3. In our opinion, according to information, explanations given to us, the remuneration paid or provided by the Company to its directors is within the limits laid prescribed under Section 197 of the Act.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187

Nitin Manohar Juman

Partner

Membership No.: 111700

UDIN: 26111700JHLUXE8875

Place: Pune

Date: May 28, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PRAJ INDUSTRIES LIMITED

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report

to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187

Nitin Manohar Jumani

Partner

Membership No.: 111700

UDIN: 26111700JHLUXE8875

Place: Pune

Date: May 28, 2026

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PRAJ INDUSTRIES LIMITED FOR THE YEAR ENDED MARCH 31, 2026

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, investment property and relevant details of right-of-use assets.
- B The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the Property, Plant and Equipment, Investment property and right of use assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements, are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and in respect of goods in transit, the goods have been received subsequent to the year end. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During any point of time of the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores rupees, in aggregate from Banks, on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly statements filed with such Banks/ financial institutions are in agreement with the books of accounts of the Company.

- iii. (a) According to the information and explanations provided to us, the Company has provided loans and stood guarantee to following:

(A) The details of such loans, and guarantees to subsidiaries and other parties are as follows:

	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/provided during the year				
- Subsidiaries	69.50	-	1,738.20	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others (Employees)	-	-	-	-
Balance Outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	4,116.68	-	3,206.21	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others (Employees)	-	-	0.13	-

During the year the Company has not provided advances in the nature of loans and security to any other entity.

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, and terms and conditions in relation to grant of all loans, investments made, guarantees provided are not prejudicial to the interest of the Company.
- (c) In case of the loans, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the repayment of the principal and payment of interest.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans granted to the Company and employees.
- (e) According to the information and explanations provided to us, there were no loans or advance in the nature of loan granted which was fallen due during the year that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to the information and explanations provided to us, the Company has not granted loans and / or advances in the nature of loans, including to promoters or related parties as defined in

clause (76) of section 2 of the Companies Act, 2013 either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the requirement to report under clause 3(iii)(f) of the Order is not applicable to the Company.

- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and security made, as applicable
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture or service of 'other machinery' and 'electricals or electronic machinery', and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, profession tax duty of

customs and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of Provident Fund and Income tax.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records examined by us, dues relating to goods and services tax, income tax which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded ₹	Amount Paid ₹	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	1.69	-	AY 2021-22	Deputy Commissioner of Income Tax	-
Goods & Service tax, 2017	Dispute relates to Tax on Corporate guarantee	7.13	0.71	FY 2017-18 to FY 2022-23	Appellate Authority/ Appellate Tribunal	Appeal rejected at Appellate Authority; further appeal yet to be filed at Appellate Tribunal (GSTAT) due to technical issues.
Goods & Service tax, 2017	Outward liability	7.45	0.75	FY 2020-21	Appellate Authority	-
Goods & Service tax, 2017	Outward liability	3.45	0.35	FY 2021-22	Appellate Authority	-
Goods & Service tax, 2017	Outward liability	8.06	0.78	FY 2021-22	Appellate Authority	-

There are no dues relating to employees' state insurance, custom duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

- viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company does not have any loans or borrowings or interest thereon due to any lenders during the year. Accordingly, the requirement to report under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us, there are no funds raised during the year. Accordingly, the requirement to report under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries. The company does not have any associates, or joint ventures.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year in the course of our audit.
- (b) During the year no report under Section 143(12) of the Act, has been filed by cost auditor, secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.
- (d) The Group does not have any Core Investment Company (as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 40 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial

statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Companies Act, 2013 as disclosed in note 36 to the standalone financial statements.

- (b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

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

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187

Nitin Manohar Juman

Partner

Membership No.: 111700

UDIN: 26111700JHLUXE8875

Place: Pune

Date: May 28, 2026

ANNEXURE C TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PRAJ INDUSTRIES LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Praj Industries Limited on the Standalone Financial Statements for the year ended March 31, 2026.

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Praj Industries Limited ("the **Company**") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide

reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections

of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Nitin Manohar Jumani

Partner
Membership No.: 111700
UDIN: 26111700JHLUXE8875
Place: Pune
Date: May 28, 2026

Standalone Balance Sheet

as at 31 March 2026

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

Particulars	Note no.	31 March 2026	31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3A	2117.140	1950.285
Capital work-in-progress	3B	13.588	134.140
Right-of-use assets	3A	424.989	410.342
Intangible assets	3A	485.358	573.779
Intangible assets under development	3B	6.304	4.601
Financial assets			
Investments	4	1599.875	2167.688
Loans	11	2910.700	1567.500
Others	5	384.431	253.788
Deferred tax assets (net)	26D	21.577	-
Other non current assets	6	94.121	28.340
		8058.083	7090.463
Current assets			
Inventories	7	2261.347	2206.023
Financial assets			
Investments	4	4069.499	3464.241
Trade receivables	8	4363.163	4299.321
Cash and cash equivalents	9	886.386	650.972
Other bank balances	10	342.723	473.381
Loans	11	-	220.691
Others	5	121.959	153.236
Current tax asset (net)	26E	-	98.219
Other current assets	6	7818.745	9183.375
Asset classified as held for sale	3A	30.164	-
		19893.986	20749.459
TOTAL ASSETS		27952.069	27839.922
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	367.626	367.626
Other equity	13	13960.154	13771.422
TOTAL EQUITY		14327.780	14139.048
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	32	278.519	290.888
Other financial liabilities	16	8.111	14.296
Provisions	14	89.498	170.671
Deferred tax liabilities (net)	26D	-	30.102
		376.128	505.957
Current liabilities			
Financial liabilities			
Trade payables	15		
(i) Total outstanding dues of micro enterprises and small enterprises		993.413	653.698
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		3933.607	3082.079
Lease liabilities	32	155.440	135.080
Other financial liabilities	16	322.828	393.772
Other current liabilities	17	7563.629	8605.931
Provisions	14	257.618	189.670
Current tax liabilities (net)	26E	21.626	134.687
		13248.161	13194.917
TOTAL LIABILITIES		13624.289	13700.874
TOTAL EQUITY AND LIABILITIES		27952.069	27839.922
Corporate Information	1		
Summary of material accounting policies, significant accounting estimates and judgements	2		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

Firm Regn. No: W101187/105047W

Nitin Manohar Juman

Partner

Membership No.: 111700

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

Dr. Pramod Chaudhari

Chairman

(DIN : 00196415)

Date: 28 May 2026

Ashish Gaikwad

Managing Director

(DIN : 07585079)

Date: 28 May 2026

Sachin Raole

Joint MD and CFO

(DIN : 00431438)

Date: 28 May 2026

Anant Bavare

Company Secretary

(M.No. : ACS21405)

Date: 28 May 2026

Place : Pune

Date: 28 May 2026

Standalone Statement of Profit and Loss

for the year ended 31 March 2026

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

Particulars	Note no.	31 March 2026	31 March 2025
INCOME			
Revenue from operations	18	25859.347	27446.636
Other income	19	719.898	722.623
Total income		26579.245	28169.259
EXPENSES			
Cost of materials consumed	20	12316.688	13549.570
Purchases of stock-in-trade		1392.647	996.319
Changes in inventories of finished goods and work-in-progress	21	20.951	(0.706)
Employee benefits expense	22	2689.233	2886.541
Finance costs	23	61.759	38.438
Depreciation and amortisation expense	24	544.465	451.867
Other expenses	25	7693.355	7031.959
Total expenses		24719.098	24953.988
Profit before exceptional items and tax		1860.147	3215.271
Exceptional items	44 (a & b)	(238.308)	281.572
Profit before tax		1621.839	3496.843
Tax expense	26		
Current tax		481.046	836.377
Deferred tax charge/(credit)		(64.057)	24.359
Adjustments of tax relating to earlier periods		-	(8.173)
Total tax expense		416.989	852.563
Profit for the year		1204.850	2644.280
Other comprehensive income			
Items that will not be reclassified to profit and loss :			
Re-measurement of defined benefit plans		48.920	(31.973)
Income tax effect		(12.312)	8.047
Items that will be reclassified to profit and loss			
Debt instruments recognised through other comprehensive income		0.262	3.011
Income tax effect		(0.066)	(0.758)
Other comprehensive income		36.804	(21.673)
Total comprehensive income for the year		1241.654	2622.607
Earnings per equity share [Nominal value per share ₹ 2 each (31 March 2025: ₹ 2 each)]	27		
Basic		6.55	14.39
Diluted		6.55	14.39
Corporate Information	1		
Summary of material accounting policies, significant accounting estimates and judgements	2		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

Firm Regn. No: W101187/105047W

Nitin Manohar Jumani

Partner

Membership No.: 111700

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

Dr. Pramod Chaudhari

Chairman

(DIN : 00196415)

Date: 28 May 2026

Ashish Gaikwad

Managing Director

(DIN : 07585079)

Date: 28 May 2026

Sachin Raole

Joint MD and CFO

(DIN : 00431438)

Date: 28 May 2026

Anant Bavare

Company Secretary

(M.No. : ACS21405)

Date: 28 May 2026

Place : Pune

Date: 28 May 2026

Standalone Statement of Cash Flows

for the year ended 31 March 2026

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

Particulars	31 March 2026	31 March 2025
A. Cash flow from operating activities		
Profit before tax	1621.839	3496.843
Adjustments for:		
Loss / (profit) on sale of property, plant and equipment	30.258	(282.417)
Gain on redemption of investments (net) (FVTPL)	(62.133)	(185.178)
Bad debts / provision for doubtful debts and advances	100.724	216.901
Excess provision / creditors written back (including advances)	(9.303)	(26.323)
Unrealised foreign exchange (gain) / loss (net)	(160.986)	(78.060)
Depreciation and amortisation	544.465	451.867
Interest earned	(351.225)	(271.200)
Unrealised gain on mutual fund investments	(67.909)	(92.600)
Interest on Lease Liability	57.009	34.414
Gain on preclosure of Lease	(17.382)	-
Provision for anticipated losses on revenue contracts	(38.321)	(285.312)
Unwinding of security deposit	(4.293)	(3.965)
Income on Financial Guarantee	(41.619)	(17.572)
Equity-settled share-based payment transactions	49.957	8.392
Operating profit before working capital changes	1651.081	2965.790
Changes in working capital		
Decrease/ (Increase) in trade receivables	(79.572)	479.573
Decrease/ (Increase) in inventories	(55.325)	(4837.839)
Decrease/ (Increase) in contracts in progress	1067.634	2168.318
Decrease/ (Increase) in other non-current financial assets	67.147	(31.582)
Decrease/ (Increase) in other non-current assets	21.741	(24.774)
Decrease/ (Increase) in current financial assets	(18.798)	(0.748)
Decrease/ (Increase) in other current assets	296.993	(310.033)
Increase/ (Decrease) in trade payables	1184.711	(133.681)
Increase/ (Decrease) in other non-current financial liabilities	(6.185)	14.296
Increase/ (Decrease) in other current financial liabilities	(119.056)	(184.068)
Increase/ (Decrease) in other current liabilities	(1042.302)	1610.218
Increase/ (Decrease) in long term provisions	(32.253)	263.024
Increase/ (Decrease) in short term provisions	106.269	(354.049)
Cash generated from operations	3042.085	1624.445
Direct taxes paid (including taxes deducted at source), net of refunds	(576.973)	(896.850)
NET CASH FROM OPERATING ACTIVITIES	2465.112	727.595

Standalone Statement of Cash Flows

for the year ended 31 March 2026

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

Particulars	31 March 2026	31 March 2025
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(286.223)	(460.780)
Investments:		
- in subsidiaries	-	(0.720)
- in mutual funds	(3949.802)	(6656.420)
- in debentures, bonds and corporate FDs	(500.000)	-
Proceeds From:		
- in mutual funds	3376.226	7421.388
- in debentures and bonds	1168.123	250.512
Proceeds from sale of property, plant and equipment (Net)	11.043	431.928
Interest received on investments	139.654	161.452
Dividend received on investments/ from subsidiary	-	8.994
Loans Given to Subsidiary (including Interest accrued)	(1049.879)	(989.691)
(Investment) /redemption in fixed deposits	128.853	(19.689)
NET CASH FROM / (USED) IN INVESTING ACTIVITIES	(962.005)	146.974
C. Cash flow from financing activities		
Dividend paid	(1104.683)	(1102.192)
Interest on Lease Liability	(57.009)	(34.414)
Proceeds from preclosure of leases	17.382	-
Income on Financial Guarantee	41.619	17.572
Principal payment on Leases	(265.549)	(217.611)
NET CASH FROM / (USED) IN FINANCING ACTIVITIES	(1368.240)	(1336.645)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	134.867	(462.076)
Cash and cash equivalents at the beginning of the year (Refer Note 9)	650.972	1071.602
Add : effect of exchange rate changes on cash and cash equivalents	100.547	41.446
Cash and cash equivalents at the end of the year (Refer Note 9)	886.386	650.972

Notes :

Refer note 32 for changes in lease liabilities.

The statement of cash flows has been prepared under the 'Indirect method' as set out in Ind AS 7 - Statement of Cash Flows

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Regn. No: W101187/105047W

Nitin Manohar Juman
Partner
Membership No.: 111700

Place : Pune
Date: 28 May 2026

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

Dr. Pramod Chaudhari
Chairman
(DIN : 00196415)
Date: 28 May 2026

Anant Bavare
Company Secretary
(M.No. : ACS21405)
Date: 28 May 2026

Ashish Gaikwad
Managing Director
(DIN : 07585079)
Date: 28 May 2026

Sachin Raole
Joint MD and CFO
(DIN : 00431438)
Date: 28 May 2026

Standalone Statement of Changes in Equity

for the year ended 31 March 2026

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

A. Equity share capital

Particulars	31 March 2026		31 March 2025	
	Number of Share	Amount	Number of Share	Amount
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	183,813,088	367.626	183,813,088	367.626
Add: Shares issued on exercise of employee stock options during the year	-	-	-	-
Less: Shares extinguished on buy-back	-	-	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	183,813,088	367.626	183,813,088	367.626

B. Other equity

Particulars	Reserves and Surplus						Debt instruments through Other Comprehensive Income	Total
	Other Reserves					Retained earnings		
	Capital Reserve	Securities Premium Reserve	Capital redemption reserve	Amalgamation reserve	Share option outstanding account			
Balance at the beginning of the reporting period as at 1 April 2024	0.033	1075.518	14.627	3.063	-	10197.301	(3.751)	12243.302
Profit for the year	-	-	-	-	-	2644.280	-	2644.280
Other comprehensive income	-	-	-	-	-	(23.926)	2.253	(21.673)
Dividends	-	-	-	-	-	(1102.879)	-	(1102.879)
Employee stock options	-	-	-	-	8.392	-	-	8.392
Balance as at 31 March 2025	0.033	1075.518	14.627	3.063	8.392	11714.776	(1.498)	13771.422

Standalone Statement of Changes in Equity

for the year ended 31 March 2026

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

Particulars	Reserves and Surplus					Debt instruments through Other Comprehensive Income	Total		
	Other Reserves				Retained earnings				
	Capital Reserve	Securities Premium Reserve	Capital redemption reserve	Amalgamation reserve				Share option outstanding account	
Balance at the beginning of the reporting period as at 1 April 2025	0.033	1075.518	14.627	3.063	8.392	956.511	11714.776	(1.498)	13771.422
Profit for the year	-	-	-	-	-	-	1204.850	-	1204.850
Other comprehensive income	-	-	-	-	-	-	36.608	0.196	36.804
Dividends	-	-	-	-	-	-	(1102.879)	-	(1102.879)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-
Employee stock options	-	-	-	-	49.957	-	-	-	49.957
Balance as at 31 March 2026	0.033	1075.518	14.627	3.063	58.349	956.511	11853.355	(1.302)	13960.154

As per our report of even date.
For M S K A & Associates LLP
 (Formerly known as M S K A & Associates)
 Chartered Accountants
 Firm Regn. No: W101187/105047W
Nitin Manohar Jumanani
 Partner
 Membership No.: 111700

Place : Pune
 Date: 28 May 2026

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

Dr. Pramod Chaudhari
 Chairman
 (DIN : 00196415)
 Date: 28 May 2026
Anant Bavare
 Company Secretary
 (M.No. : ACS21405)
 Date: 28 May 2026

Ashish Gaikwad
 Managing Director
 (DIN : 07585079)
 Date: 28 May 2026
Sachin Raole
 Joint MD and CFO
 (DIN : 00431438)
 Date: 28 May 2026

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

1 The Corporate Overview

Praj Industries Limited ('PIL' or 'the Company') is a public company incorporated on November 8, 1985 and domiciled in India and has its registered office at "Praj Tower", S. No. 274 and 275/2, Bhumkar Chowk-Hinjewadi Road, Hinjewadi, Pune – 411057, Maharashtra, India. The Company's ordinary shares are listed on the Bombay Stock Exchange and National Stock Exchange in India.

The Company is engaged in the business of process and project engineering. The Company caters to both domestic and international markets. Further, the Company also provides design and engineering services. The standalone financial statements of the Company for the year ended March 31, 2026 were authorised for issue in accordance with a resolution of the Board of Directors on May 28, 2026.

2 Material accounting policies

2.1 Basis of preparation and measurement

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and presentation requirements of Division II of Schedule III to the Companies Act 2013 (IND AS compliant Schedule III) as applicable.

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets:

Items	Measurement basis
Certain non-derivative financial instruments at fair value through profit and loss and fair value through other comprehensive income	Fair value
Equity-settled share-based payment transactions	Fair value as on grant date
Defined benefit plan assets	Fair value

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

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern.

2.2 Summary of material accounting policies

a. Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified period up to twelve months as its operating cycle.

b. Foreign currencies

Functional and presentation currency

The Company's standalone financial statements are presented in Indian Rupees, which is also the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transaction and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

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 Other comprehensive income ('OCI') or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively.

c. Fair value measurement

The Company measures financial instruments such as investments in bonds/ debentures at fair value through Other Comprehensive income and investments in mutual funds at fair value through Profit and loss 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:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

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

The fair value of an asset or a liability is measured using 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 standalone 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 standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions (Refer note 2)
- Quantitative disclosures of fair value measurement hierarchy (Refer note 37)
- Financial instruments risk management objectives and policies (Refer note 38)

d. Revenue from Contract with customer:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

The Company has following streams of revenue:

Revenue from Engineering, Procurement and Construction contracts (EPC): These contracts are specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof) etc., execution of which is spread over different accounting periods. The Company identifies distinct performance obligations in each contract. For most of the project contracts basis the assessment, the entire contract is accounted for as one performance obligation.

The Company first assesses whether the revenue can be recognised over a period of time if any of the following criteria is met:

- (a) The customer simultaneously consumes the benefits as the Company performs; or
- (b) The customer controls the work-in-progress; or
- (c) The Company's performance does not create an asset with alternative use to the Company and the has right to payment for performance completed till date.

The Company recognises revenue over time for project contracts as above criteria is met.

The Company uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated profits, are recorded proportionally as costs are incurred.

When the final outcome of a contract cannot be reliably estimated, contract revenue is recognised only to the extent of costs incurred that are expected to be recoverable. Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project / activity and the foreseeable losses to completion.

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

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract assets.

For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Dues to customers relating to contracts in progress".

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

The Company estimates variable consideration including variation and claim (liquidated damages if any) and includes it in the transaction price to the extent it is highly probable that a significant reversal of cumulative revenue recognised will not occur and when the uncertainty associated with it is subsequently resolved. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and generally do not include significant financing component.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Contract modification, when approved by both the parties to the contract, are considered as modification, if it creates new or changes the existing enforceable rights and obligations. The effect of a contract modification is recognised as an adjustment to revenue on a cumulative catch-up basis.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Company recognises the expected losses from onerous contract as an expense immediately. Penalties for any delay or improper execution of a contract if any are recognised as a deduction from revenue. In the balance sheet, such provisions are presented on net basis of the contract receivables.

Revenue from sale of goods: In case of traded goods and certain products wherein revenue recognition criteria of over a period of time is not met, Company recognises revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

Revenue from sale of services: Revenue in respect of design and engineering service contracts, awarded on a standalone basis are identified as a separate performance obligation and revenue is recognised on a time proportion basis as per the terms of the contract.

Significant estimates, assumptions and judgements

- Determining the revenue to be recognised in case of performance obligation satisfied over a period of time : A significant portion of the Company's business relates to EPC contracts which is accounted using cost-based input method, recognising revenue as the performance on the contract progresses. This requires management to make judgement with respect to identifying contracts for which revenue need to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Company has right to payment for performance completed till date, either contractually or legally. At each reporting date, the Company is required to estimate costs to complete the contracts. Estimating costs to complete on such contracts requires the Company to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, work-in-progress, billings in excess of costs, estimated earnings and accrued contract expenses;
- Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.
- Determining the method to be applied to arrive at the variable consideration including variations and claims(including liquidated damages) requiring an adjustment to the transaction price. Variable consideration is recognised when the recovery of such consideration is highly probable. This requires an estimate of the amount if any under a claim which involves a number of management judgements and assumptions.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

e. Other Income:

• Interest income

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

• Dividends

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

• Insurance claims

Income for insurance claims is recognised as and when claims are approved by the insurance authorities.

• Export benefits

Government grant in form of Export benefits are recognised as 'Other Operating revenue' on receipt basis.

f. Taxes :

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

• Current tax

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

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

• Deferred tax

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

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

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

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

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

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

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

g. Property, Plant and Equipment (PPE):

Recognition and measurement

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

PPE that qualifies as an asset is measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

The cost of an item of PPE comprises of its purchase price net of discounts, if any including import duties and other non-refundable taxes or levies and directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

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

Subsequent costs

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

Disposal

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

Depreciation

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

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

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

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

Asset	Useful life (in years)
Buildings	30 – 62
Plant and machinery	7.5 – 15
Computers and office equipment	3 – 15
Vehicles	8
Furniture and fixtures	10

h. Intangible assets

Recognition and measurement

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

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

Internally generated intangible asset

- Research costs are charged to the statement of profit and loss in the year in which they are incurred.
- Development costs incurred on new products including pilot plants are recognised as intangible assets, when:
 - a. feasibility has been established,
 - b. the Company has committed technical, financial and other resources to complete the development, and
 - c. it is probable that the asset will generate future economic benefits.
- Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.
- Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “Intangible assets under development” and amortisation is not charged on until development is complete.
- The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.
- Interest costs incurred on qualifying assets are capitalized until the date the asset is ready for its intended use. If the borrowings are specifically for financing the asset, interest on these borrowings is capitalized. If the borrowings are general, the cost computed on the weighted average rate is capitalized.
- Internally generated intangible asset is measured at cost less accumulated amortisation and impairment, if any.
- Amortisation is not recorded on product engineering in progress until development is complete.

Subsequent measurement

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

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Amortisation

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

Asset	Useful life
Technical know-how	5–10 years
Software	5 years
Demo / Pilot Plants for new technology	5–10 years

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

i. Non-current asset held for sale

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

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

j. Leases

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

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received.

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

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

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

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

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Asset held under finance lease is initially recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term. A lease which is not

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

classified as a finance lease is an operating lease. The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

k. Inventories

Inventories are valued after providing for obsolescence, as under:

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

Cost of raw materials, components, stores and spares comprises cost of purchases.

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

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

Provision is made for obsolete and slow-moving items based on management's assessment of their usability, technological relevance, and recoverability, considering project-specific requirements.

l. Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered.

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

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

m. Employee benefits

• Short-term employee benefits

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

• Post-employment benefits

Defined contribution plans

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

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

Defined benefit plans

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

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

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

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

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

Other long-term employee benefits

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

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

Termination benefits

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

n. Provisions and contingencies

Provisions are recognised only when:

- the Company has a present obligation (legal or constructive) as a result of a past event; and
- 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.

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

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

Contingent liability is disclosed in case of:

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

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

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

Provision for onerous contracts: Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision for onerous contract/foreseeable losses.

o. Earnings per share (EPS)

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

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

p. Financial instruments

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

Financial assets

Initial recognition and measurement:

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

Subsequent measurement:

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

Financial assets measured at amortised cost.

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

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

i. Financial assets measured at amortised cost

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

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

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

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company (Refer note 37 for further details). Such financial assets are subsequently measured at amortised cost using the effective interest method. The effect of the amortisation under effective interest method is recognised as interest income over the relevant period of the financial asset under other income in the Statement of Profit and Loss. The amortised cost of a financial asset is also adjusted for loss allowance, if any.

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

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

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

This category applies to certain investments in debt instruments (Refer note 37 for further details). Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income and impairment losses and its reversals in the Statement of Profit and Loss.

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

Further, the Company, through an irrevocable election at initial recognition, may measure certain investments in equity instruments at FVTOCI (Refer note 37 for further details). The Company has made such election on an instrument-by-instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognised under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognised in OCI. However, the Company recognises dividend income from such instruments in the Statement of Profit and Loss when the right to receive payment is established, it is probable that the economic benefits will flow to the Company and the amount can be measured reliably. On derecognition of such financial assets, cumulative gain or loss previously recognised in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

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

A financial asset is measured at FVTPL unless it is measured at amortised cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies (Refer note 37 for further details).

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

Derecognition

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

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

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Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 37 details how the Company determines whether there has been a significant increase in credit risk.

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

Non-derivative financial liabilities

Initial recognition and measurement

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

Subsequent measurement

All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method (Refer note 37 for further details). The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest expense under finance cost in the Statement of Profit and Loss.

Derecognition

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

Offsetting of financial assets and financial liabilities

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

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with 'Ind AS 37–Provisions, contingent liabilities and contingent assets and the amount initially recognised less cumulative amortisation, where appropriate.

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

q. Cash and cash equivalents

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

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

r. Share-based payments

The fair value of equity-settled share-based payments (such as employee stock options) is measured at the grant date and recognized as an employee benefit expense over the vesting period, with a corresponding increase in equity (employee stock option reserve).

The vesting period is the time during which the employee must meet specific conditions to receive the award. At each reporting date, the Company reviews and updates its estimate of the number of options expected to vest, based on service and non-vesting conditions. Any changes in these estimates are reflected in the statement of profit and loss, with a corresponding adjustment to equity.

s. Cash dividend to equity holders

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t. Exceptional items

An item of income or expense which by its size, nature or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

2.3 Material accounting judgments, estimates and assumptions

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

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

The areas involving critical estimates and judgements are:

- Determining the revenue to be recognised in case of performance obligation satisfied over a period of time. Refer note 29
- Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date. Refer note 29
- Determining the method to be applied to arrive at the variable consideration including variations and claims(including liquidated damages) requiring an adjustment to the transaction price. Refer note 29
- Estimation of defined benefit obligation – Note 33

The cost of the defined benefit gratuity, and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in note 32.

- Recognition of deferred tax assets – Note 26

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

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

- **Impairment of trade receivables – Note 38**
The Company uses a simplified approach for recognising expected credit loss. The amount of provision depends on certain parameters set by the Company in its provisioning policy. The setting up of parameters requires significant judgement and estimation. The same is reviewed by the management at a regular frequency.
- **Estimate of useful life of assets – Note 3**
The Company determines, based on independent technical assessment, the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives periodically and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.
- **Fair Value Measurement–Note 37**
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 including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of assumption is required in establishing fair values. Assumptions 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.

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

2.4 New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments do not have a material impact on the Company's financial statements.

(ii) Amendments to Ind AS 1–Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

The amendments do not have a material impact on the Company's financial statements.

(iii) Amendments to Ind AS 7 and Ind AS 107–Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements.

The amendments do not have a material impact on the Company's financial statements.

(iv) International Tax Reform–Pillar Two Model Rules – Amendments to Ind AS 12

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

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

3A Property, Plant and equipment, Right of use assets and intangible assets

	Property, plant and equipment																Intangible Assets				Grand total
	Land		Land Freehold	Buildings		Plant and machinery		Computers and office equipment		Vehicles		Furniture and fixtures		Total		Technical knowhow	Software	Demo/ Pilot Plant	Total		
				Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use						
	Lease-hold Refer note 1	Right-of-Use		Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use						
Gross block																					
As at 1 April 2025	11,000	243,955	363,850	1396,514	88,561	2122,713	243,629	369,742	114,813	57,569	170,127	276,120	57,964	459,508	919,048	93,753	158,738	580,003	832,494		
Additions during the year	-	-	-	48,719	280,908	322,244	155,297	38,908	-	6,642	12,639	37,295	-	453,808	448,844	-	1,415	-	1,415		
Deletions during the year	-	243,955	-	42,855	39,321	74,374	178,509	10,488	47,799	3,735	160,971	36,754	-	168,206	670,555	-	-	-	-		
Assets classified as held for sale	-	-	-	-	-	40,311	-	-	-	-	-	-	-	40,311	-	-	-	-	-		
As at 31 March 2026	11,000	-	363,850	1402,378	330,148	2330,272	220,417	398,162	67,014	60,476	21,795	276,661	57,964	4842,799	697,337	93,753	160,153	580,003	833,909		
Accumulated depreciation and amortisation																					
As at 1 April 2025	1,494	237,073	-	538,470	73,651	1522,691	40,586	329,180	68,237	25,235	65,988	230,152	23,171	2647,223	508,706	93,753	125,352	39,610	258,715		
Charge for the year	0,111	0,026	-	31,942	83,661	135,279	79,181	33,732	24,860	6,470	39,819	7,956	11,593	215,489	239,140	-	12,522	77,314	89,836		
Depreciation on deletions	-	237,099	-	10,842	46,178	65,702	50,595	9,873	47,799	3,735	93,827	36,754	-	126,906	475,498	-	-	-	-		
Assets classified as held for sale	-	-	-	-	-	10,147	-	-	-	-	-	-	-	10,147	-	-	-	-	-		
As at 31 March 2026	1,605	-	-	559,570	111,134	1582,121	69,172	353,039	45,298	27,970	11,980	201,354	34,764	2725,659	272,348	93,753	137,874	116,924	348,551		
Net carrying value																					
As at 31 March 2026	9,395	-	363,850	842,808	219,014	748,151	151,245	45,123	21,716	32,506	9,815	75,307	23,200	2117,140	424,989	-	22,279	463,079	485,358		
As at 31 March 2025	9,506	6,882	363,850	858,044	14,910	600,022	203,043	40,562	46,576	32,334	104,139	45,968	34,793	1950,285	410,342	-	33,386	540,393	573,779		

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

3A Property, Plant and equipment, Right to use assets and intangible assets (Continued)

	Property, plant and equipment														Intangible Assets				Grand total	
	Land		Land Freehold	Buildings		Plant and machinery		Computers and office equipment		Vehicles		Furniture and fixtures		Total		Technical knowhow	Software	Demo/ Pilot Plant		Total
	Leasehold Refer note 1	Right-of Use		Owned	Right-of- Use	Owned	Right-of- Use	Owned	Right-of- Use	Owned	Right-of- Use	Owned	Right-of- Use	Owned	Right-of- Use					
Gross block																				
As at 1 April 2024	11,000	243,955	363,850	1374,369	172,147	2080,924	104,547	336,828	138,741	28,646	123,232	258,356	57,964	4453,973	840,585	93,753	152,096	-	245,849	5540,407
Additions during the year	-	-	-	22,145	-	70,354	139,082	32,914	48,151	30,831	53,292	17,764	-	174,008	240,525	-	6,642	580,003	586,645	1001,178
Deletions during the year	-	-	-	-	83,586	28,565	-	-	72,079	1,908	6,397	-	-	30,473	162,062	-	-	-	-	192,535
As at 31 March 2025	11,000	243,955	363,850	1396,514	88,561	2122,713	243,629	369,742	114,813	57,569	170,127	276,120	57,964	4597,508	919,048	93,753	158,738	580,003	832,494	6349,050
Accumulated depreciation and amortisation																				
As at 1 April 2024	1,372	225,457	-	497,838	88,386	1422,754	11,417	305,529	94,581	21,549	31,321	224,036	11,578	2473,079	462,740	93,753	113,159	-	206,912	3142,731
Charge for the year	0,122	11,616	-	40,632	66,899	122,212	29,169	23,651	45,735	5,594	36,725	6,116	11,593	198,327	201,737	-	12,193	39,610	51,803	451,867
Depreciation on deletions	-	-	-	-	81,634	22,275	-	-	72,079	1,908	2,068	-	-	24,183	155,771	-	-	-	-	179,954
As at 31 March 2025	1,494	237,073	-	538,470	73,651	1522,691	40,586	329,180	68,237	25,235	65,988	230,152	23,171	2647,223	508,706	93,753	125,352	39,610	258,715	3414,644
Net carrying value																				
As at 31 March 2025	9,506	6,882	363,850	858,044	14,910	600,022	203,043	40,562	46,576	32,334	104,139	45,968	34,793	1950,285	410,342	-	33,386	540,393	573,779	2934,406
As at 31 March 2024	9,628	18,498	363,850	876,531	83,761	658,170	93,130	31,298	44,159	7,097	91,911	34,320	46,386	1980,894	377,845	-	38,937	-	38,937	2397,676

Note :

1. The land has been taken on a long term lease i.e. for 99 years.
2. Refer Note 28 for contractual commitments for the acquisition of property plant and equipment.
3. The title deeds of immovable properties are held in the name of the Company
4. During the year, Company intends to sell certain plant and machinery situated at the SEZ, Kandla. Consequently, the net carrying value of aforesaid plant and machinery have been classified as "Assets held for sale" in accordance with applicable accounting standards.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

3B Capital work-in-progress and Intangible assets under development

Details of capital work-in-progress and intangible assets under development

Particulars	31 March 2026		31 March 2025	
	Capital work-in-progress	Intangible assets under development	Capital work-in-progress	Intangible assets under development
Balance at start of the year	134.140	4.601	22.222	401.546
Add : Additions during the year	25.250	1.703	162.312	171.232
Less: Capitalised during the year	145.802	-	50.394	568.177
Balance at the end of the year	13.588	6.304	134.140	4.601

(i) Capital work-in-progress (CWIP) comprises of:

- Building under construction ₹ 5.658 (31 March 2025 : ₹ 17.746)
- Computer & office equipment ₹ Nil (31 March 2025 : ₹ 3.671)
- Plant & Machinery ₹ 7.929 (31 March 2025 : ₹ 111.221)
- Furniture & Fixture ₹ NIL (31 March 2025 : ₹ 1.502)

(ii) Intangible asset under development comprises of software under development of ₹ 6.304 (31 March 2025: ₹ 4.601)

Refer Note 39C for ageing

4 Investments

	31 March 2026	31 March 2025
Non-current investments		
(i) Trade investments		
Unquoted equity investments		
Investments in subsidiaries (valued at cost)		
Praj Engineering & Infra Limited	5.359	5.359
308,810 (31 March 2025 : 308,810) equity shares of ₹ 10 each fully paid		
Praj Far East Co., Limited, Thailand	6.125	6.125
19,598 (31 March 2025 : 19,598) equity shares of Thai Baht 100 each fully paid and 78,400 (31 March 2025 : 78,400) equity shares of Thai Baht 100 each partly paid		
Praj Americas Inc.	9.281	9.281
40,000 (31 March 2025 : 40,000) equity shares of US Dollar 5 each fully paid		
Praj HiPurity Systems Limited	1536.743	1536.743
5,000,000 (31 March 2025 : 5,000,000) equity shares of ₹ 10 each fully paid		
Praj Far East Philippines Ltd Inc.	11.167	11.167
8,313,281 equity shares of 1PHP each (31 March 2025 : 8,313,281)		
Praj GenX Limited		
250,000 (31 March 2025 : 250,000) equity shares of ₹ 2 each fully paid	0.500	0.500
Praj Projects (Tanzania) Limited		
200 (31 March 2025 : 200) equity shares of 100,000 each fully paid	0.719	0.719
Total	1569.894	1569.894

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
(ii) Investments at amortised cost		
Quoted investments		
Nil Bonds issued by HDFC Bank Limited Unsecured Non-Convertible Bonds	-	100.084
Basel III Tier 2, Coupon 7.84% (31 March 2025 : 10 bonds)		
Total	-	100.084
(iii) Investments at fair value through other comprehensive income (FVOCI)		
Quoted investments		
Nil Bonds issued by SBI Bank Unsecured Non-Convertible Perpetual Bonds Series IV, Coupon 7.73% (31 March 2025 : 250 bonds)	-	248.925
Nil Bonds issued by State Bank of India Unsecured Non-Convertible Perpetual Bonds Series II, Coupon 7.73% (31 March 2025 : 50 bonds)	-	49.785
Nil Bonds issued by State Bank of India Unsecured Non-Convertible Perpetual Bonds Series I, Coupon 7.74% (31 March 2025 : 90 bonds)	-	89.577
Nil Bonds issued by State Bank of India Unsecured Non-Convertible Perpetual Bonds Series I, Coupon 7.74% (31 March 2025 : 30 bonds)	-	29.859
Nil Bonds issued by State Bank of India Unsecured Non-Convertible Perpetual Bonds Series I, Coupon 7.74% (31 March 2025 : 50 bonds)	-	49.765
3 Bonds issued by State Bank of India Unsecured Non-Convertible Perpetual Bonds (31 March 2025 : 3 bonds)	29.981	29.799
Total	29.981	497.710
Total non-current	1599.875	2167.688
Current investments		
(i) Investments at fair value through profit and loss (FVTPL)		
Quoted mutual funds		
HDFC MONEY MARKET FUND - DIRECT PLAN - Nil Units (31 March 2025 : 9087.17 Units)	-	51.922
UTI FLOATER FUND-DIRECT GROWTH PLAN - Nil Units (31 March 2025 : 81,739.196 Units)	-	125.314
KOTAK MONEY MARKET FUND-DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 23,365.87 Units)	-	103.871
AXIS MONEY MARKET FUND DIRECT GROWTH PLAN - Nil Units (31 March 2025 : 1,27,677.2 Units)	-	180.786
NIPPON INDIA FLOATING RATE FUND-GROWTH PLAN OPTION - 20,50,779.853 Units (31 March 2025 : 2,667,301.523 Units)	101.442	117.710
ADITYA BIRLA SUN LIFE LIQUID FUND-GROWTH-DIRECT PLAN - 1,16,086.168 Units (31 March 2025 : 120,155.075 Units)	51.664	50.303
ADITYA BIRLA SUN LIFE MONEY MANAGER FUND - DIRECT PLAN - 1,31,027.707 Units (31 March 2025 : 81,635.08 Units)	51.385	29.998
DSP LOW DURATION FUND - DIRECT PLAN - Nil Units (31 March 2025 : 10,360,369.746 Units)	-	207.885
DSP LIQUIDITY FUND- DIRECT PLAN - 13,566.585 Units (31 March 2025 : 13,566.585 Units)	50.036	50.309
DSP SAVING FUND-DIRECT PLAN - 18,10,513.093 Units (31 March 2025 : 375,805.204 Units)	102.699	20.010
BAJAJ FINSERV LIQUID FUND - DIRECT PLAN - GROWTH - Nil Units (31 March 2025 : 89426.96 Units)	-	101.236

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
BAJAJ FINSERV MONEY MARKET FUND - DIRECT PLAN - Nil Units (31 March 2025 : 26374.742 Units)	-	30.016
HDFC LIQUID FUND - DIRECT PLAN - GROWTH - Nil Units (31 March 2025 : 9878.266 Units)	-	50.305
MIRAE ASSET MONEY MARKET FUND - DIRECT PLAN - GROWTH - 1,14,809.969 Units (31 March 2025 : 82957.985 Units)	153.428	103.914
MIRAE ASSET LIQUID FUND - DIRECT PLAN - GROWTH - Nil Units (31 March 2025 : 36956.691 Units)	-	101.243
ICICI PRUDENTIAL EQUITY ARBITRAGE FUND - DIRECT PLAN - GROWTH - 1,449,450.779 Units (31 March 2025 : 1,449,450.779 Units)	55.921	52.389
ICICI PRUDENTIAL MONEY MARKET FUND- DIRECT PLAN-GROWTH - 1,27,880.983 Units (31 March 2025 : 275,862.051 Units)	51.411	103.853
ICICI PRUDENTIAL LIQUID FUND- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 131,031.382 Units)	-	50.274
INVESCO INDIA LOW DURATION FUND- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 40,438.606 Units)	-	156.088
INVESCO INDIA MONEY MARKET FUND- DIRECT PLAN-GROWTH - 30,937.480 Units (31 March 2025 : 6,474.501 Units)	101.950	20.010
KOTAK LIQUID FUND - DIRECT PLAN-GROWTH - 9,278.456 Units (31 March 2025 : 9602.78 Units)	51.639	50.313
NIPPON INDIA LIQUID FUND - DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 15,952.854 Units)	-	101.251
HSBC LIQUID FUND - DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 19,464.61 Units)	-	50.303
FRANKLIN INDIA LIQUID FUND- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 39,059.003 Units)	-	152.201
FRANKLIN INDIA MONEY MARKET FUND- DIRECT PLAN-GROWTH - 37,80,910.306 Units (31 March 2025 : 9,84,193.071 Units)	205.140	50.025
UTI LOW DURATION FUND - DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 29,438.498 Units)	-	103.911
AXIS TREASURY ADVANTAGE FUND - DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 65,697.592 Units)	-	208.604
BANDHAN LIQUID FUND - DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 16,058.404 Units)	-	50.303
BANDHAN LOW DURATION FUND- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 4,037,576.365 Units)	-	156.311
BANDHAN ULTRA SHORT TERM FUND- DIRECT PLAN-GROWTH - 62,92,159.593 Units (31 March 2025 : 1,985,643.087 Units)	101.330	30.015
BARODA BNP PARIBAS MONEY MARKET FUND- DIRECT PLAN-GROWTH - 70,039.115 Units (31 March 2025 : 77,741.057 Units)	102.503	106.641
BARODA BNP PARIBAS ULTRA SHORT DURATION FUND- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 13,053.519 Units)	-	20.010
BARODA BNP PARIBAS LIQUID FUND-DIRECT GROWTH- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 16,822.004 Units)	-	50.309
PARAG PARIKH LIQUID FUND REGULAR PLAN - GROWTH - Nil Units (31 March 2025 : 21,064.784 Units)	-	30.038

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
HDFC FLOATING RATE DEBT FUND - REGULAR PLAN - GROWTH - 28,78,185.940 UNITS (31 March 2025 : Nil Units)	151.050	-
UTI MONEY MARKET FUND - DIRECT PLAN - 47,130.231 UNITS (31 March 2025 : Nil Units)	153.945	-
UTI LIQUID FUND - DIRECT PLAN - 11,436.712 UNITS (31 March 2025 : Nil Units)	51.659	-
UTI LIQUID FUND - REGULAR PLAN - 11,185.510 UNITS (31 March 2025 : Nil)	50.037	-
K473D - KOTAK MONEY MARKET FUND - DIRECT PLAN - GROWTH - 32,461.193 UNITS (31 March 2025 : Nil Units)	154.017	-
AXIS ULTRA SHORT DURATION FUND - DIRECT GROWTH - 61,64,369.685 UNITS (31 March 2025 : Nil Units)	100.921	-
AXIS MONEY MARKET FUND DIRECT GROWTH - 34,007.678 UNITS (31 March 2025 : Nil Units)	51.426	-
NIPPON INDIA MONEY MARKET FUND - DIRECT GROWTH PLAN GROWTH OPTION - 23,360.511 Units (31 March 2025 : Nil)	102.787	-
NIPPON INDIA ULTRA SHORT DURATION FUND - DIRECT GROWTH PLAN - 10,834.520 Units (31 March 2025 : Nil)	50.503	-
ADITYA BIRLA SUN LIFE FLOATING RATE FUND - GROWTH-DIRECT PLAN - 4,05,671.044 UNITS (31 March 2025 : Nil Units)	151.654	-
ADITYA BIRLA SUN LIFE SAVINGS FUND - GROWTH-DIRECT PLAN - 2,60,218.241 UNITS (31 March 2025 : Nil Units)	152.226	-
BANDHAN MONEY MARKET FUND-DIRECT PLAN - GROWTH - 22,38,113.207 UNITS (31 March 2025 : Nil Units)	102.333	-
MIRAE ASSET ULTRA SHORT DURATION FUND - DIRECT PLAN- 73,215.147 UNITS (31 March 2025 : Nil Units)	101.289	-
MIRAE ASSET ULTRA SHORT DURATION FUND - REGULAR PLAN - 37,404.962 UNITS (31 March 2025 - Nil)	51.103	-
INVESCO INDIA LIQUID FUND - DIRECT PLAN GROWTH - 26,892.470 UNITS (31 March 2025 : Nil Units)	101.674	-
INVESCO INDIA ULTRA SHORT DURATION FUND - DIRECT PLAN GROWTH - 33,519.291 UNITS (31 March 2025 : Nil Units)	100.958	-
ICICI PRUDENTIAL INCOME PLUS ARBITRAGE OMNI FOF (ERSTWHILE INCOME PLUS ARBITRAGE)-GROWTH - 15,70,709.827 Units (31 March 2025 :Nil)	102.043	-
ICICI PRUDENTIAL FLOATING INTEREST FUND - DIRECT PLAN - GROWTH - 4,14,851.320 Units (31 March 2025 :Nil)	201.872	-
DSP SAVINGS FUND - REGULAR PLAN - GROWTH - 9,24,245.087 UNITS (31 March 2025 : Nil Units)	50.784	-
HSBC MONEY MARKET FUND - DIRECT GROWTH - 35,49,395.871 UNITS (31 March 2025 : Nil Units)	102.767	-
HSBC ULTRA SHORT DURATION FUND - DIRECT GROWTH - 70,332.725 UNITS (31 March 2025 : Nil Units)	100.924	-
SBI ULTRA SHORT DURATION FUND DIRECT GROWTH - 8,048.576 UNITS (31 March 2025 : Nil Units)	51.204	-

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
TATA MONEY MARKET FUND DIRECT PLAN - GROWTH- 10,156.486 UNITS (31 March 2025 : Nil Units)	51.180	-
KOTAK FLOATING RATE FUND DIRECT - GROWTH NIL UNITS 62,118.407 UNITS (31 MARCH 2025 : NIL UNITS)	100.595	-
Total	3569.499	2867.671
(ii) Investments at amortised cost		
Quoted investments		
3000 Bonds issued by 7.25% Bajaj Auto Credit Limited	300.000	-
Nil Bonds issued by HDB Financial Services Limited Unsecured Non- Convertible Bonds Coupon 7.99% (31 March 2025 : 2,500 bonds)	-	250.000
Nil Bonds issued by HDB Financial Services Limited Unsecured Non- Convertible Bonds Coupon 6% (31 March 2025 : 100 bonds)	-	96.570
	300.000	346.570
Unquoted investments:		
Deposit with Bajaj Finance Limited	200.000	250.000
	200.000	250.000
Total current	4069.499	3464.241
Total Investments	5669.374	5631.929
Aggregate book value of quoted investments	3899.480	3812.035
Aggregate market value of quoted investments	3899.480	3817.121
Aggregate book value of unquoted investments	1769.894	1819.894
Impairment on Aggregate value of investments	Nil	Nil

	31 March 2026	31 March 2025
5 Other financial assets		
Non-current		
At amortized cost		
(Unsecured, considered good)		
Security deposits	85.561	134.217
Interest accrued on loan to related party (Refer note 31)	295.510	110.921
Unearned Guarantee commission	3.360	8.650
	384.431	253.788
Current		
(Unsecured, considered good)		
Foreign exchange forward contracts	-	8.721
Interest accrued on fixed deposits and bonds	14.622	56.787
Security deposits	44.499	15.798
Interest accrued on loan to related party (Refer note 31)	-	3.483
Unearned Guarantee commission	6.337	10.233
Other Receivable*	56.501	58.214
	121.959	153.236
*mainly includes earnest money deposit, turnover discount receivable, loans given to employees given as per company's policy. The repayment of these loans have been stipulated and regular.		
Total other financial assets	506.390	407.024

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
6 Other assets		
Non-current		
(Unsecured, considered good)		
Capital advances (Refer note 28)	-	0.234
Prepaid expenses	13.036	28.106
Others Receivable	81.085	-
	94.121	28.340
Current		
(Unsecured, considered good)		
Contract Assets (Refer note 29)		
- Contracts in progress	4921.925	6064.968
- Cost to obtain contracts	75.410	-
- Retention money		
Unsecured, considered good	1868.252	1987.930
Unsecured, credit impaired	45.097	13.199
	1913.349	2001.129
Less: Impairment allowance	45.097	13.199
	1868.252	1987.930
Advances to suppliers		
Unsecured, considered good	409.331	478.642
Unsecured, considered doubtful	43.817	23.359
	453.148	502.001
Less : Provision for doubtful Advances	43.817	23.359
	409.331	478.642
Balances with government authorities	340.860	389.860
Prepaid expenses	162.986	220.275
Other advances*	39.981	41.700
	7818.745	9183.375
Total Other assets	7912.866	9211.715
*Includes travel advance given to employees.		
7 Inventories (valued at lower of cost and net realisable value)		
Raw materials (Includes Goods in transit of ₹ 83.450 (31 March 2025: Nil))	2049.746	1992.041
Work in progress	143.464	147.953
Stock in trade	59.152	40.582
Finished goods	8.985	25.447
	2261.347	2206.023

Note :

- The write-down of inventories for the year amounts to ₹ 12.007 (March 31, 2025: ₹ 15.770). These write-downs have been recognized as an expense during the year and are included under "Cost of materials consumed".
- Inventories are pledged as security against cash credit facilities availed by the Company for working capital purposes from banks.
- Inventories include materials lying at project sites, warehouses and with third parties amounting to ₹ 386.925 (31 March 2025: ₹ 824.000), in the ordinary course of business.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
8 Trade Receivables (At amortized cost)		
Current		
- From related parties		
Unsecured, considered good	34.631	13.448
- From others		
Unsecured, considered good	4328.532	4285.873
Unsecured, credit impaired	884.023	813.885
	5247.186	5113.206
Less: Expected Credit Loss Allowance	884.023	813.885
	4363.163	4299.321
i. Refer Note 39A for ageing schedule		
ii. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.		
iii. Trade receivables are non-interest bearing and generally on credit terms of 30 days to 120 days.		
iv. Current and previous year balance of Retention money not due has been disclosed under Other current assets as "Contract Assets". For details , refer note 6.		
v. Refer note 38 for movement in expected credit loss allowance.		
9 Cash and cash equivalents		
Balances with banks		
On current accounts	773.789	494.510
Deposits with original maturity of less than 3 months	110.663	154.946
Cash on hand	1.934	1.516
	886.386	650.972
10 Other bank balances		
Unclaimed dividend account*	10.039	11.844
Deposits with original maturity for more than 3 months but less than 12 months	332.684	461.537
Note: Includes deposits under lien ₹ 257.960 (31 March 2025 : ₹ 311.537)		
*Earmarked balance with bank		
	342.723	473.381

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
11 Loans (At amortized cost)		
Non Current		
Unsecured, considered good		
Loan to related party (Refer note 31 & 41(xiv))	2910.700	1567.500
	2910.700	1567.500
Current		
Unsecured, considered good		
Loan to related party (Refer note 31)*	-	220.691
*During the previous year ended March 2025, the Company granted an inter-corporate loan to its foreign subsidiary. The loan bears interest at 13.40%, based on the negotiated lending rate published by the Bank of Tanzania, and is receivable within one year.		
Total Loans	2910.700	1788.191
12 Equity Share Capital		
Authorised shares		
450,000,000 (31 March 2025: 450,000,000) equity shares of ₹ 2 each	900.000	900.000
Issued, subscribed and fully paid-up shares		
183,813,088 (31 March 2025: 183,813,088) equity shares of ₹ 2 each	367.626	367.626
Total	367.626	367.626

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

	31 March 2026		31 March 2025	
	No.	Amount	No.	Amount
At the beginning and end of the year	183,813,088	367.626	183,813,088	367.626

b. Terms/ Rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of the equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distributing all preferential amounts.

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates :

The Company does not have any holding or ultimate holding Company.

d. Details of shareholders holding more than 5% shares in the company :

	31 March 2026		31 March 2025	
	No.	% of holding	No.	% of holding
Equity shares of ₹ 2 each fully paid				
Dr. Pramod Chaudhari (Promoter)	45,900,000	24.97%	38,700,000	21.05%
Parimal Chaudhari (Promoter)	14,400,000	7.83%	14,400,000	7.83%
Canara Robeco Mutual Fund - Canara Robeco	8,696,052	4.73%	9,820,505	5.34%

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

e. Details of shareholders holding of Promoters :

	31 March 2026		31 March 2025		% Change during the year
	No.	% of holding	No.	% of holding	
Equity shares of ₹ 2 each fully paid					
Dr. Pramod Chaudhari	45,900,000	24.97%	38,700,000	21.05%	18.60%
Parimal Chaudhari	14,400,000	7.83%	14,400,000	7.83%	0.00%
Moriyaset Trust	-	0.00%	7,200,000	3.92%	-100.00%

f. Shares reserved for issue under options :

For shares reserved for issue under the Employee Stock Option Plan (ESOP) please refer note 34.

- g. There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.
- h. During the year ended 31 March 2026, the Company had paid the final dividend of ₹ 6.000 per equity share for the year ended 31 March 2025 amounting to ₹ 1102.879.

The Board of directors, at their meeting held on 28 May 2026 recommended the final dividend of ₹ 3.60 per equity share for the year ended 31 March 2026 subject to approval from shareholders. On approval, the total dividend outflow is expected to be ₹ 661.727 based on number of shares outstanding as at 31 March 2026.

	31 March 2026	31 March 2025
13 Other Equity		
Capital Reserve		
Balance as at the beginning and end of the year	0.033	0.033
Amalgamation Reserve		
Balance as at the beginning and end of the year	3.063	3.063
Capital Redemption Reserve		
Balance as at the beginning and end of the year	14.627	14.627
Securities Premium		
Balance as at the beginning and end of the year	1075.518	1075.518
Share option outstanding account		
Balance as at the beginning of the year	8.392	-
Add : Employee stock option expense	49.957	8.392
Balance at the end of the year	58.349	8.392
General Reserve		
Balance as at the beginning and end of the year	956.511	956.511
Debt instruments through Other Comprehensive Income		
Balance as at the beginning of the year	(1.498)	(3.751)
Add: Fair value movement	0.196	2.253
Balance at the end of the year	(1.302)	(1.498)

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
Retained Earnings		
Balance as at the beginning of the year	11714.776	10197.301
Profit as per statement of profit and loss	1204.850	2644.280
Other comprehensive income - Re-measurement of defined benefit plans	36.608	(23.926)
Less : Appropriations		
Final equity dividend	1102.879	1102.879
Net Surplus in Statement of profit and loss	11853.355	11714.776
Total Other Equity	13960.154	13771.422

1. Capital Reserve - The company had recognised profit or loss on purchase, sale, issue or forfeiture/ cancellation of own equity instrument to capital reserve.
2. Amalgamation Reserve - Amalgamation reserve represents reserve created on amalgamation under pooling of interests method, representing the difference between consideration and net assets/share capital in past.
3. Capital Redemption Reserve - The Company had bought back its share in the past. In accordance with section 69 of the Companies Act, 2013, Capital Redemption Reserve is created (which represent nominal value of share bought back).
4. Securities premium- Securities premium is used to record the premium on issue of shares. This reserve can be utilised only in accordance with the provisions of the Companies Act, 2013.
5. Share option outstanding account - The Company has established equity-settled share based payment plans for certain categories of executives.
6. General Reserve - The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
7. Debt instruments through Other Comprehensive Income - The Company has elected to recognize changes in the fair value of certain investments in debt instruments in other comprehensive income. These changes are accumulated within the debt instruments through other comprehensive income within equity.
8. Retained earnings - It includes profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. It also include re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
14 Provisions		
Provision for Employee Benefits		
Compensated absences (Refer Note 33c)	-	139.149
Gratuity (Refer Note 33b)	89.498	31.522
	89.498	170.671
Current		
Provision for Employee Benefits		
Compensated absences (Refer Note 33c)	175.955	69.686
Other provisions		
Provision for anticipated losses on revenue contracts (Refer below table for details)	81.663	119.984
	257.618	189.670
Total provisions	347.116	360.341
Movement in Provision for anticipated losses on revenue contracts		
Balance of provision as at the start of the year	119.984	405.296
Add: Additional Provision during the year	24.732	0.182
Less: Provision used/ (reversed) during the year	63.053	285.494
Balance of provision as at the end of the year	81.663	119.984
15 Trade payables		
Current		
- To related parties (a)	72.453	35.798
- To others		
Total outstanding dues of micro enterprises and small enterprises (Refer note iv below)	993.413	653.698
Total outstanding dues of creditors other than micro enterprises and small enterprises (MSMED)	3861.154	3046.281
To others (b)	4,854.567	3,699.979
	4927.020	3735.777

Notes :

- Refer Note 39B for ageing schedule
- Trade payables are non-interest bearing and are normally settled on 30-90 days terms except due to micro & small enterprises which are settled in 45 days or contractual terms whichever is earlier.
- Interest due/payable to parties registered under MSMED Act, 2006
- The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at March 31, 2026. The disclosure pursuant to the said Act is as under:

Particulars	31 March 2026	31 March 2025
Total outstanding amount in respect of micro and small enterprises	993.413	653.698
Principal amount due and remaining unpaid	-	-
Interest due on above and unpaid interest	-	-
Interest paid	-	-
Payment made beyond appointment day	570.598	169.669
Interest due and payable for the period of delay	4.632	2.110
Interest accrued and remaining unpaid (excluding interest accrued for earlier years)	4.632	2.110
Amount of further interest remaining due and payable in succeeding years	6.752	2.120

The identification of suppliers as micro, small and medium enterprise as defined under the Micro, Small and Medium Enterprises Development Act 2006, was done on the basis of information to the extent provided by the suppliers of company.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
16 Other financial liabilities (At amortised cost)		
Non-current		
Financial guarantee contracts *	8.111	14.296
	8.111	14.296
Current		
Unclaimed dividends	10.037	11.841
Financial guarantee contracts *	7.420	7.111
Employee benefits payable	229.461	349.640
Payable for capital goods		
- To Micro enterprises and small enterprises	-	0.863
- To others	-	14.220
Other payables**	75.910	10.097
	322.828	393.772
Total Other financial liabilities	330.939	408.068
* Financial guarantees are issued to subsidiaries. Refer note 31.		
**Other payables primarily represent interim claim proceeds received from the insurance company, which remain outstanding pending final settlement. Refer Note 45.		
17 Other liabilities		
Current		
Advances received from customers	6566.558	7702.596
Contract Liability (Unearned revenue) (Refer Note 29)	864.797	833.219
Contract Liability (Incremental Costs to obtain contract) (Refer Note 29)	75.410	-
Statutory dues payable (TDS, GST, PF, PT, ESIC, etc.)	56.864	70.116
	7563.629	8605.931
18 Revenue from operations (Refer note 29)		
Revenue from Products and Projects (a)	22622.812	25729.407
Revenue from services rendered (b)	2904.516	1335.503
Other Operating Revenue		
Scrap Sales	280.954	280.942
Government grant	51.065	28.074
Other Operating Revenue	-	72.710
(c)	332.019	381.726
Total Revenue from operations (a+b+c)	25859.347	27446.636

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
19 Other income		
Foreign Exchange fluctuation gain (net)	157.706	113.220
Gain on redemption of investments (net) (FVTPL)	62.133	185.178
Fair Valuation Gain/(Loss) on Investment In Mutual Fund (FVTPL)	69.673	92.600
Interest		
- on fixed deposits	36.427	58.346
- others	314.798	212.854
Interest on account of unwinding of security deposits and guarantee income	45.912	21.537
Profit on sale of property, plant and equipment (net)	-	0.845
Excess provision / creditors written back (including advances)	9.303	26.323
Other non-operating income	23.946	11.720
	719.898	722.623
20 Cost of materials consumed		
Raw material consumed	12316.688	13549.570
	12316.688	13549.570
21 Changes in inventories of Finished Goods and Work in Progress		
Inventories at the end of the year		
Work in progress	143.464	147.953
Finished goods	8.985	25.447
	152.449	173.400
Inventories at the beginning of the year		
Work in progress	147.953	163.891
Finished goods	25.447	8.803
	173.400	172.694
Changes in inventories	20.951	(0.706)
22 Employee Benefit Expenses		
Salaries, wages and bonus	2309.047	2577.807
Contributions to provident and other funds (Refer note 33a)	120.465	112.936
Gratuity expense (Refer note 33b)	42.996	36.112
Employee stock option expense (Refer note 34)	49.957	8.392
Staff welfare expenses	166.768	151.294
	2689.233	2886.541
23 Finance costs		
Other borrowing cost	4.750	4.024
Interest on Lease Liability	57.009	34.414
	61.759	38.438

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
24 Depreciation and amortisation expense		
Depreciation on:		
Property, plant and equipment	215.489	198.327
	215.489	198.327
Amortisation of:		
Intangible assets	89.836	51.803
Right-of-use assets	239.140	201.737
	328.976	253.540
	544.465	451.867
25 Other Expenses		
Consumption of Stores and spares	318.358	261.658
Site expenses and labour charges*	3892.972	3159.625
Manpower support services	126.099	112.469
Freight and transport	1033.216	690.749
Provision for doubtful debts and advances	100.724	216.901
Sales commission	173.113	273.116
Travel and conveyance	255.068	340.953
Professional consultancy and legal charges	401.178	536.168
Software License fees	192.197	185.236
Insurance	69.298	135.597
Rent (Refer note 32)	90.644	60.130
Power and fuel	155.871	152.570
Advertising and exhibition expenses	34.303	50.494
Communication expenses	23.774	26.877
Testing charges	112.619	95.389
Repairs and maintenance:		
Building	52.588	45.321
Plant and Machinery	32.784	38.859
Others	43.498	46.050
Payments to auditor (Refer note 25.1)	5.147	4.969
Non-Executive Directors' commission	17.000	13.500
Rates and taxes	0.764	7.663
Loss on sale of fixed assets (net)	30.258	-
Reimbursement of Marketing Support Expenses	73.559	83.146
Corporate social responsibility (Refer note 36)	69.876	56.636
Miscellaneous expenses**	388.447	437.883
	7693.355	7031.959
25.1 Payment to auditors(Exclusive of Goods and Services tax)		
Statutory audit fees (including limited reviews fees)	4.075	4.088
Tax audit fees	0.400	0.690
Other services (including out of pocket expenses)	0.672	0.191
	5.147	4.969

*Includes travelling expenses, Job work charges and other site related expenses

**Mainly includes R&D expenses, security expenses, housekeeping expenses.

Further, it includes political contributions amounting to ₹ Nil (Previous Years ₹ 30.000 Million) under Section 182 of the Companies Act, 2013 made during the year

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Particulars	31 March 2026	31 March 2025
26 Income tax		
A Statement of profit and loss :		
Current income tax:		
Current income tax charge	481.046	836.377
Tax relating to earlier periods	-	(8.173)
Deferred tax:		
Relating to origination and reversal of temporary differences	(64.057)	24.359
Income tax expense reported in the statement of profit and loss	416.989	852.563
B Statement of other comprehensive income :		
Deferred tax :		
Remeasurements gains and losses on post employment benefits	12.312	(8.047)
Debt instruments through other comprehensive income	0.066	0.758
Income tax expense reported in the statement of other comprehensive income	12.378	(7.289)
C Reconciliation of effective tax rate		
Accounting profit before tax	1621.839	3496.843
Tax using the Company's domestic tax rate 25.168% (31 March 2025: 25.168%)	408.185	880.086
Adjustments in respect of current income tax of previous years	-	(8.173)
Less : Tax effect of :		
i Income chargeable at lower rate / capital gain	-	(63.272)
ii Others (Includes items on which DTA/ DTL not recognised in opening balance sheet)	1.612	(9.849)
iii Expenses recognised in OCI	(12.378)	7.289
Add : Tax effect of		
i Donations and other expenses ineligible under Income tax	19.572	24.397
ii SEZ Investment Allowance-taxable	-	22.086
Total	416.989	852.563
Income tax expense reported in the statement of profit and loss	416.989	852.563

D Deferred tax

Deferred tax relates to the following :	Balance sheet		Statement of profit and loss/ other comprehensive income & other equity	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Deferred tax asset				
Provision for doubtful debts and advances	241.662	215.982	(25.680)	(61.682)
Provision for Anticipated Losses	20.553	30.197	9.644	71.807
Gratuity	22.525	27.732	5.207	(5.520)
Compensated absences	44.285	53.971	9.686	(0.829)
Others	48.307	13.431	(34.876)	4.158
Lease Liability	109.219	107.208	(2.011)	(5.767)
Deposits	-	0.261	0.261	0.901
Total	486.551	448.782	(37.769)	3.069
Deferred tax liability				
Property, plant & equipment and intangible assets	(446.764)	(461.569)	(14.805)	48.112
Conditional exemptions claimed under Income tax / others	(18.210)	(17.315)	0.895	(34.111)
Total	(464.974)	(478.884)	(13.910)	14.001
Net deferred tax asset / (liability)	21.577	(30.102)		
Deferred tax expense/(income)			(51.679)	17.070

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

E Movement in Current tax

Particulars	31 March 2026	31 March 2025
Current tax (assets)/ liability as at beginning of the year (Net)	36.468	105.114
Add: Additional provision during the year - Statement of Profit and loss account	481.046	828.204
Less: Current tax paid during the year (Net of refund received for previous year and adjustment for TDS receivable for previous year)	(576.973)	(896.850)
Less: Refund receivable recognised in other assets	81.085	-
Current tax (assets)/ liability as at end of the year (Net)	21.626	36.468

27 Earnings per share

Particulars	31 March 2026	31 March 2025
Reconciliation of basic and diluted shares used in computing earnings per share		
Weighted average number of basic equity shares	183,813,088	183,813,088
Add: effect of dilutive potential equity shares:		
- Employee stock options*	-	-
Weighted average number of diluted equity shares	183,813,088	183,813,088
Computation of basic and diluted earnings per share in accordance with IND AS 33		
Net profit after tax attributable to equity shareholders	1204.850	2644.280
Basic earnings per equity share of ₹ 2 each	6.55	14.39
Diluted earnings per equity share of ₹ 2 each	6.55	14.39

* Options granted during the current year qualify as potential equity shares. However, for the purposes of calculating diluted earnings per share, they are anti-dilutive and hence there is no impact. For details on options granted, refer Note 34.

28 Capital commitments and contingent liabilities

Particulars	31 March 2026	31 March 2025
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	12.703	60.899
Other commitments		
Partly paid shares-Praj Far East Co. Ltd	14.812	14.812
Contingent liabilities		
Claims against Company not acknowledged as debts (primarily relating to performance related claims filed by customers)	21.845	21.845
Disputed demands in appeal towards :		
- Income tax*	1.692	37.337
- Goods and Service tax**	23.526	-
- Sales Tax	-	2.785

* The claims against the Company primarily relate to demands arising under Section 156 of the Income-Tax Act, 1961, specifically involving the computation of interest for Assessment Year 2021–22. These matters are currently pending before the Deputy Commissioner of Income Tax. Management believes that its position is likely to be sustained upon final resolution and does not expect any material impact on the Company's financial position or results of operations.

** The Company has received GST demands in relation to a corporate guarantee for inter-company transactions pertaining to financial years 2017–18 to 2022–23 and certain cases involving taxation of advances pertaining to 2020–21 and 2021–22 which are currently pending before the Appellate Authorities/Tribunal. Based on its assessment and legal advice, Management expects its position to be sustained and does not anticipate any material impact on the Company's financial position or results of operations.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

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

I) Revenue by category of contracts :

Particulars	31 March 2026	31 March 2025
Over a period of time basis	21461.127	23816.198
At a point-in-time basis	4398.220	3630.438
Total revenue from contracts with customers	25859.347	27446.636

II) Revenue by geographical market :

Particulars	31 March 2026	31 March 2025
Within India	15773.747	20914.515
Outside India	10085.600	6532.121
Total revenue from contracts with customers	25859.347	27446.636

III) Transaction price allocated to the remaining performance obligations

Particulars	31 March 2026	31 March 2025
Remaining performance obligations	26020.754	25586.105

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

IV) Contract balances

Particulars	31 March 2026	31 March 2025
Trade receivables	4363.163	4299.321
Contract Assets (Retention)	1868.252	1987.930
Contract Assets (unbilled revenue)	4921.925	6064.968
Contract Assets (Incremental Costs to obtain contract)	75.410	-
Contract Liability (Unearned revenue)	864.797	833.219
Contract Liability (Incremental Costs to obtain contract)	75.410	-
Contract Liability (Advances received from customer)	6566.558	7702.596

- As regular projects life cycle lasts 12-24 months, the company expects that significant portion of remaining performance obligation, will be completed withing next two financial years.
- Contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The Contract assets are transferred to Trade receivables on completion of milestones and its related invoicing.
- The Contract liabilities relate to unearned revenue and customer advances where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised.
- The payment is due from the date of invoice and payment terms are in the range of 30 days to 120 days. The Company expects that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be less than one year. Therefore, Company does not adjust the promised amount of consideration for the effects of financing component.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

V) Changes in unbilled revenue and unearned revenue for the year:

The explanation of the significant changes in the unbilled and unearned balances during the reporting period is presented in the table below:

Particulars	31 March 2026	31 March 2025
Opening unbilled revenue (Refer note 6)	6064.968	3896.651
Opening unearned revenue (Refer note 17)	833.219	1472.940
Net opening contract asset	5231.749	2423.711
- Transfer of Contract Asset to Receivables	26982.903	24537.814
- Increase in Revenue as a result of POCM change transferred from Unearned Revenue	25808.282	27345.852
- Others	-	-
Net closing contract asset	4057.128	5231.749
Closing unbilled revenue (Refer note 6)	4921.925	6064.968
Closing unearned revenue (Refer note 17)	864.797	833.219

30 Segment reporting

The business activities of the Company from which it earns revenue and incurs expenses; whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available involve predominantly one operating segment i.e. Process and Project engineering.

Disclosures applicable to the entity having single reportable segment have been reported in Consolidated Financial Statements.

31 Related party transactions

List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Related parties where control exists:

Particulars	Name of the entity	Principal place of business	Method used to account for the investments	Proportion of ownership interest and voting rights	
				31 March 2026	31 March 2025
Wholly owned subsidiaries	Praj Far East Co. Limited, Thailand	Thailand	Cost	100.00%	100.00%
	Praj Americas Inc.	U. S. A.	Cost	100.00%	100.00%
	Praj HiPurity Systems Limited	India	Cost	100.00%	100.00%
	Praj Far East (Philippines) Inc.	Philippines	Cost	100.00%	100.00%
	Praj GenX Limited	India	Cost	100.00%	100.00%
	Praj Projects (Tanzania) Limited	Tanzania	Cost	100.00%	100.00%
Entity controlled by the company	Praj Foundation	India	Cost	-	-
Subsidiary	Praj Engineering & Infra Limited	India	Cost	99.67%	99.67%

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Related parties with whom transactions have taken place during the year

Key management personnel	Dr. Pramod Chaudhari
	Shishir Joshipura (upto 30 June 2025)
	Ashish Gaikwad
	Sachin Raole
	Anant Bavare
	Parimal Chaudhari (upto 11 August 2025)
	Dr. Shridhar Shukla
	Rujuta Jagtap
	Vinayak Deshpande
	Utkarsh Palnitkar
	Ajay Narayan Deshpande
	Parth Chaudhari (w.e.f 11 August 2025)
	Berjis Desai (w.e.f 01 July 2025)
Relatives of key management personnel	Parimal Chaudhari
Other related parties with whom transactions have been taken place during the year	Plutus Properties LLP

Transactions with related parties and year end balances:

Nature of transaction	Name of the related party	Year ended 31 March 2026	Year ended 31 March 2025
Compensation paid to Key Management Personnel *	Dr. Pramod Chaudhari (From July 2025)	172.407	129.001
	Shishir Joshipura	28.371	73.810
	Ashish Gaikwad	47.961	17.745
	Sachin Raole	21.833	35.161
	Anant Bavare	4.696	4.305
Sub-total		275.267	260.021
Commission paid to non - executive Directors	Parimal Chaudhari	1.750	3.500
	Dr. Pramod Chaudhari (Till June 2025)	3.250	-
	Berjis Desai	1.500	-
	Utkarsh Palnitkar	3.000	2.250
	Vinayak Deshpande	4.000	4.000
	Dr. Shridhar Shukla	2.000	1.750
	Mr. Suhas Baxi	-	0.500
	Ms. Rujuta Jagtap	0.750	0.750
	Mr. Ajay Deshpande	0.750	0.750
Total		17.000	13.500

* The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. The remuneration and perquisites on account of ESOP to key management personnel does not include employee stock compensation expense. The amount of performance link incentive to the extent paid till March 31, 2026 is only consider as remuneration. Non-executive and independent directors do not receive gratuity entitlements and leave benefits from the Company. The breakup of post employment benefit and compensated absences is given in notes below.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Nature of transaction	Name of the related party	Year ended 31 March 2026	Year ended 31 March 2025
Short-term employment benefits	Dr. Pramod Chaudhari	50.797	90.894
	Shishir Joshipura	11.208	64.723
	Ashish Gaikwad	41.789	16.344
	Sachin Raole	15.961	30.728
	Anant Bavare	4.039	3.846
		123.794	206.535
Post employment benefits	Dr. Pramod Chaudhari	121.095	21.892
	Shishir Joshipura	8.529	6.802
	Ashish Gaikwad	5.726	1.150
	Sachin Raole	4.360	3.165
	Anant Bavare	0.657	0.287
		140.367	33.296
Other long term employee benefit	Dr. Pramod Chaudhari	0.515	16.215
	Shishir Joshipura	8.634	2.285
	Ashish Gaikwad	0.446	0.251
	Sachin Raole	1.512	1.268
	Anant Bavare	-	0.171
		11.107	20.190
Rent Received	Praj Engineering & Infra Limited	0.192	0.170
	Praj GenX Limited	4.416	1.783
	Praj Foundation	0.096	0.087
CSR contribution	Praj Foundation	62.461	48.405
		62.461	48.405
Sale of goods and services	Praj Americas Inc. USA	27.735	-
	Praj HiPurity Systems Limited	21.313	7.748
		49.048	7.748
Sale of assets	Praj GenX Limited	10.088	-
		10.088	-
Rent Paid	Plutus Properties LLP	1.482	4.375
		1.482	4.375
Purchase of Goods & Services	Praj HiPurity Systems Limited	1.828	1.943
	Praj GenX Ltd.	204.508	-
		206.336	1.943
Expenses incurred and reimbursed by the Company	Praj Engineering & Infra Limited	10.275	2.909
	Praj Americas Inc. USA	72.438	58.773
	Praj HiPurity Systems Limited	8.503	21.322
	Praj Far East Philippines Ltd. Inc.	2.335	8.809
	Praj GenX Ltd.	1.968	0.180
	Praj Projects (Tanzania) Ltd.	-	-
	Praj Far East Co. Ltd , Thailand	4.732	20.103
		100.251	112.096
Expenses incurred and reimbursed by subsidiary	Praj Engineering & Infra Limited	10.979	0.432
	Praj HiPurity Systems Limited	17.903	2.597
	Praj Projects (Tanzania) Ltd.	-	5.722
		28.882	8.751

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Nature of transaction	Name of the related party	Year ended 31 March 2026	Year ended 31 March 2025
Interest Income on ICD	Praj HiPurity Systems Limited	0.899	1.154
	Praj GenX Limited	247.114	121.421
	Praj Projects (Tanzania) Limited	5.723	3.870
		253.736	126.445
Financial guarantee charges	Praj HiPurity Systems Limited	9.400	3.630
	Praj GenX Limited	28.335	16.388
	Praj Far East Philippines Ltd. Inc.	-	0.078
	Praj Projects (Tanzania) Limited	7.194	-
		44.929	20.096
Inter company loan given	Praj HiPurity Systems Limited	140.000	70.000
	Praj Projects (Tanzania) Limited	-	220.691
	Praj GenX Ltd.	1598.200	1209.500
		1738.200	1500.191
Inter company loan repayment received	Praj HiPurity Systems Limited	140.000	70.000
	Praj GenX Ltd.	255.000	440.500
		395.000	510.500
Corporate Guarantee given	Praj Projects (Tanzania) Limited	-	695.878
	Praj GenX Ltd.	-	2914.466
		-	3610.344
Trade receivables	Praj Engineering & Infra Limited	-	0.142
	Praj Americas Inc. USA	15.866	8.505
	Praj Far East Philippines Ltd. Inc.	-	0.080
	Praj GenX Ltd.	18.765	-
	Praj Projects (Tanzania) Ltd.	-	4.864
		34.631	13.591
Trade payables	Praj Engineering & Infra Limited	0.070	-
	Praj Americas Inc. USA	17.342	16.871
	Praj HiPurity Systems Limited	1.410	3.430
	Praj Far East Philippines Ltd. Inc.	0.722	1.007
	Praj GenX Ltd.	39.061	-
	Praj Far East Co. Ltd , Thailand	13.848	17.919
		72.453	39.227
Security deposit payable	Praj GenX Limited	1.104	0.408
		1.104	0.408
Inter company loan receivable	Praj GenX Limited	2910.700	1567.500
	Praj Projects (Tanzania) Limited	-	220.691
		2910.700	1788.191
Interest receivable on ICD	Praj GenX Limited	295.510	110.921
	Praj Projects (Tanzania) Limited	-	3.483
		295.510	114.404
Corporate Guarantee Outstanding	Praj HiPurity Systems Limited	940.000	940.000
	Praj Far East Philippines Ltd. Inc.	-	129.330
	Praj Projects (Tanzania) Limited	642.290	695.878
	Praj GenX Ltd.	2873.186	2944.564
		4455.476	4709.771

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Nature of transaction	Name of the related party	Year ended 31 March 2026	Year ended 31 March 2025
Other payable	Dr. Pramod Chaudhari	3.250	150.815
	Shishir Joshipura	-	21.704
	Ashish Gaikwad	-	0.564
	Parimal Chaudhari	1.750	3.500
	Sachin Raole	-	13.166
	Berjis Desai	1.500	-
	Utkarsh Palnitkar	3.000	2.250
	Vinayak Deshpande	4.000	4.000
	Dr. Shridhar Shukla	2.000	1.750
	Mr. Suhas Baxi	-	0.500
	Ms. Rujuta Jagtap	0.750	0.750
	Mr. Ajay Deshpande	0.750	0.750
	Anant Bavare	-	0.578
		17.000	200.327
Employee stock option expense	Ashish Gaikwad	49.957	8.392
		49.957	8.392

Note - Dividend to KMPs' is not disclosed here, as this is paid in capacity of shareholders.

32 Leases

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

Nature of Leasing activity :

The Company has entered into lease arrangements for office and factory premises, office equipment, plant & machinery, vehicles, furniture & fixtures and computers.

The disclosures relating to leases are as summarised below :

Particulars	31 March 2026	31 March 2025
Depreciation for right-of-use asset	239.140	201.737
Interest expense on lease liabilities	57.009	34.414
Expenses relating to short-term / low value leases	90.644	60.130
Principal Payment on lease	265.549	217.611
Total Cash outflow for leases	413.202	312.155
Carrying amount of right-of-use asset	424.989	410.342

Changes in lease liabilities arising from financing activities

Particulars	31 March 2026	31 March 2025
Opening lease liability	425.968	403.056
Net addition / (deletion)during the year	216.531	206.109
Finance cost	57.009	34.414
Lease Payments	(265.549)	(217.611)
Closing lease liability	433.959	425.968
Non-Current	278.519	290.888
Current	155.440	135.080
Maturity analysis of lease liabilities:		
- less than 1 year	155.440	135.080
- between 1 to 3 years	203.076	207.864
- more than 3 years	75.443	83.024

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

33 Employee benefits

a) Defined contribution plans

The Company has recognised ₹ 120.465 (31 March 2025: ₹ 112.936) towards post-employment defined contribution plans comprising of provident fund, Employee State Insurance Scheme, National Pension Scheme and superannuation fund in the statement of profit and loss.

b) Defined benefit plan

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

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

Particulars	31 March 2026	31 March 2025
Present value of obligation as at the beginning of the period	482.748	409.613
Interest cost	27.258	28.660
Past service cost	209.308	-
Current service cost	44.190	34.261
Benefits paid	(151.835)	(23.127)
Remeasurements on obligation - (gain) / loss	(47.734)	33.341
Present value of obligation as at the end of the period	563.935	482.748

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

Particulars	31 March 2026	31 March 2025
Fair value of plan assets at the beginning of the period	451.226	321.355
Interest income	29.966	26.809
Contributions	8.147	102.347
Benefits Paid	(16.089)	(0.369)
Other Charges	-	(0.284)
Return on plan assets, excluding amount recognized in interest income - gain / (loss)	1.187	1.368
Fair value of plan assets as at the end of the period	474.437	451.226

Amounts recognised in the balance sheet are as follows :

Particulars	31 March 2026	31 March 2025
Present value of obligation as at the end of the period	563.935	482.748
Fair value of plan assets as at the end of the period	474.437	451.226
Surplus / (deficit)	(89.498)	(31.522)

Amounts recognised in the statement of profit and loss are as follows :

Particulars	31 March 2026	31 March 2025
Current service cost	44.190	34.261
Past service cost	209.308	-
Net interest (income) / expense	(2.708)	1.851
Net periodic benefit cost recognised in the statement of profit and loss at the end of the period	250.790	36.112

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

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

Particulars	31 March 2025	31 March 2024
Remeasurement for the year - obligation (gain) / loss	(47.734)	33.341
Remeasurement for the year - plan assets (gain) / loss	(1.186)	(1.368)
Total remeasurements cost / (credit) for the year	(48.920)	31.973

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

Particulars	31 March 2026	31 March 2025
Interest (income) / expense - obligation	27.258	28.660
Interest (income) / expense - plan assets	(29.966)	(26.809)
Net interest (income) / expense for the year	(2.708)	1.851

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

Particulars	31 March 2026	31 March 2025
Funds managed by insurer	100%	100%
Total	100%	100%

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

Particulars	31 March 2026	31 March 2025
Discount rate	6.90%	6.70%
Rate of increase in compensation levels	9.00%	9.00%
Expected rate of return on plan assets	6.70%	7.20%
Expected average remaining working lives of employees (in years)	5.070	7.770
Withdrawal rate		
Age up to 30 years	17.00%	10.00%
Age 31 - 40 years	17.00%	10.00%
Age 41 - 50 years	17.00%	10.00%
Age above 50 years	17.00%	10.00%

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

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

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

Discount rate	Present value of obligation	
	31 March 2026	31 March 2025
Decrease by 1% to 5.90% (2025: 5.70%)	584.143	500.880
Increase by 1% to 7.90% (2025: 7.70%)	545.360	466.524

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

Salary increment rate	Present value of obligation	
	31 March 2026	31 March 2025
Decrease by 1% to 8.00% (2025: 8.00%)	549.443	469.083
Increase by 1% to 10.00% (2025: 10.00%)	579.373	497.669

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

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

Withdrawal rate	Present value of obligation	
	31 March 2026	31 March 2025
Decrease by 1% to 16.00%% (2025: 9.00%)	565.583	484.781
Increase by 1% to 18.00% (2025: 11.00%)	562.409	480.898

Expected contributions for the next year

The company expects to fund ₹ Nil (31 March 2025: NIL) towards its gratuity plan during the year 2026-27.

Average duration

Weighted average duration of the plan (base on discounted cash flows using mortality, withdrawal rate and interest rate) is 4.93 years (31 March 2025 : 8.03 years).

Maturity analysis

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

Particulars	31 March 2026	31 March 2025
Less than a year	210.260	240.376
Between 1-3 years	152.501	83.939
Between 4-5 years	146.584	72.997
More than 5 years	284.692	215.044

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

Risk Exposure and Asset Liability Matching

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

1) Liability Risks

a. Asset-Liability Mismatch Risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements.

b. Discount Rate Risk

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

c. Future Salary Escalation and Inflation Risk

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

2) Asset Risks

All plan assets are maintained in a trust fund managed by LIC of India and ICICI Prudential Life Insurance.

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

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

c) Other long-term employee benefits

Provision for Compensated absences :

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

Particulars	31 March 2026	31 March 2025
Present value of obligation as at the beginning of the period	208.835	211.151
Interest cost	13.177	13.259
Current service cost	33.137	35.230
Benefits paid	(24.321)	(53.990)
Remeasurements on obligation - (gain) / loss	(54.873)	3.185
Present value of obligation as at the end of the period	175.955	208.835

The liabilities for compensated absences represent the Company's obligations for Privileged/earned leave and are classified as other long-term employee benefits. These liabilities are presented as current, as the Company does not have an unconditional right to defer settlement of these obligations. Accordingly, the entire balance is treated as a current obligation as at the reporting date. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require settlement within the next 12 months. The expense/(gain) recognised in the statement of profit and loss for the year amounts to ₹ (8.558) million (31 March 2025: ₹ 51.675 million).

d) The Code on Social Security, 2020

During the year ended 31 March 2026, the Central Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', effective from 21 November 2025 primarily impacting the wage definition to be considered for the purpose of defined benefit obligation relating to gratuity. The new Labour Codes introduced by the Government of India, inter alia, requires gratuity and leave encashment to be calculated based on wages as defined in Act. This has resulted in an increase in liability for past service periods. Company has also changed policy on compensated absences. Based on assessment of changed regulation and company's policy for compensated absences, Company has recognised past service cost aggregating to ₹ 209.808 millions during the year in accordance with Ind As 19. The Company also recognized an incremental liability of ₹ 29.000 million for contract labours. Other potential impacts for contract labours are being evaluated but are not expected to be material. The Company continues to monitor the finalisation of Central/State Rules and clarifications from the Government and would provide appropriate accounting effect as and when such clarifications are issued/rules are notified.

34 Employee Stock Option Plan (ESOP)

In the Annual General Meeting of the Parent held on 22 July 2011, total of 9,238,936 stock options were approved under the scheme "Employee Stock Option Plan 2011". During the previous years, a total of 79,74,700 options were issued as ESOP 2011 – Grant I to XI, basis the eligibility and were exercised/ lapsed until 31 March 2024. During the previous year 2024-25, 4,21,000 options are granted to Managing Director under ESOP 2011 – Grant XII. These stock options will vest in a graded manner equally over the period of vesting starting from 3 February 2026, and each vesting taking effect as per the terms of the grant

Amount of employee compensation expense recognised for employee services received during the year :

Particulars	31 March 2026	31 March 2025
Expense arising from equity-settled share-based payment transactions	49.957	8.392

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Movements during the year - ESOP 2011 Grant I to XII

Particulars	31 March 2026		31 March 2025	
	Options	Weighted average exercise price ₹	Options	Weighted average exercise price ₹
Number of options outstanding at the beginning of the year	421,000		-	
Number of options granted during the year	-		421,000	
Number of options exercised during the year	-		-	
Number of options forfeited/lapsed during the year	-		-	
Number of options outstanding at the end of the year	421,000		421,000	
Number of options exercisable at the end of the year	NIL		NIL	
Range of exercise price of options outstanding at the end of the year	₹ 565.00		₹ 565.00	
Average share price during the year	₹ 393.39		₹ 672.80	
Weighted average remaining contractual life of options outstanding at the end of the year	2 years		2.35 years	
Weighted average fair value of option as on date of grant (granted during the year)	NA	NA	03-Feb-25	257.92

Method used for calculating fair value of option – Black Scholes Option Valuation Model

Significant assumptions used in arriving at the fair value of options under Black Scholes model are stated as follows :

Particulars	FY 2025-26	FY 2024-25
Grant date	03 Feb 2025	03 Feb 2025
Risk-free interest rate	6.62%	6.62%
Expected life	2 - 4 years	2 - 4 years
Expected volatility*	55.15%	55.15%
Expected dividend yield	1.47%	1.47%
Price of the underlying share in market at the time of grant of option (₹)	627.15	627.15

* Expected volatility has been determined based on closing price of the share of the Company over a period equivalent to expected life.

35 Expenditure on research & development activities

Revenue expenditure on research is charged under respective heads of account in the year in which it is incurred. Capital expenditure on development consists of property, plant and equipment, Capital work in progress, Intangible Assets and Intangible assets under development. The property, plant and equipment and Intangible Assets as included above are depreciated / amortised on the same basis as per their respective categories. The break-up of Research and development (R&D) capital and revenue expenditure is as below:

Particulars	31 March 2026	31 March 2025
Capital expenditure (excluding advances)	180.978	296.927
Revenue expenditure	480.863	402.296

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

36 Corporate Social Responsibility (CSR) expenditure

During the year, the Company has incurred CSR expenses of ₹ 69.876 (2025: ₹ 56.636) as follows:

Amount spent on	Amounts paid in FY 2025-26	Amounts paid in FY 2024-25
Construction/acquisition of asset	Nil	Nil
On other purposes covered under Schedule VII to Companies Act, 2013	69.876	56.636

Particulars	31 March 2026	31 March 2025
(a) Amount required to be spent by the company during the year	68.636	56.519
(b) Amount of expenditure spent	69.876	56.636
i) Incurred through related party - Praj Foundation	62.460	48.405
ii) Incurred through contribution/donation to trusts / institute which are engaged in activities eligible under section 135 of Companies Act, 2013 read with Schedule VII thereto	7.416	8.231
(c) Shortfall at the end of the year (a-b)	-	-
(d) Total of previous years shortfall	-	-
(e) Cash outflow related to Corporate Social Responsibility (CSR) activities	69.876	56.636
Details of Amount Spent		
(f) Reason for shortfall	NA	NA
(g) Nature of CSR activities	CSR activities primarily include amount given to Praj Foundation which is the trust that has been used for promoting health care, skills development and promoting education including employment enhancing vocation.	
(h) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Praj Foundation	
(i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	

37 Fair value measurements

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

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

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Sr. No	Particulars	Carrying value		Fair value	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
	Financial assets				
A	Level 1				
i)	Carried at fair value through profit and loss (FVTPL)				
	Investments in mutual funds	3569.499	2867.671	3569.499	2867.671
ii)	Carried at fair value through other comprehensive income (FVOCI)				
	Investment in quoted non-convertible bonds	29.981	497.710	29.981	497.710
B	Level 2				
i)	Carried at fair value through profit and loss (FVTPL)				
	Foreign exchange forward contracts	-	8.721	-	8.721
	(The fair value is as per the mark-to-market valuation from banks)				
C	Carried at amortised cost				
	Investment in quoted non-convertible bonds*	300.000	446.654	300.000	451.740
	Unquoted investments at amortised cost	200.000	250.000	200.000	250.000
	Security deposits	130.059	150.016	130.059	150.016
	Trade receivable	4363.163	4299.321	4363.163	4299.321
	Cash and cash equivalents and other bank balances	1229.109	1124.353	1229.109	1124.353
	Interest accrued on loan to related party	295.510	114.404	295.510	114.404
	Inter Company Loans given to subsidiary companies	2910.700	1788.191	2910.700	1788.191
	Other receivables	80.821	133.883	80.821	133.883
	Financial liabilities				
	Levelled at level 2				
A	Carried at amortised cost				
	Trade payables	4927.020	3735.777	4927.020	3735.777
	Unclaimed dividends	10.037	11.841	10.037	11.841
	Lease Liability	433.959	425.968	433.959	425.968
	Other payables	305.372	374.821	305.372	374.821
B	Financial guarantee contracts	15.531	21.406	15.531	21.406
	*The fair value of investments in quoted non-convertible bonds issued by Bajaj Auto Credit Limited (Unsecured, 7.25% coupon) has been considered at cost due to the absence of active trading in these securities as at 31 March 2026.				

Note : Investment in subsidiaries valued at cost at ₹ 1569.894 million (2025 : ₹ 1569.894)

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- (i) The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.
- (ii) The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.
- (iii) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

38 Financial risk management policy and objectives

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

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

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

The company's risk management is carried out by management, under policies approved by the board of directors. Company's treasury identifies, evaluates and hedges financial risks in close cooperation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity.

(A) Credit risk

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

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Credit risk management

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

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

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

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

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

Provision for expected credit loss

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

Exposure to risk	31 March 2026	31 March 2025
Trade receivables	5247.186	5113.206
Contract Assets	4997.335	6064.968
Retention money	1913.349	2001.129
Less : Expected credit loss allowance	929.120	827.084
	11228.750	12352.220
Trade receivables	31 March 2026	31 March 2025
Neither past due nor impaired	8644.723	9211.719
Less than 180 days past due	2217.042	2404.510
181 - 365 days past due	245.488	257.367
More than 365 days past due	1050.617	1305.708
Gross trade receivables	12157.870	13179.304
Less: Expected credit loss allowance	(929.120)	(827.084)
Total	11228.750	12352.220
Reconciliation of allowance for expected credit loss on trade receivables and contract assets	31 March 2026	31 March 2025
Opening loss allowance	827.084	605.363
Bad debts written off	-	-
Additional allowance	102.036	221.721
Closing loss allowance	929.120	827.084

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is carried out in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Exposure to risk	31 March 2026	31 March 2025
Other financial liabilities		
On demand	10.037	11.841
Less than 365 days	468.231	517.011
More than 365 days	286.630	305.184
Total	764.898	834.036
Trade payables		
Not Due	3716.252	3086.828
Less than 365 days	1062.610	629.020
More than 365 days	148.158	19.929
Total	4927.020	3735.777

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

	31 March 2026	31 March 2025
Expiring within one year	180.000	180.000
Expiring beyond one year	-	-

(C) Foreign currency risk

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

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

Foreign currency exposure :

Financial assets	Currency	Amount in foreign currency		Amount in ₹	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
Trade receivables and Retentions	EUR	9.361	3.617	1004.569	331.036
	USD	11.490	8.925	1074.392	759.060
	GBP	0.180	0.180	22.242	19.741
Less: Foreign exchange forward contracts	EUR	0.000	3.617	0.000	337.583
	USD	0.000	8.925	0.000	769.502
Bank accounts	EUR	0.516	0.263	55.261	23.997
	USD	1.234	1.039	115.134	88.252

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Financial liabilities	Currency	Amount in foreign currency		Amount in ₹	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
Trade payables	EUR	3.952	0.158	433.281	14.788
	USD	1.301	1.605	123.432	138.350
	SEK	0.632	0.632	6.320	5.379

Currency wise net exposure (assets -liabilities)

Particulars	Amount in foreign currency		Amount in ₹	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
EUR	5.925	0.104	626.550	2.661
USD	11.423	(0.566)	1066.094	(60.540)
GBP	0.180	0.180	22.242	19.741
SEK	(0.632)	(0.632)	(6.320)	(5.379)

Sensitivity analysis

Currency	Amount in ₹		Sensitivity %	Impact on profit-strengthen [Loss / (Gain)]		Impact on profit -weakening [Loss / (Gain)]	
	2026	2025		2026	2025	2026	2025
EUR	626.550	2.661	5.00%	(31.327)	(0.133)	31.327	0.133
USD	1066.094	(60.540)	5.00%	(53.305)	3.027	53.305	(3.027)
GBP	22.242	19.741	5.00%	(1.112)	(0.987)	1.112	0.987
SEK	(6.320)	(5.379)	5.00%	0.316	0.269	(0.316)	(0.269)
Total	1708.566	(43.517)		(85.428)	2.176	85.428	(2.176)

(GBP - Great Britain Pound, EUR - Euro, USD - US Dollar, SEK- Swedish Krona)

39 Ageing schedule for Trade Receivables, Trade Payables and Capital Work-in-progress

(A) The table below provides details regarding Trade receivables ageing schedule

Particulars	31 March 2026						
	Unbilled dues/Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1734.039	2217.042	223.560	162.909	25.613	-	4363.163
(ii) Undisputed Trade Receivables – credit impaired	-	-	21.854	50.113	164.782	562.545	799.294
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	0.074	3.594	1.969	79.092	84.729
Gross trade receivable	1734.039	2217.042	245.488	216.616	192.364	641.637	5247.186
Less: Impairment Allowance							(884.023)
Total							4363.163

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Particulars	31 March 2025						
	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1145.621	2404.510	238.930	279.437	200.635	30.188	4299.321
(ii) Undisputed Trade Receivables – credit impaired	-	-	18.437	86.875	155.519	476.614	737.445
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	76.440	76.440
Gross trade receivable	1145.621	2404.510	257.367	366.312	356.154	583.242	5113.206
Less: Impairment Allowance							(813.885)
Total							4299.321

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

Particulars	31 March 2026					
	Unbilled dues/Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Micro and small Enterprises- Undisputed	993.413	-	-	-	-	993.413
(ii) Other-Undisputed	2722.839	1062.610	56.315	31.694	60.149	3933.607
Total	3716.252	1062.610	56.315	31.694	60.149	4927.020

Particulars	31 March 2025					
	Unbilled dues/Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Micro and small Enterprises- Undisputed	653.698	-	-	-	-	653.698
(ii) Other-Undisputed	2433.130	629.020	19.929	-	-	3082.079
Total	3086.828	629.020	19.929	-	-	3735.777

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

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

Particulars	31 March 2026				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Capital Work-in-progress	11.233	2.355	-	-	13.588
Intangibles under Development	1.703	1.551		3.050	6.304

Particulars	31 March 2025				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Capital Work-in-progress	133.294	-	0.846	-	134.140
Intangibles under Development	1.551	-	3.050	-	4.601

As of the balance sheet date, except for software projects under development, there are no projects with overdue completion. Furthermore, the Company does not anticipate any cost overruns in respect of the overdue projects. All such overdue projects are expected to be completed in FY 2026–27. There are no projects on hold as of 31 March, 2026.

40 Analytical Ratios

Sr. No.	Ratio	Formula	Numerator	Denominator	31 March 2026	31 March 2025	% Variance	Reason for Variance (if variation is more than 25%)
1	Current ratio	Current Assets / Current Liabilities	Current assets	Current liabilities	1.50	1.57	-4.51%	NA
2	Debt service coverage ratio	Earning available for debt service / Debt service	Profit after tax excluding exceptional items + Finance Cost + Depreciation and amortisation	Interest + Principal Lease Payments	6.35	11.32	-43.88%	Reduction in profits and increased interest expenses due to additional finance cost on leases
3	Return on equity ratio	Profit after tax / Average of Shareholder's Equity	Profit after tax	(Opening Equity Share capital & Other Equity + Closing Equity Share capital & Other Equity)/2	8.46%	19.77%	-57.18%	Reduction in profits
4	Inventory turnover ratio	Cost of Goods Sold / Average Inventory	Cost of Materials consumed + Changes in Inventory + Consumption of stores and spares	(Opening Inventory + Closing Inventory)/2	6.29	7.57	-16.94%	NA
5	Trade receivables turnover ratio	Net Credit Sales / Average Trade Receivables	Sales (billed to customer)	(Opening Trade Receivables + Closing Trade Receivables)/2	6.23	5.32	17.04%	NA

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

Sr. No.	Ratio	Formula	Numerator	Denominator	31 March 2026	31 March 2025	% Variance	Reason for Variance (if variation is more than 25%)
6	Trade payables turnover ratio	Net Credit Purchases / Average Trade Payables	Net credit purchases	(Opening Trade Payables + Closing Trade Payables)/2	3.64	3.94	-7.72%	NA
7	Net capital turnover ratio	Revenue from Operations/ Average Working Capital	Revenue from Operations	(Opening Working Capital + Closing Working Capital)/2	3.64	3.67	-0.79%	NA
8	Net profit ratio	Net Profit / Net Sales	Profit After Tax	Revenue from Operations	4.66%	9.63%	-51.64%	Reduced profit margin due to execution of few major orders with lower profit margins
9	Return on capital employed	EBIT / Capital Employed	Earning Before Interest & Tax	Capital Employed = Total equity as adjusted for deferred tax asset and intangible assets	12.19%	26.03%	-53.18%	Reduced profit margin due to execution of few major orders with lower profit margins
10	Return on investment	Net Income / Net Investment	Income from Investments	Investment	4.95%	8.21%	-39.74%	Reduction in returns from capital market

41 Other Notes

i Title deeds of immovable property not held in the name of the company

The company does not have any immovable property whose title deeds are not in the name of the company.

ii Details of Benami Property

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

iii Borrowings secured against current assets

Though the Company does not have any fund based borrowings from banks or financial institutions on the basis of security of current assets, it has filed quarterly returns or statements of current assets with banks or financial institutions and the same are in agreement with the books of account read with notes given in the quarterly returns or statements.

iv Wilful Defaulter

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

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

v Relationship with Struck off Companies

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

vi Registration of charges with ROC

There are charges amounting to ₹ 6131.550 million (31 March 2025: Charges amounting to ₹ 6131.550 million) created in favour of banks which are pending for satisfaction. In respect of three charges amounting to ₹ 781.550 million (31 March 2025: ₹ 781.550 million), there are no outstanding dues to the banks and satisfaction of the charge is pending due to technical issues which company is in the process of resolving.

vii Utilisation of Borrowed funds and share premium

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company or (ii) provide any guarantee, security or the like to or on behalf of the Company;

viii Loans or advances to specified persons

The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs, or other related parties. However, the Company has provided loans to employees as per the Company's policy. These loans are neither granted severally nor jointly with any other person and are not:

- (i) repayable on demand or
- (ii) without specifying any terms or period of repayment.

ix Details of Crypto Currency or Virtual Currency

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

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

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

xi Utilisation of borrowings availed from banks and financial institutions

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

xii Compliance with number of layers of companies

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

xiii Undisclosed income

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

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

xiv Disclosure pursuant to Sec 186 (4) of the Companies Act, 2013

A. Loan given to subsidiaries

Name	Purpose for which the loan is proposed to be utilised by the recipient	Rate of Interest	Balance as at		Maximum outstanding during the year	
			31 March 2026	31 March 2025	31 March 2026	31 March 2025
Praj GenX Limited	Working Capital	3.5% + Interest applicable on 5 year's government bond	2910.700	1567.500	2910.700	1567.500
Praj Projects (Tanzania) Limited	Working Capital	13.40%	–	220.691	220.691	220.691
Praj HiPurity Systems Limited	Working Capital	6.75%	–	–	140.000	–

1. Above loans are unsecured.

2. Below are the accrued interest outstanding which are not included above :

Name	31 March 2026	31 March 2025
Praj GenX Limited	295.510	110.921
Praj Projects (Tanzania) Limited	–	3.483

3. Loans to employees (including directors) under various schemes of the company have been considered to be outside the purview of disclosure requirements.

B. Guarantee given to subsidiaries

Nature of the transaction (investment made/ guarantee given/ security provided)	Purpose for which the guarantee/security is proposed to be utilised by the recipient	Balance as at	
		31 March 2026	31 March 2025
Praj Far East Philippines Limited	Corporate guarantee given for subsidiary's financial obligations	–	129.330
Praj HiPurity Systems Limited	Corporate guarantee given for subsidiary's financial obligations	940.000	940.000
Praj GenX Limited	Corporate guarantee given for subsidiary's financial obligations	1500.000	1500.000
Praj GenX Limited	Corporate guarantee for subsidiary's performance obligations	338.800	–
Praj GenX Limited	Corporate guarantee for subsidiary's financial lease obligations	1034.386	1444.564
Praj Projects (Tanzania) Limited	Corporate guarantee given for subsidiary's financial obligations	642.290	695.878

C. Investment in fully paid Equity instrument. Refer note 4.

Note–Subsidiary Classification is in accordance with the Companies Act, 2013.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

42 Capital management

Risk management

The Company's objectives when managing capital are to

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

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

The Company's strategy is to maintain a gearing ratio of 0%. The gearing ratios were as follows :

	31 March 2026	31 March 2025
Loans and borrowings	-	-
Less: Cash and Cash equivalents	886.386	650.972
Net debt	-	-
Equity	14327.780	14139.048
Capital and net debt	14327.780	14139.048
Gearing ratio	0%	0%

43 Audit Trail and Audit Backup

- a. The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except audit trail at database level due to absence of SOC report.

Further, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, there was no instance of audit trail feature being tampered with except for above. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

- b. With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis. The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account.

Requirements u/s 143(3) of the Act	Compliance/ remarks
Books of Account maintained on cloud/ servers physically located in India	Yes
Backup maintained in India on daily basis	Yes

44 Exceptional Items:

- a. Effective 21 November 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes'. The New Labour Codes have resulted in a one-time material increase in provision for employee benefits on account of recognition of past service costs. Based on the requirements of the New Labour Codes and ICAI clarification, the Company has assessed and accounted for a net incremental impact of ₹ 238.308 million, including an additional liability of ₹ 29.000 million relating to contract labour and is in the process of

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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

evaluating other possible impacts. However, management is of the view that other impacts, if any, is unlikely to be material. Considering the one-time material increase in provision the impact is recognised as 'Exceptional Item' for the year ended 31 March 2026.

- b. Exceptional Item for the year ended 31 March 2025 consists of profit on sale of land located at Nasarpur.

45 On 28 March 2025, a fire occurred at the R&D facility, resulting in a temporary disruption of R&D activities for a few weeks. The facility was fully insured, and a claim amounting to ₹ 125.000 millions has been lodged with the insurance company. The loss on account of fire accounting to ₹ 27.341 millions has been recorded in Profit & Loss Account. In addition to this, Company has incurred capital expenditure for replacement of lost asset amounting to ₹ 127.50 millions. The Company has received an advance amounting to ₹ 65.000 millions against the claim lodged during the current year. As the final approval of the claim by the insurance authorities is pending, the advance has been appropriately classified under 'Other Payables'

46 Standards/ Amendment to standards Issued but not effective

The below amendments to the existing standard are notified by Ministry of Corporate affairs but are not yet effective:

Amendment to Ind AS 1 'Presentation of Financial Statements'-

Classification of Liabilities as current or non-current and non-current liabilities with covenants. The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

- Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.
- Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.
- Disclose information about the timing of settlement to understand the impact of the liability on the financial statements. The Company does not expect this amendment to have an impact on its operations or financial statements."

47 Prior year figures have been regrouped and reclassified wherever necessary to ensure comparability with the current period's presentation. The reclassification pertains to following:

- Purchases of stock-in-trade are presented separately, which were earlier included under cost of materials consumed;
- Foreign exchange gains are reported under other income, which were earlier presented on the face of Profit and Loss Statement;
- Right-of-use assets are disclosed separately instead of being included within property, plant and equipment; and
- Interest on defined benefit plans are reported under employee benefits expense, which were earlier included in finance costs.

As per our report of even date.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

Firm Regn. No: W101187/105047W

Nitin Manohar Juman

Partner

Membership No.: 111700

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

Dr. Pramod Chaudhari

Chairman

(DIN : 00196415)

Date: 28 May 2026

Ashish Gaikwad

Managing Director

(DIN : 07585079)

Date: 28 May 2026

Sachin Raole

Joint MD and CFO

(DIN : 00431438)

Date: 28 May 2026

Anant Bavare

Company Secretary

(M.No. : ACS21405)

Date: 28 May 2026

Place : Pune

Date: 28 May 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of **Praj Industries Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Praj Industries Limited (hereinafter referred to as the **"Holding Company"**) and its subsidiaries (Holding Company and its subsidiaries together referred to as **"the Group"**), which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as **"the consolidated financial statements"**).

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries referred to in the 'Other Matters' section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (**"the Act"**) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (**"Ind AS"**) and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2026, of consolidated

profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India, and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the **"Other Matters"** section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	Revenues are recognised under Ind AS 115, "Revenue from Contracts with Customers" basis the nature and type of contracts (i.e., products, projects and services) involved. The Group is engaged in the business of process and project engineering. The Group recognizes revenue on the basis of stage of completion in proportion of the contract costs incurred at balance sheet date, relative to the total estimated costs of the contract to completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract. This process involves significant management judgement, particularly in estimating total costs to complete, assessing project progress, and determining the timing of revenue and profit recognition. These estimates also include contingencies for uncertainties such as project risks and claims for liquidated damages if any, which are reviewed and reassessed periodically during the contract lifecycle. Moreover, significant judgements are involved in determining the expected losses on onerous contracts, when such losses become probable based on the expected total contract cost. Revenue and profits for the year may deviate significantly on account of changes in the above judgements and estimates. Therefore, considering the judgements and complexities involved in the estimation process and due to the significance of the amounts to the consolidated financial statements, this is a key audit matter. Refer to note no 28 of the consolidated financial statements.	Our procedures in respect of recognition of construction contract revenue and related cost included the following: 1. Tested the design, implementation and operating effectiveness of key internal financial controls, including those related to estimation of construction contract costs, contract revenue and review and approval thereof. 2. Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 "Revenue from Contracts with Customers". 3. Tested sample contracts for identification of performance obligations and contract value. 4. For selected sample of contracts with customers, performed the following procedures: i) Obtained and read customer contracts, customer communications, and price or scope variation orders if any for the project. ii) Tested the calculation of percentage of completion as per input method adopted by the management including the testing of costs incurred and recorded against the contracts. iii) Verified relevant supporting documents and performed cut off procedures for construction contract related costs incurred through the reporting period. iv) Assessment of costs-to-complete: Performed procedures on balance cost estimation, compared actual costs to budgeted costs and discussed variances with project teams, tested the costs accrued at year-end and tested the significant assumptions for balance costs-to- complete. Discussed progress to date with project teams to determine whether the remaining costs to complete appear sufficient for the residual risks identified for those projects. v) Performed retrospective review of Management's forecasting process by reviewing past trends of estimated costs to actual costs over time, discussed variances with project teams and substantively tested where relevant, the elements of the committed cost to executed purchase orders 5. Provision for liquidated damages and claims: Discussed with management and project teams to understand the status of the project, likelihood of customers imposing any contractual penalties through inspection of the relevant documents, etc. 6. Performed analytical procedures and conducted inquiries about any unusual trends of revenue recognition, checked exceptions for contracts with low or negative margins, loss making contracts/ onerous contracts, contracts with significant changes in cost estimates and significant overdue net receivable positions for contracts, etc 7. Ensured that the disclosures provided in notes are in accordance with the Ind AS 115 and Companies Act, 2013.

Sr. No.	Key Audit Matters	How the Key Audit Matters was addressed in our audit
2.	Impairment of trade receivables and contract assets is accounted through allowance for Expected Credit Losses (ECL) under Ind AS 109. The assumptions used for estimating the expected credit loss in respect of these balances is an area which is influenced by management's judgment. The calculation of the impairment allowance under ECL method is highly judgmental as it requires management to assess the estimated credit losses in respect of trade receivables based on credit risk profile of customers, project status, past collection experience, ongoing litigations and disputes, if any, economic and market conditions and applicable forward looking estimates and recoverability of contract assets ('unbilled revenue') and retention money. Considering such assessment, management uses a provision matrix to recognize impairment for expected credit losses in respect of trade receivables and contract assets. Given the relative significance of these balances to the consolidated financial statements, management judgement and uncertainties involved as well as the nature and extent of audit procedures performed to assess the recoverability of trade receivables and contract assets, we determined this to be a key audit matter. Refer to note no 37 of the consolidated financial statements.	Our procedures in respect of recoverability of trade receivables and contract assets included the following: 1) Evaluated the design and tested the operating effectiveness of key internal financial controls over management's assessment of recoverability of trade receivables and contract assets. 2) For selected samples of contracts i) Obtained an understanding from the management the related contractual terms, collection experience, basis of Management's assessment of collectability, and expected realization plan. ii) Performed test of details over key contract terms, correspondence with customers and subsequent settlements/collections, where relevant. iii) Tested the ageing of trade receivables and contract assets at the year end. 3) Reviewed the key assumptions and data sources used by Management in the provision matrix model to calculate the probability of default and estimate the expected credit losses in respect of trade receivables and contract assets. 4) For aged contract asset balances, held discussions with management on timing and expectation of recoverability, historical payment records, status of certified dues and other relevant correspondence with customers to challenge adequacy of impairment allowance considered. 5) Verified the consistency of various inputs and assumptions use by the Group's management to determine impairment provisions. 6) Ensured the adequacy of presentation and related disclosures in the financial statements are in line with the accounting standards and Schedule III.

Sr. No.	Key Audit Matters	How the Key Audit Matters was addressed in our audit
3.	Impairment of property, plant and equipment, right of use assets, capital work in progress and intangible assets : As at March 31, 2026, the Group had property, plant and equipment, capital work in progress, right of use assets and intangible assets amounting to ₹ 5028.965 millions. Out of the above ₹ 1706.189 millions pertains to its subsidiary Praj GenX Limited. Due to accumulation of losses amounting to ₹ 1831.675 million incurred by the subsidiary, there is risk of Impairment of property, plant and equipment, capital work in progress and intangible assets of the subsidiary as at 31 March 2026. The recoverable amount of the non-current assets is assessed based on future discounted cash flows of the subsidiary. We considered this as a key audit matter due to significant judgement involved in estimating future cash flows of the subsidiary and in determining the discount rate to be used. Changes in inputs and assumptions could impact the results of the impairment assessment and hence is considered as key audit matter .	Our procedures in respect of impairment testing included the following: 1) Tested design and implementation and operating effectiveness of controls over the Group's process of impairment assessment and approval of forecasts. 2) Assessed the valuation methodologies applied by the Group, including understanding the basis and key assumptions underlying projected profitability. 3) Evaluated the reasonableness of key assumptions and analysed forecasted cash flows of subsidiary based on our understanding of the subsidiary and the industry/markets in which they operate. 4) Compared the forecasted financial information with historical performance to assess consistency and reliability of management's estimates. 5) With the assistance of our valuation specialists, evaluated the reasonableness of the methodology and assumptions used by testing the source information underlying the determination of such assumptions and mathematical accuracy of the calculations; 6) Performed sensitivity analysis of the various key assumptions to assess its impact on the impairment.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters:

- We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ 315.40 as at March 31, 2026, total revenues

of ₹ 815.05, net loss (including other comprehensive income) of ₹ (6.32) and net cash outflows amounting to ₹265.09 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

These subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements and other financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- The consolidated financial statements of the Holding Company for the year ended March 31, 2025, were audited by another auditor whose report dated April 29, 2025 expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the subsidiaries referred to in the Other Matters section above, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 1(h)(vi) below on reporting under Rule 11(g).
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1(b) above on reporting under Section 143(3)(b) and paragraph 1(h)(vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group, and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the subsidiaries referred to in the Other Matters section above:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 27 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts. The Group did not have any derivative contracts as at March 31, 2026 – Refer Note 37 to the consolidated financial statements in respect of such items as it relates to the Group.
 - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2026. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by its subsidiary companies incorporated in India during the year ended March 31, 2026.
 - iv.
 - a. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 40 (vii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities (“**Intermediaries**”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries (“**Ultimate Beneficiaries**”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 40 (vii) to consolidated

financial statements, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("**Funding Parties**"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("**Ultimate Beneficiaries**") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- (v) a. The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with section 123 of the Act, as applicable.
- b. The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable. (Refer Note 11 to the consolidated financial statements).

- (vi) Based on examination which included test checks, the Holding Company and its subsidiaries which are companies incorporated in India has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that we are unable to comment on audit trail at database level due to absence of SOC report, as explained in Note 45 to the consolidated financial statements.

Further, except for above, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with except for above. Additionally, the audit trail of prior year(s) has been preserved by the Holding Company and its subsidiaries which are companies incorporated in India as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

- 2. In our opinion, according to information, explanations given to us, the remuneration paid or provided by the Holding Company and certain subsidiaries which are companies incorporated in India, to its respective Directors is in accordance with the provisions of this section 197 read with Schedule V to the Act. Further, we report that one subsidiary company incorporated in India is a newly incorporated entity and has not yet completed seven years since its incorporation. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary.

I BUILDING FOR FUTURE

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us for the Holding Company and its subsidiaries which are companies incorporated in India, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except as below:

Sr. No	Name of the Company	CIN	Type of Company (Holding / Subsidiary)	Clause number of the CARO Report which is qualified or Adverse
1.	Praj Industries Limited	L27101PN1985PLC038031	Holding	vii (a), vii (b)
2.	Praj Engineering Infra Limited	U45204PN1993PLC073239	Subsidiary	vii (a)
3.	Praj GenX Limited	U28299PN2023PLC218651	Subsidiary	xvii
4.	Praj HiPurity Systems Limited	U41000MH2007PLC175261	Subsidiary	vii (a), vii (b)

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187

Nitin Manohar Jumani

Partner

Membership No.: 111700

UDIN: 26111700OYTWKG7852

Place: Pune

Date: May 28, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRAJ INDUSTRIES LIMITED

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

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

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

activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Nitin Manohar Juman

Partner
Membership No.: 111700
UDIN: 261117000YTWKG7852
Place: Pune
Date: May 28, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRAJ INDUSTRIES LIMITED

Referred To In Paragraph 1(G) Under 'Report On Other Legal And Regulatory Requirements' In The Independent Auditor's Report Of Even Date To The Members Of Praj Industries Limited On The Consolidated Financial Statements For The Year Ended March 31, 2026.

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of the Praj Industries Limited (hereinafter referred to as "the **Holding Company**") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (Holding Company and its subsidiaries together referred to as "the **Group**"), which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India ("**ICAI**").

Management's and Board of Director's Responsibilities for Internal Financial Controls

The respective Management and the Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential

components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187

Nitin Manohar Juman

Partner

Membership No.: 111700

UDIN: 261117000YTWKG7852

Place: Pune

Date: May 28, 2026

Consolidated Balance Sheet

as at 31 March 2026

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

Particulars	Note no.	31 March 2026	31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3A	2943.134	2665.061
Capital work-in-progress	3B	55.606	173.283
Right-of-use assets	3A	1540.266	1799.850
Goodwill	3A	626.150	626.150
Intangible assets	3A	489.959	579.677
Intangible assets under development	3B	6.304	4.601
Financial assets			
Investments	4	111.680	697.794
Others	5	422.287	406.077
Deferred tax assets (net)	25D	545.211	262.420
Other non current asset	6	142.085	87.636
		6882.682	7302.549
Current assets			
Inventories	7	2661.103	2533.110
Financial assets			
Investments	4	4069.498	3584.241
Trade receivables	8	5586.773	5559.864
Cash and cash equivalents	9	1423.696	1259.191
Other bank balances	10	613.724	552.514
Others	5	149.513	151.808
Current tax asset (net)	25E	-	112.761
Other current assets	6	9171.954	10547.689
		23676.261	24301.178
TOTAL ASSETS		30558.943	31603.727
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	367.626	367.626
Other equity	12	12723.629	13450.045
Sub-total - Total equity attributable to parent		13091.255	13817.671
Non-controlling interests		1.282	1.226
Total equity		13092.537	13818.897
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	31	1160.682	1503.112
Other financial liabilities	15	7.293	6.393
Provisions	13	108.645	195.724
Deferred tax liabilities (net)	25D	-	30.102
		1276.620	1735.331
Current liabilities			
Financial liabilities			
Trade payables	14		
(i) Total outstanding dues of micro enterprises and small enterprises		1257.359	940.014
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		4603.785	3882.849
Lease liabilities	31	569.767	445.696
Other financial liabilities	15	403.471	491.726
Other current liabilities	16	8988.087	9903.240
Provisions	13	336.358	234.447
Current tax liabilities (net)	25E	30.959	151.527
		16189.786	16049.499
TOTAL LIABILITIES		17466.406	17784.830
TOTAL EQUITY AND LIABILITIES		30558.943	31603.727
Corporate Information	1		
Summary of material accounting policies, significant accounting estimates and judgements.	2		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

Firm Regn. No: W101187/105047W

Nitin Manohar Juman

Partner

Membership No.: 111700

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

Dr. Pramod Chaudhari

Chairman

(DIN : 00196415)

Date: 28 May 2026

Ashish Gaikwad

Managing Director

(DIN : 07585079)

Date: 28 May 2026

Sachin Raole

Joint MD and CFO

(DIN : 00431438)

Date: 28 May 2026

Anant Bavare

Company Secretary

(M.No. : ACS21405)

Date: 28 May 2026

Place : Pune

Date: 28 May 2026

Consolidated Statement of Profit and Loss

for the year ended 31 March 2026

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

Particulars	Note no.	31 March 2026	31 March 2025
INCOME			
Revenue from operations	17	31678.828	32280.422
Other income	18	503.549	607.865
Total Income		32182.377	32888.287
EXPENSES			
Cost of materials consumed	19	14761.768	15402.246
Purchases of stock-in-trade		1392.647	996.319
Changes in inventories of finished goods and work-in-progress	20	45.967	147.399
Employee benefits expense	21	3457.596	3492.816
Finance costs	22	202.652	184.504
Depreciation and amortization expense	23	1055.645	864.409
Other expenses	24	10503.115	9096.631
Total expenses		31419.390	30184.324
Profit/(loss) before exceptional items and tax		762.987	2703.963
Exceptional items	46 (a & b)	(263.821)	281.572
Profit before tax		499.166	2985.535
Tax expense	25		
Current tax		583.580	943.757
Deferred tax charges/(credit)		(322.881)	(147.283)
Adjustments of tax relating to earlier periods		-	(0.269)
Total tax expenses		260.699	796.205
Profit for the year		238.467	2189.330
Attributable to :			
Non-controlling interests		0.051	0.229
Owners of the company		238.416	2189.101
Profit for the year		238.467	2189.330
Other comprehensive income			
Items that will not be reclassified to profit and loss :			
Re-measurement of defined benefit plans		56.408	(36.967)
Net gain /loss on FVTOCI on equity instrument		(18.299)	-
Income tax effect on remeasurment of defined benefit plan		(14.034)	8.112
Income tax effect on net gain /loss on FVOCI on equity instrument		2.287	-
		26.362	(28.855)
Items that will be reclassified to profit and loss			
Debt instruments recognised through other comprehensive income		0.262	3.011
Income tax effect		(0.066)	(0.758)
		0.196	2.253
Exchange differences on translation of foreign operations		6.610	4.960
		6.610	4.960
Other comprehensive income		33.168	(21.642)
Total comprehensive income for the year		271.635	2167.688
Attributable to :			
Non-controlling interests		0.051	0.229
Owners of the company		271.584	2167.459
Earnings per equity share [Nominal value per share ₹ 2 each (31 March 2025: ₹ 2 each)]	26		
Basic		1.30	11.91
Diluted		1.30	11.91
Corporate Information.	1		
Summary of material accounting policies, significant accounting estimates and judgements.	2		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

Firm Regn. No: W101187/105047W

Nitin Manohar Juman

Partner

Membership No.: 111700

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(DIN : 00431438)

Date: 28 May 2026

Anant Bavare

Company Secretary

(M.No. : ACS21405)

Date: 28 May 2026

Place : Pune

Date: 28 May 2026

Consolidated Statement of Cash Flows

for the year ended 31 March 2026

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

Particulars	31 March 2026	31 March 2025
A. Cash flow from operating activities		
Profit before tax	499.166	2985.535
Adjustments for:		
Gain on redemption of investments (net) (FVTPL)	(62.133)	(185.178)
Bad Debts / Provision for doubtful debts and advances	215.503	247.623
Excess provision / creditors written back (including advances)	(17.396)	(29.975)
Unrealised foreign exchange (gain) / loss (net)	172.652	(73.100)
Sundry Balances Written Off	1.932	0.014
Depreciation and amortisation	1055.645	864.409
Loss / (profit) on sale of property, plant and equipment	31.941	(282.015)
Interest earned	(125.010)	(169.630)
Unrealised gain on mutual fund investments	(69.673)	(92.600)
Interest on Lease Liability	195.600	180.480
Gain on preclosure of Lease	(17.382)	-
Provision for anticipated losses on revenue contracts	(37.996)	(286.170)
Unwinding of security deposit	(27.506)	(19.348)
Interest charged	7.052	4.024
Equity-settled share-based payment transactions	49.957	8.392
Operating profit before working capital changes	1527.048	3152.461
Changes in working capital		
Decrease/ (Increase) in trade receivables	(151.174)	672.542
Increase in inventories	(127.993)	(6116.770)
Decrease in contracts in progress	1157.712	2896.091
Increase in other non-current financial assets	(16.210)	(157.634)
(Increase)/decrease in other non-current assets	16.707	(33.195)
(Increase)/decrease in current financial assets-others	(17.649)	29.424
(Increase)/decrease in other current assets	218.023	(575.981)
Increase/(decrease) in trade payables	1037.417	(114.214)
Decrease in other current financial liabilities	(133.765)	(188.507)
Increase/(decrease) in other current liabilities	(915.153)	1974.223
Increase/(decrease) in long term provisions	(30.671)	14.809
Increase/(decrease) in short term provisions	139.907	(95.575)
Cash generated from operations	2705.099	1457.674
Direct taxes paid (including taxes deducted at source), net of refunds	(704.158)	(1028.036)
NET CASH FROM OPERATING ACTIVITIES	2000.941	429.638

Consolidated Statement of Cash Flows

for the year ended 31 March 2026

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

Particulars	31 March 2026	31 March 2025
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(443.760)	(870.388)
Investments:		
- in Equity shares	-	(100.000)
- in mutual funds	(3949.802)	(6656.420)
- in debentures & bonds and corporate FDs	(500.000)	-
Sale of investments		
- in mutual funds	3376.086	7421.388
- in debentures & bonds and corporate FDs	1288.123	250.512
Proceeds from sale of property, plant and equipment (Net)	9.440	435.395
Interest received on investments	163.740	149.077
Investment /(redemption) in fixed deposits	(63.014)	82.833
Praj Foundation Corpus balance	54.920	-
NET CASH FROM / (USED) IN INVESTING ACTIVITIES	(64.267)	712.397
C. Cash flow from financing activities		
Dividend paid	(1104.682)	(1102.194)
Interest on Lease Liability	(195.600)	(180.480)
Proceeds from preclosure of leases	17.382	-
Principal payment on leases	(582.767)	(321.750)
Interest paid	(7.052)	(4.024)
NET CASH FROM / (USED) IN FINANCING ACTIVITIES	(1872.719)	(1608.448)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	63.955	(466.413)
Cash and cash equivalents at the beginning of the year (Refer Note 9)	1259.191	1684.158
Add: effect of exchange rate changes on cash and cash equivalents	100.550	41.446
Cash and cash equivalents at the end of the year (Refer Note 9)	1423.696	1259.191

Notes :

Refer note 31 for changes in lease liabilities.

The statement of cash flows has been prepared under the 'Indirect method' as set out in Ind AS 7 - Statement of Cash Flows

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For M S K A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

Firm Regn. No: W101187/105047W

Nitin Manohar Jumani

Partner

Membership No.: 111700

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

Dr. Pramod Chaudhari

Chairman

(DIN : 00196415)

Date: 28 May 2026

Ashish Gaikwad

Managing Director

(DIN : 07585079)

Date: 28 May 2026

Sachin Raole

Joint MD and CFO

(DIN : 00431438)

Date: 28 May 2026

Anant Bavare

Company Secretary

(M.No. : ACS21405)

Date: 28 May 2026

Place : Pune

Date: 28 May 2026

Consolidated Statement of Changes in Equity

for the year ended 31 March 2026

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

A. Equity share capital

Particulars	31 March 2026		31 March 2025	
	Number of Share	Amt	Number of Share	Amt
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	183,813,088	367.626	183,813,088	367.626
Add: Shares issued on exercise of employee stock options during the year	-	-	-	-
Less: Shares extinguished on buy-back	-	-	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	183,813,088	367.626	183,813,088	367.626

B. Other equity

Particulars	Reserves and Surplus								Praj Foundation Corpus	Total attributable to owners of the company	Non controlling interest	Total
	Other Reserves					Retained earnings	Debt instruments through Other Comprehensive Income	Exchange differences on translating the financial statements of a foreign operation				
	Capital Reserve	Securities Premium Reserve	Capital redemption reserve	Amalgamation reserve	Share option outstanding account							
Balance at the beginning of the reporting period as at 1 April 2024	0.033	1075.518	14.627	3.063	-	958.500	10312.648	(3.751)	16.435	-	12377.073	12378.072
Profit for the year	-	-	-	-	-	-	2189.101	-	-	-	2189.101	2189.330
Other comprehensive income	-	-	-	-	-	-	(28.855)	2.253	4.960	-	(21.642)	(21.642)
Dividends	-	-	-	-	-	-	(1102.879)	-	-	-	(1102.879)	(1102.879)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	(0.002)	(0.002)
Employee stock options exercised during the year	-	-	-	-	8.392	-	-	-	-	-	8.392	8.392
Balance as on 31 March 2025	0.033	1075.518	14.627	3.063	8.392	958.500	11370.015	(1.498)	21.395	-	13450.045	13451.271

Consolidated Statement of Changes in Equity

for the year ended 31 March 2026

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

Particulars	Reserves and Surplus							Total attributable to owners of the company	Non controlling interest	Total		
	Other Reserves				Debt instruments through Other Comprehensive Income	Exchange differences on translating the financial statements of a foreign operation	Praj Foundation Corpus					
	Capital Reserve	Securities Premium Reserve	Capital redemption reserve	Share option outstanding account							General reserve	Retained earnings
Balance at the beginning of the reporting period as at 1 April 2025	0.033	1075.518	14.627	3.063	8.392	958.500	11370.015	(1.498)	21.395	13450.045	1.226	13451.271
Profit for the year	-	-	-	-	-	-	238.872	-	-	238.416	0.051	238.467
Other comprehensive income	-	-	-	-	-	-	42.374	(15.816)	6.610	33.168	0.005	33.172
Dividends	-	-	-	-	-	-	(1102.879)	-	-	(1102.879)	-	(1102.879)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
Employee stock options exercised during the year	-	-	-	-	49.957	-	-	-	-	49.957	-	49.957
Praj Foundation Corpus										54.922		54.922
Balance as on 31 March 2026	0.033	1075.518	14.627	3.063	58.349	958.500	10548.382	(17.314)	28.005	12723.629	1.282	12724.911

As per our report of even date.
For M S K A & Associates LLP
 (Formerly known as M S K A & Associates)
 Chartered Accountants
 Firm Regn. No: W101187/105047W

Nitin Manohar Jumanji
 Partner
 Membership No.: 111700

Place : Pune
 Date: 28 May 2026

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

Dr. Pramod Chaudhari
 Chairman
 (DIN : 00196415)
 Date: 28 May 2026

Anant Bavare
 Company Secretary
 (M.No. : ACS21405)
 Date: 28 May 2026

Ashish Gaikwad
 Managing Director
 (DIN : 07585079)
 Date: 28 May 2026

Sachin Raole
 Joint MD and CFO
 (DIN : 00431438)
 Date: 28 May 2026

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

1 The Corporate Overview

Praj Industries Limited ('PIL' or 'the Holding Company' 'the Company') is a public company incorporated on November 8, 1985 and domiciled in India and has its registered office at "Praj Tower", S. No. 274 and 275/2, Bhumkar Chowk-Hinjewadi Road, Hinjewadi, Pune – 411057, Maharashtra, India. The Company's ordinary shares are listed on the Bombay Stock Exchange and National Stock Exchange in India.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as "the Group").

The Group is engaged in the business of process and project engineering. The Group caters to both domestic and international markets. Further, the Group also provides design and engineering services. The consolidated financial statements of the Group for the year ended March 31, 2026 were authorised for issue in accordance with a resolution of the Board of Directors on May 28, 2026.

2 Material accounting policies

2.1 Basis of preparation and measurement

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and presentation requirements of Division II of Schedule III to the Companies Act 2013 (IND AS compliant Schedule III) as applicable.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets:

Items	Measurement basis
Certain non-derivative financial instruments at fair value through profit and loss and fair value through other comprehensive income	Fair value
Equity-settled share-based payment transactions	Fair value as on grant date
Defined benefit plan assets	Fair value

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

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

2.2 Principles of consolidation

- a. The consolidated financial statements incorporate the financial statements of the Holding Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Holding Company is treated as subsidiary. The Holding Company together with its subsidiaries constitute the Group. Control exists when the Holding Company,
 - a. directly or indirectly, has power over the investee,
 - b. is exposed to variable returns from its involvement with the investee and
 - c. has the ability to use its power to affect its returns.
- b. Consolidation of a subsidiary begins when the Holding Company, directly or indirectly, obtains control over the subsidiary and ceases when the Holding Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired are included in the Consolidated Statement of Profit and Loss from the date the Holding Company, directly or indirectly, gains control until the date when the holding Company, directly or indirectly, ceases to control the subsidiary.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

- c. The consolidated financial statements of the Group combine financial statements of the Holding Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries are harmonised to ensure the consistency with the policies adopted by the Holding Company. The consolidated financial statements are presented to the extent possible, in the same manner as Holding Company's standalone financial statements. Profit or loss and other comprehensive income are attributed to the owners of the Holding Company and to the non-controlling interests, shown separately in the consolidated financial statements.
- d. Non-controlling interests represent that part of the total comprehensive income and net assets of subsidiaries attributable to the interest, which is not owned, directly or indirectly, by the Holding Company.
- e. The gains/losses in respect of part divestment/dilution of stake in subsidiary companies not resulting in ceding of control, are recognised directly in other equity attributable to the owners of the Holding Company in the consolidated financial statements of the Group.
- f. The gains/losses in respect of divestment of stake resulting in ceding of control in subsidiary companies are recognised in the Statement of Profit and Loss. The investment representing the interest retained in a former subsidiary, if any, is initially recognised at its fair value with the corresponding effect recognised in the Statement of Profit and Loss as on the date the control is ceded. Such retained interest is subsequently accounted as investment in an associate or a joint venture or as a financial asset.
- g. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on 31 March 2026. The subsidiaries considered in the consolidated financial statements are summarized below:

Name of the subsidiary	Country of incorporation	31 March 2026	31 March 2025
Praj Engineering & Infra Limited	India	99.67%	99.67%
Praj HiPurity Systems Limited	India	100.00%	100.00%
Praj GenX Limited	India	100.00%	100.00%
Praj Far East Co Limited	Thailand	100.00%	100.00%
Praj Americas Inc.	USA	100.00%	100.00%
Praj far East Philippines Inc.	Philippines	100.00%	100.00%
Praj Projects (Tanzania) Limited	Tanzania	100.00%	100.00%
Praj Foundation (CSR trust)	India	NA	NA

2.3 Summary of material accounting policies

a. Current versus non-current classification

The Group segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified period up to twelve months as its operating cycle.

b. Foreign currencies

Functional and presentation currency

The Group consolidated financial statements are presented in Indian Rupees, which is also the functional currency of the Group and the currency of the primary economic environment in which the Group operates.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

Transaction and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/ Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

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 Other comprehensive income ('OCI') or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively.

c. Fair value measurement

The Group measures financial instruments such as investments in bonds/ debentures at fair value through Other Comprehensive income and investments in mutual funds at fair value through Profit and loss 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:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

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

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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 consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions (Refer note 2)
- Quantitative disclosures of fair value measurement hierarchy (Refer note 36)
- Financial instruments risk management objectives and policies (Refer note 37)

d. Revenue from Contract with customer:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

The Group has following streams of revenue:

Revenue from Engineering, Procurement and Construction contracts (EPC): These contracts are specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof) etc., execution of which is spread over different accounting periods. The Group identifies distinct performance obligations in each contract. For most of the project contracts basis the assessment, the entire contract is accounted for as one performance obligation.

The Group first assesses whether the revenue can be recognised over a period of time if any of the following criteria is met:

- (a) The customer simultaneously consumes the benefits as the Group performs; or
- (b) The customer controls the work-in-progress; or
- (c) The Group performance does not create an asset with alternative use to the Group and the has right to payment for performance completed till date.

The Group recognises revenue over time for project contracts as above criteria is met.

The Group uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated profits, are recorded proportionally as costs are incurred.

When the final outcome of a contract cannot be reliably estimated, contract revenue is recognised only to the extent of costs incurred that are expected to be recoverable. Determination of revenues under the percentage of completion method necessarily involves making estimates by the Group, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project / activity and the foreseeable losses to completion.

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract assets.

For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Dues to customers relating to contracts in progress".

The Group estimates variable consideration including variation and claim (liquidated damages if any) and includes it in the transaction price to the extent it is highly probable that a significant reversal of cumulative revenue recognised will not occur and when the uncertainty associated with it is subsequently resolved. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and generally do not include significant financing component.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Contract modification, when approved by both the parties to the contract, are considered as modification, if it creates new or changes the existing enforceable rights and obligations. The effect of a contract modification is recognised as an adjustment to revenue on a cumulative catch-up basis.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Group recognises the expected losses from onerous contract as an expense immediately. Penalties for any delay or improper execution of a contract if any are recognised as a deduction from revenue. In the balance sheet, such provisions are presented on net basis of the contract receivables.

Revenue from sale of goods: In case of traded goods and certain products wherein revenue recognition criteria of over a period of time is not met, Group recognises revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

Revenue from sale of services: Revenue in respect of design and engineering service contracts, awarded on a Consolidated basis are identified as a separate performance obligation and revenue is recognised on a time proportion basis as per the terms of the contract.

Significant estimates, assumptions and judgements

- Determining the revenue to be recognised in case of performance obligation satisfied over a period of time : A significant portion of the Group business relates to EPC contracts which is accounted using cost-based input method, recognising revenue as the performance on the contract progresses. This requires management to make judgement with respect to identifying contracts for which revenue need to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Group has right to payment for performance completed till date, either contractually or legally. At each reporting date, the Group is required to estimate costs to complete the contracts. Estimating costs to complete on such contracts requires the Group to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, work-in-progress, billings in excess of costs, estimated earnings and accrued contract expenses;

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

- Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.
- Determining the method to be applied to arrive at the variable consideration including variations and claims (including liquidated damages) requiring an adjustment to the transaction price. Variable consideration is recognised when the recovery of such consideration is highly probable. This requires an estimate of the amount if any under a claim which involves a number of management judgements and assumptions.

e. Other Income:

- **Interest income**

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

- **Dividends**

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

- **Insurance claims**

Income for insurance claims is recognised as and when claims are approved by the insurance authorities.

- **Export benefits**

Government grant in form of Export benefits are recognised as 'Other Operating revenue' on receipt basis.

f. Taxes :

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

- **Current tax**

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

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

- **Deferred tax**

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

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

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

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

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

g. Property, Plant and Equipment (PPE):

Recognition and measurement

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

PPE that qualifies as an asset is measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The Group identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

The cost of an item of PPE comprises of its purchase price net of discounts, if any including import duties and other non-refundable taxes or levies and directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

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

Subsequent costs

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

Disposal

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

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of PPE as prescribed in Schedule II of the Companies Act, 2013, or as assessed by the management of the Group based on technical evaluation. Freehold land is

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

not depreciated. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

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

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

Asset	Useful life (in years)
Buildings	30 – 62
Plant and machinery	7.5 – 15
Computers and office equipment	3 – 15
Vehicles	8
Furniture and fixtures	10

h. Intangible assets

Recognition and measurement

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

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

Internally generated intangible asset

- Research costs are charged to the statement of profit and loss in the year in which they are incurred.
- Development costs incurred on new products including pilot plants are recognised as intangible assets, when:
 - a. feasibility has been established,
 - b. the Group has committed technical, financial and other resources to complete the development, and
 - c. it is probable that the asset will generate future economic benefits.
- Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.
- Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “Intangible assets under development” and amortisation is not charged on until development is complete.
- The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.
- Interest costs incurred on qualifying assets are capitalized until the date the asset is ready for its intended use. If the borrowings are specifically for financing the asset, interest on these borrowings is capitalized. If the borrowings are general, the cost computed on the weighted average rate is capitalized.
- Internally generated intangible asset is measured at cost less accumulated amortisation and impairment, if any.
- Amortisation is not recorded on product engineering in progress until development is complete.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

Subsequent measurement

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

Amortisation

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

Asset	Useful life
Technical know-how	5–10 years
Software	5 years
Demo / Pilot Plants for new technology	5–10 years

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

i. Non-current asset held for sale

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

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

j. Leases

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

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received.

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

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

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

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

k. Inventories

Inventories are valued after providing for obsolescence, as under:

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

Cost of raw materials, components, stores and spares comprises cost of purchases.

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

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

Provision is made for obsolete and slow-moving items based on management's assessment of their usability, technological relevance, and recoverability, considering project-specific requirements.

l. Impairment of non-financial assets

The Group assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount is the higher of an assets or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered.

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

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

m. Employee benefits

• Short-term employee benefits

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

- **Post-employment benefits**

Defined contribution plans

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

Defined benefit plans

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

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

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

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

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

Other long-term employee benefits

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

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

Termination benefits

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

n. Provisions and contingencies

Provisions are recognised only when:

- the Group has a present obligation (legal or constructive) as a result of a past event; and
- 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events where the probability of outflow of resources is not remote.
- Contingent asset is not recognised in the financial statements. A contingent asset is disclosed, where an inflow of economic benefits is probable.
- Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Provision for onerous contracts: Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision for onerous contract/foreseeable losses.

o. Earnings per share (EPS)

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

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

p. Financial instruments

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

Financial assets

Initial recognition and measurement:

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

Subsequent measurement:

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

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

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

i. Financial assets measured at amortised cost

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

- a. The Group business model objective for managing the financial asset is to hold financial assets to collect contractual cash flows, and

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

- b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Group (Refer note 36 for further details). Such financial assets are subsequently measured at amortised cost using the effective interest method. The effect of the amortisation under effective interest method is recognised as interest income over the relevant period of the financial asset under other income in the Statement of Profit and Loss. The amortised cost of a financial asset is also adjusted for loss allowance, if any.

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

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

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

This category applies to certain investments in debt instruments (Refer note 36 for further details). Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Other Comprehensive Income (OCI). However, the Group recognises interest income and impairment losses and its reversals in the Statement of Profit and Loss.

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

Further, the Group, through an irrevocable election at initial recognition, may measure certain investments in equity instruments at FVTOCI (Refer note 36 for further details). The Group has made such election on an instrument-by-instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognised under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognised in OCI. However, the Group recognises dividend income from such instruments in the Statement of Profit and Loss when the right to receive payment is established, it is probable that the economic benefits will flow to the Group and the amount can be measured reliably. On derecognition of such financial assets, cumulative gain or loss previously recognised in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Group may transfer such cumulative gain or loss into retained earnings within equity.

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

A financial asset is measured at FVTPL unless it is measured at amortised cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Group excluding investments in subsidiary and associate companies (Refer note 36 for further details).

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

Derecognition

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

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Group determines whether there has been a significant increase in credit risk.

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

Non-derivative financial liabilities

Initial recognition and measurement

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

Subsequent measurement

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method (Refer note 36 for further details). The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest expense under finance cost in the Statement of Profit and Loss.

Derecognition

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

Offsetting of financial assets and financial liabilities

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

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with 'Ind AS 37–Provisions, contingent liabilities and contingent assets and the amount initially recognised less cumulative amortisation, where appropriate.

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

q. Cash and cash equivalents

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

r. Share-based payments

The fair value of equity-settled share-based payments (such as employee stock options) is measured at the grant date and recognized as an employee benefit expense over the vesting period, with a corresponding increase in equity (employee stock option reserve).

The vesting period is the time during which the employee must meet specific conditions to receive the award. At each reporting date, the Group reviews and updates its estimate of the number of options expected to vest, based on service and non-vesting conditions. Any changes in these estimates are reflected in the statement of profit and loss, with a corresponding adjustment to equity.

s. Cash dividend to equity holders

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t. Exceptional items

An item of income or expense which by its size, nature or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and disclosed as such in the financial statements.

2.4 Material accounting judgments, estimates and assumptions

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

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

The areas involving critical estimates and judgements are:

- Determining the revenue to be recognised in case of performance obligation satisfied over a period of time. Refer note 28
- Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date. Refer note 28
- Determining the method to be applied to arrive at the variable consideration including variations and claims(including liquidated damages) requiring an adjustment to the transaction price. Refer note 28

• Estimation of defined benefit obligation – Note 32

The cost of the defined benefit gratuity, and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in note 32.

• Recognition of deferred tax assets – Note 25

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

- **Impairment of trade receivables – Note 37**

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

- **Estimate of useful life of assets – Note 3**

The Group determines, based on independent technical assessment, the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives periodically and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

- **Fair Value Measurement–Note 36**

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 including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of assumption is required in establishing fair values. Assumptions 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.

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

2.5 New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- (i) **Amendments to Ind AS 21 - Lack of exchangeability**

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments do not have a material impact on the Group financial statements.

- (ii) **Amendments to Ind AS 1–Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants**

The amendments do not have a material impact on the Group financial statements.

- (iii) **Amendments to Ind AS 7 and Ind AS 107–Supplier Finance Arrangements**

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements.

The amendments do not have a material impact on the Group financial statements.

- (iv) **International Tax Reform–Pillar Two Model Rules – Amendments to Ind AS 12**

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

3A Property, plant and equipment and Right of use assets, intangible assets, investment property, capital work-in-progress and intangible asset under development

	Property, plant and equipment and Right of use assets																Intangible Assets				Goodwill	Grand total
	Land		Land Freehold	Buildings		Plant and machinery		Computers and office equipment		Vehicles		Furniture and fixtures		Total		Technical knowhow	Software	Demo/ Pilot Plant	Total			
				Owned	Right-of- Use	Owned	Right-of- Use	Owned	Right-of- Use	Owned	Right-of- Use	Owned	Right-of- Use	Owned	Right-of- Use							
	Lease-hold Refer note 1	Right-of- Use																				
Gross block																						
As at 1 April 2025	11,000	243,954	370,517	1735,385	1404,703	2812,389	764,014	437,816	144,972	63,062	184,782	318,007	57,964	5748,176	2800,389	93,753	178,816	580,003	852,572	822,712	10223,849	
Additions / adjustments	-	-	-	91,270	339,140	434,353	224,249	51,427	-	9,097	18,001	62,508	-	648,655	581,390	-	1,818	-	1,818	-	1231,863	
Deletions	-	243,954	-	42,855	66,278	77,886	178,509	10,918	61,079	3,735	178,793	36,807	-	172,201	728,613	-	-	-	-	-	900,814	
As at 31 Mar 2026	11,000	-	370,517	1783,800	1677,565	3168,856	809,754	478,325	83,893	68,424	23,990	343,708	57,964	6224,630	2653,166	93,753	180,634	580,003	854,390	822,712	10554,898	
Accumulated depreciation and amortisation																						
As at 1 April 2025	1,493	215,586	-	712,916	492,619	1736,705	116,208	345,054	82,584	29,375	70,371	257,572	23,171	3083,115	1000,539	93,753	139,532	39,610	272,895	196,562	4553,111	
Charge for the year	0.111	0.026	-	60,481	354,168	201,356	194,770	48,628	30,903	7,038	43,344	11,691	11,593	329,305	634,804	-	14,222	77,314	91,536	-	1055,645	
Deletions / Adjustments	-	215,612	-	10,842	94,733	69,237	50,492	10,303	61,079	3,735	100,527	36,807	-	130,924	522,443	-	-	-	-	-	653,367	
As at 31 March 2026	1,604	-	-	762,555	752,054	1868,824	260,486	383,379	52,408	32,678	13,188	232,456	34,764	3281,496	1112,900	93,753	153,754	116,924	364,431	196,562	4955,389	
Net carrying value																						
As at 31 March 2026	9,396	-	370,517	1,021,245	925,511	1300,032	549,268	94,946	31,485	35,746	10,802	111,252	23,200	2943,134	1540,266	-	26,880	463,079	489,959	626,150	5599,509	
As at 31 March 2025	9,507	28,368	370,517	1,022,469	912,08	1075,684	647,806	92,762	62,388	33,687	114,411	60,435	34,793	2665,061	1799,850	-	39,285	540,393	579,677	626,150	5670,738	

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

3A Property, plant and equipment and Right of use assets, intangible assets, investment property, capital work-in-progress and intangible asset under development (Contd...)

	Property, plant and equipment																Intangible Assets				Goodwill	Grand total
	Land		Land Freehold	Buildings		Plant and machinery		Computers and office equipment		Vehicles		Furniture and fixtures		Total		Technical knowhow	Software	Demo/ Pilot Plant	Total			
	Lease-hold	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use	Owned	Right-of-Use								
Gross block																						
As at 1 April 2024	11,000	243,954	370,517	1624,461	1391,556	2483,417	374,971	356,676	158,349	33,826	135,764	293,561	57,964	5173,458	2362,558	93,753	171,670	-	265,423	822,712	8624,151	
Additions / adjustments	-	-	-	110,924	96,733	362,101	389,043	82,760	63,359	31,144	58,645	25,725	-	612,654	607,780	-	7,146	580,003	587,149	-	1807,583	
Deletions	-	-	-	-	83,586	33,129	-	1,620	76,736	1,908	9,627	1,279	-	37,936	169,949	-	-	-	-	-	207,885	
As at 31 Mar 2025	11,000	243,954	370,517	1735,385	1404,703	2812,389	764,014	437,816	144,972	63,062	184,782	318,007	57,964	5748,176	2800,389	93,753	178,816	580,003	852,572	822,712	10223,849	
Accumulated depreciation and amortisation																						
As at 1 April 2024	1,371	203,970	-	657,126	246,200	1592,582	18,457	316,578	106,986	25,404	33,279	250,627	11,578	2843,688	620,470	93,753	125,662		219,415	196,5620	3880,135	
Charge for the year	0,122	11,616	-	55,790	328,053	170,238	97,751	29,836	52,334	5,879	39,493	8,224	11,593	270,089	540,840	-	13,870	39,610	53,480	-	864,409	
Deletions / Adjustments	-	-	-	-	81,634	26,115	-	1,360	76,736	1,908	2,401	1,279	-	30,662	160,771	-	-	-	-	-	191,433	
As at 31 March 2025	1,493	215,586	-	712,916	492,619	1736,705	116,208	345,054	82,584	29,375	70,371	257,572	23,171	3083,115	1000,539	93,753	139,532	39,610	272,895	196,562	4553,111	
Net carrying value																						
As at 31 March 2025	9,507	28,368	370,517	1022,469	912,084	1075,684	647,806	92,762	62,388	33,687	114,411	60,435	34,793	2665,061	1799,850	-	39,285	540,393	579,677	626,150	5670,738	
As at 31 March 2024	9,629	39,984	370,517	967,335	1145,356	890,835	356,514	40,098	51,363	8,422	102,485	42,934	46,386	2329,770	1742,088	-	46,009		46,009	626,150	4744,017	

Note :

1. The land has been taken on a long term lease i.e. for 99 years.
2. Refer Note 27 for contractual commitments for the acquisition of property plant and equipment.
3. The title deeds of immovable properties are held in the name of the Group.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

3B Property, plant and equipment and Right of use assets, intangible assets, investment property, capital work-in-progress and intangible asset under development (Contd...)

Details of capital work-in-progress and intangible assets under development

Particulars	31 March 2026		31 March 2025	
	Capital work-in-progress	Intangible assets under development	Capital work-in-progress	Intangible assets under development
Balance at start of the year	173.283	4.601	31.991	401.546
Add : Additions during the year	115.800	1.703	312.446	171.232
Less: Capitalised during the year	233.477	-	171.154	568.177
Balance at the end of the year	55.606	6.304	173.283	4.601

i. Capital work-in-progress (CWIP) comprises of :

- Building under construction ₹ 11.559 (31 March 2025 ₹ 33.413)
- Plant & Machinery ₹ 31.703 (31 March 2025 ₹ 123.886)
- Network Equipment ₹ Nil (31 March 2025 ₹ 8.007)
- Furniture & Fixture under construction ₹ Nil (31 March 2025 : 1.587)
- Jetty ₹ 12.344 (31 March 2025: ₹ 6.390)

ii. Intangible asset under development comprises of software under development of ₹ 6.304 (31 March 2025 : ₹ 4.601)

Refer Note 38C for ageing

Goodwill Impairment testing

Goodwill pertains to Praj HiPurity Systems Limited which is tested for impairment at the entity level ('CGU'). Value-in-use is determined based on discounted future cash flows. The key assumptions used for the calculations are as follows :

Particulars	31 March 2026	31 March 2025
Long-term growth rate	6%	6%
Discounting rate	15%	15%

The estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions are unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating units.

4 Investments

	31 March 2026	31 March 2025
Non-current investments		
(i) Investments at fair value through other comprehensive income (FVOCI)		
Investment in Shares		
Quoted Investment in Equity Shares		
Investment in TruAlt Company	81.699	100.000
	81.699	100.000
(ii) Investments at amortised cost		
Quoted investments :		
Nil Bonds issued by HDFC Bank Limited Unsecured Non-Convertible Bonds Basel III Tier 2, Coupon 7.84% (31 March 2025 : 10 bonds)	-	100.084
	-	100.084

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
(iii) Investments at fair value through other comprehensive income (FVOCI)		
Quoted investments :		
Nil Bonds issued by SBI Bank Unsecured Non-Convertible Perpetual Bonds Series IV, Coupon 7.73% (31 March 2025 : 250 bonds)	-	248.925
Nil Bonds issued by State Bank of India Unsecured Non-Convertible Perpetual Bonds Series II, Coupon 7.73% (31 March 2025 : 50 bonds)	-	49.785
Nil Bonds issued by State Bank of India Unsecured Non-Convertible Perpetual Bonds Series I, Coupon 7.74% (31 March 2025 : 90 bonds)	-	89.577
Nil Bonds issued by State Bank of India Unsecured Non-Convertible Perpetual Bonds Series I, Coupon 7.74% (31 March 2025 : 30 bonds)	-	29.859
Nil Bonds issued by State Bank of India Unsecured Non-Convertible Perpetual Bonds Series I, Coupon 7.74% (31 March 2025 : 50 bonds)	-	49.765
3 Bonds issued by State Bank of India Unsecured Non-Convertible Perpetual Bonds (31 March 2025 : 3 bonds)	29.981	29.799
Deposit with Bajaj Finance Limited	-	-
Total non-current	29.981	497.710
Current investments	111.680	697.794
(i) Investments at amortised cost		
Quoted investments :		
3000 Bonds issued by Bajaj Auto Credit Limited Unsecured Non-Convertible Bonds Coupon 7.25% (31 March 2025 : Nil)	300.000	-
Nil Bonds issued by HDB Financial Services Limited Unsecured Non-Convertible Bonds Coupon 7.99% (31 March 2025 : 2,500 bonds)	-	250.000
Nil Bonds issued by HDB Financial Services Limited Unsecured Non-Convertible Bonds Coupon 6% (31 March 2025 : 100)	-	96.570
Total	300.000	346.570
(ii) Investments at fair value through profit and loss (FVTPL)		
Quoted mutual funds		
HDFC MONEY MARKET FUND - DIRECT PLAN - Nil Units (31 March 2025 : 9087.17 Units)	-	51.922
UTI FLOATER FUND-DIRECT GROWTH PLAN - Nil Units (31 March 2025 : 81,739.196 Units)	-	125.314
KOTAK MONEY MARKET FUND-DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 23,365.87 Units)	-	103.871
AXIS MONEY MARKET FUND DIRECT GROWTH PLAN - Nil Units (31 March 2025 : 127,677.2 Units)	-	180.786
NIPPON INDIA FLOATING RATE FUND-GROWTH PLAN OPTION - 20,50,779.853 Units (31 March 2025 : 2,667,301.523 Units)	101.442	117.710
ADITYA BIRLA SUN LIFE LIQUID FUND-GROWTH-DIRECT PLAN - 1,16,086.168 Units (31 March 2025 : 120,155.075 Units)	51.664	50.303
ADITYA BIRLA SUN LIFE MONEY MANAGER FUND - DIRECT PLAN - 1,31,027.707 Units (31 March 2025 : 81,635.08 Units)	51.385	29.998
DSP LOW DURATION FUND - DIRECT PLAN - Nil Units (31 March 2025 : 10,360,369.746 Units)	-	207.885
DSP LIQUIDITY FUND- DIRECT PLAN - 13,566.585 Units (31 March 2025 : 13,566.585 Units)	50.036	50.309

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
DSP SAVING FUND-DIRECT PLAN - 18,10,513.093 Units (31 March 2025 : 375,805.204 Units)	102.699	20.010
BAJAJ FINSERV LIQUID FUND - DIRECT PLAN - GROWTH - Nil Units (31 March 2025 : 89426.96 Units)	-	101.236
BAJAJ FINSERV MONEY MARKET FUND - DIRECT PLAN - Nil Units (31 March 2025 : 26374.742 Units)	-	30.016
HDFC LIQUID FUND - DIRECT PLAN - GROWTH - Nil Units (31 March 2025 : 9878.266 Units)	-	50.305
MIRAE ASSET MONEY MARKET FUND - DIRECT PLAN - GROWTH - 1,14,809.969 Units (31 March 2025 : 82957.985 Units)	153.428	103.914
MIRAE ASSET LIQUID FUND - DIRECT PLAN - GROWTH - Nil Units (31 March 2025 : 36956.691 Units)	-	101.243
ICICI PRUDENTIAL EQUITY ARBITRAGE FUND - DIRECT PLAN - GROWTH - 1,449,450.779 Units (31 March 2025 : 1,449,450.779 Units)	55.921	52.389
ICICI PRUDENTIAL MONEY MARKET FUND- DIRECT PLAN-GROWTH - 1,27,880.983 Units (31 March 2025 : 275,862.051 Units)	51.411	103.853
ICICI PRUDENTIAL LIQUID FUND- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 131,031.382 Units)	-	50.274
INVESCO INDIA LOW DURATION FUND- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 40,438.606 Units)	-	156.088
INVESCO INDIA MONEY MARKET FUND- DIRECT PLAN-GROWTH - 30,937.480 Units (31 March 2025 : 6,474.501 Units)	101.950	20.010
KOTAK LIQUID FUND - DIRECT PLAN-GROWTH - 9,278.456 Units (31 March 2025 : 9602.78 Units)	51.639	50.313
NIPPON INDIA LIQUID FUND - DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 15,952.854 Units)	-	101.251
HSBC LIQUID FUND - DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 19,464.61 Units)	-	50.303
FRANKLIN INDIA LIQUID FUND- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 39,059.003 Units)	-	152.201
FRANKLIN INDIA MONEY MARKET FUND- DIRECT PLAN-GROWTH - 37,80,910.306 Units (31 March 2025 : 9,84,193.071 Units)	205.140	50.025
UTI LOW DURATION FUND - DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 29,438.498 Units)	-	103.911
AXIS TREASURY ADVANTAGE FUND - DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 65,697.592 Units)	-	208.604
BANDHAN LIQUID FUND - DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 16,058.404 Units)	-	50.303
BANDHAN LOW DURATION FUND- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 4,037,576.365 Units)	-	156.311
BANDHAN ULTRA SHORT TERM FUND- DIRECT PLAN-GROWTH - 62,92,159.593 Units (31 March 2025 : 1,985,643.087 Units)	101.330	30.015
BARODA BNP PARIBAS MONEY MARKET FUND- DIRECT PLAN-GROWTH - 70,039.115 Units (31 March 2025 : 77,741.057 Units)	102.503	106.641
BARODA BNP PARIBAS ULTRA SHORT DURATION FUND- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 13,053.519 Units)	-	20.010

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
BARODA BNP PARIBAS LIQUID FUND-DIRECT GROWTH- DIRECT PLAN-GROWTH - Nil Units (31 March 2025 : 16,822.004 Units)	-	50.309
PARAG PARIKH LIQUID FUND REGULAR PLAN - GROWTH - Nil Units (31 March 2025 : 21,064.784 Units)	-	30.039
HDFC FLOATING RATE DEBT FUND - REGULAR PLAN - GROWTH - 28,78,185.940 UNITS (31 March 2025 : Nil Units)	151.050	-
UTI MONEY MARKET FUND - DIRECT PLAN - 47,130.231 UNITS (31 March 2025 : Nil Units)	153.945	-
UTI LIQUID FUND - DIRECT PLAN - 11,436.712 UNITS (31 March 2025 : Nil Units)	51.659	-
UTI LIQUID FUND - REGULAR PLAN - 11,185.510 UNITS (31 March 2025 : Nil Units)	50.037	-
K473D - KOTAK MONEY MARKET FUND - DIRECT PLAN - GROWTH - 32,461.193 UNITS (31 March 2025 : Nil Units)	154.017	-
AXIS ULTRA SHORT DURATION FUND - DIRECT GROWTH - 61,64,369.685 UNITS (31 March 2025 : Nil Units)	100.921	-
AXIS MONEY MARKET FUND DIRECT GROWTH - 34,007.678 UNITS (31 March 2025 : Nil Units)	51.426	-
NIPPON INDIA MONEY MARKET FUND - DIRECT GROWTH PLAN GROWTH OPTION - 23,360.511 Units (31 March 2025 : Nil Units)	102.787	-
NIPPON INDIA ULTRA SHORT DURATION FUND - DIRECT GROWTH PLAN - 10,834.520 Units (31 March 2025 : Nil Units)	50.503	-
ADITYA BIRLA SUN LIFE FLOATING RATE FUND - GROWTH-DIRECT PLAN - 4,05,671.044 UNITS (31 March 2025 : Nil Units)	151.654	-
ADITYA BIRLA SUN LIFE SAVINGS FUND - GROWTH-DIRECT PLAN - 2,60,218.241 UNITS (31 March 2025 : Nil Units)	152.226	-
BANDHAN MONEY MARKET FUND-DIRECT PLAN - GROWTH - 22,38,113.207 UNITS (31 March 2025 : Nil Units)	102.333	-
MIRAE ASSET ULTRA SHORT DURATION FUND - DIRECT PLAN- 73,215.147 UNITS (31 March 2025 : Nil Units)	101.289	-
MIRAE ASSET ULTRA SHORT DURATION FUND - REGULAR PLAN - 37,404.962 UNITS (31 March 2025 - Nil Units)	51.103	-
INVESCO INDIA LIQUID FUND - DIRECT PLAN GROWTH - 26,892.470 UNITS (31 March 2025 : Nil Units)	101.674	-
INVESCO INDIA ULTRA SHORT DURATION FUND - DIRECT PLAN GROWTH - 33,519.291 UNITS (31 March 2025 : Nil Units)	100.958	-
ICICI PRUDENTIAL INCOME PLUS ARBITRAGE OMNI FOF (ERSTWHILE INCOME PLUS ARBITRAGE)-GROWTH - 15,70,709.827 Units (31 March 2025 :Nil Units)	102.043	-
ICICI PRUDENTIAL FLOATING INTEREST FUND - DIRECT PLAN - GROWTH - 4,14,851.320 Units (31 March 2025 :Nil)	201.872	-
DSP SAVINGS FUND - REGULAR PLAN - GROWTH - 9,24,245.087 UNITS (31 March 2025 : Nil Units)	50.784	-
HSBC MONEY MARKET FUND - DIRECT GROWTH - 35,49,395.871 UNITS (31 March 2025 : Nil Units)	102.767	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
HSBC ULTRA SHORT DURATION FUND - DIRECT GROWTH - 70,332.725 UNITS (31 March 2025 : Nil Units)	100.924	-
SBI ULTRA SHORT DURATION FUND DIRECT GROWTH - 8,048.576 UNITS (31 March 2025 : Nil Units)	51.204	-
TATA MONEY MARKET FUND DIRECT PLAN - GROWTH- 10,156.486 UNITS (31 March 2025 : Nil Units)	51.180	-
Kotak Floating Rate Fund Direct - Growth Nil Units 62,118.407 units (31 March 2025 : Nil Units)	100.595	-
	3569.498	2867.671
(iii) Investments at amortised cost		
Unquoted investments:		
Deposit with Bajaj Finance Limited	200.000	370.000
	200.000	370.000
Total current	4069.498	3584.241
Aggregate book value of quoted investments	3981.178	3812.035
Aggregate market value of quoted investments	3981.178	3817.120
Aggregate book value of unquoted investments	200.000	470.00
Impairment on aggregate value of investment	Nil	Nil

	31 March 2026	31 March 2025
5 Other financial assets		
Non-current		
At amortized cost		
(Unsecured, considered good)		
Security deposits	406.419	397.688
Deposits with banks with a maturity of more than 12 months	15.868	8.389
	422.287	406.077
Current		
(Unsecured, considered good)		
Foreign exchange forward contracts	-	8.721
Interest accrued on fixed deposits and bonds	20.566	59.296
Security deposits	48.050	15.798
Bank deposits with original maturity of more than 12 months	24.000	-
Other Receivable*	56.897	67.993
	149.513	151.808
*mainly includes earnest money deposit, turnover discount receivable, loans given to employees given as per company's policy. The repayment of these loans have been stipulated and regular.		
Total other financial assets	571.800	557.885

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
6 Other assets		
Non-current		
(Unsecured, considered good)		
Capital advances (Refer note 27)	8.620	50.235
Prepaid expenses	20.694	37.401
Others	112.771	-
	142.085	87.636
Current		
(Unsecured, considered good)		
Contract Assets (Refer note 28)		
- Contracts in progress	5638.047	6871.169
- Cost to obtain contract	75.410	-
- Retention money		
Unsecured, considered good	2163.486	2135.608
Unsecured, credit impaired	45.844	33.256
	2209.330	2168.864
Less: Impairment allowance (Refer note 37)	45.844	33.256
	2163.486	2135.608
Advances to suppliers		
Unsecured, considered good	546.449	674.486
Unsecured, considered doubtful	48.677	28.219
	595.126	702.705
Less : Provision for doubtful Advances	48.677	28.219
	546.449	674.486
Balances with government authorities	503.206	552.157
Prepaid expenses	198.932	254.377
Other advances*	46.424	59.892
	9171.954	10547.689
Total Other assets	9314.039	10635.325
*Includes travel advance given to employees.		
7. Inventories (valued at lower of cost and net realisable value)		
Raw materials (Includes Goods in transit of ₹ 83.250 (31 March 2025: 20.285))	2424.291	2269.916
Work in progress	167.661	196.587
Stock in trade	60.167	40.582
Finished goods	8.984	26.025
	2661.103	2533.110

Note :

- The write-down of inventories for the year amounts to ₹ 28.833 (31 March 2025: ₹ 28.323). These write-downs have been recognized as an expense during the year and are included under "Cost of materials consumed.
- Inventories are pledged as security against cash credit facilities availed by the Group for working capital purposes from banks.
- Inventories include materials lying at project sites, warehouses and with third parties amounting to ₹ 386.925 (31 March 2025: ₹ 824.000), in the ordinary course of business.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
8 Trade Receivables (At amortized cost)		
- From others		
Unsecured, considered good	5586.773	5559.864
Unsecured, considered doubtful	1135.187	928.611
	6721.960	6488.475
Less: Expected Credit Loss Allowance	1135.187	928.611
	5586.773	5559.864
i. Refer Note 38 A for ageing schedule		
ii. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.		
iii. Trade receivables are non-interest bearing and generally on credit terms of 30 days to 120 days.		
iv. Current and previous year balance of Retention money not due has been disclosed under Other current assets as "Contract Assets". For details , refer note 6.		
v. Refer note 37 for movement in Expected Credit Loss Allowance.		
9 Cash and cash equivalents		
Balances with banks		
On current accounts	1002.365	898.611
Deposits with original maturity of less than 3 months	417.479	357.429
Cash on hand	3.852	3.151
	1423.696	1259.191
10 Other bank balances		
Unclaimed dividend account*	10.040	11.844
Deposits with maturity for more than 3 months but less than 12 months	603.684	540.670
Note: Includes deposits under lien ₹ 257.960 (31 March 2025 ₹ 311.537)		
*Earmarked balances with banks		
	613.724	552.514
11 Equity Share Capital		
Authorised shares		
450,000,000 (31 March 2025: 450,000,000) equity shares of ₹ 2 each	900.000	900.000
Issued, subscribed and fully paid-up shares		
183,813,088 (31 March 2025: 183,813,088) equity shares of ₹ 2 each	367.626	367.626
Total	367.626	367.626

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

	31 March 2026		31 March 2025	
	No.	Amount	No.	Amount
At the beginning and end of the year	183,813,088	367.626	183,813,088	367.626

b. Terms/ Rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of the equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distributing all preferential amounts.

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates :

The Company does not have any holding or ultimate holding Company.

d. Details of shareholders holding more than 5% shares in the company :

	31 March 2026		31 March 2025	
	No.	% of holding	No.	% of holding
Equity shares of ₹ 2 each fully paid				
Dr. Pramod Chaudhari (Promoter)	45,900,000	24.97%	38,700,000	21.05%
Parimal Chaudhari (Promoter)	14,400,000	7.83%	14,400,000	7.83%
Canara Robeco Mutual Fund - Canara Robeco	8,696,052	4.73%	9,820,505	5.34%

e. Details of shareholders holding of Promoters :

	31 March 2026		31 March 2025		% Change during the year
	No.	% of holding	No.	% of holding	
Equity shares of ₹ 2 each fully paid					
Dr. Pramod Chaudhari	45,900,000	24.97%	38,700,000	21.05%	18.60%
Parimal Chaudhari	14,400,000	7.83%	14,400,000	7.83%	-
Moriyaset Trust	-	0.00%	7,200,000	3.92%	-100.00%

f. Shares reserved for issue under options :

Shares reserved for issue under the Employee Stock Option Plan (ESOP) please refer note 33.

g. There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

h. During the year ended 31 March 2026, the Company had paid the final dividend of ₹ 6.000 per equity share for the year ended 31 March 2025 amounting to ₹ 1102.879.

The Board of directors, at their meeting held on May 28, 2026 recommended the final dividend of ₹ 3.60 per equity share for the year ended 31 March 2026 subject to approval from shareholders. On approval, the total dividend outflow is expected to be ₹ 661.727 based on number of shares outstanding as at 31 March 2026.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
12 Other Equity		
Capital Reserve		
Balance as at the beginning and end of the year	0.033	0.033
Amalgamation Reserve		
Balance as at the beginning and end of the year	3.063	3.063
Capital Redemption Reserve		
Balance as at the beginning and end of the year	14.627	14.627
Securities Premium		
Balance as at the beginning and end of the year	1075.518	1075.518
Share option outstanding account		
Balance as at the beginning of the year	8.392	-
Add : Employee stock option expense	49.957	8.392
Balance at the end of the year	58.349	8.392
General Reserve		
Balance as at the beginning of the year	958.500	958.500
Balance at the end of the year	958.500	958.500
Exchange differences on translation of foreign operations		
Balance at the beginning of the year	21.395	16.435
Add : due to transactions during the year	6.610	4.960
Balance at the end of the year	28.005	21.395
Financial Instrument through other comprehensive Income		
Balance as at the beginning of the year	(1.498)	(3.751)
Add : Fair value movement	(15.816)	2.253
Balance at the end of the year	(17.314)	(1.498)
Praj Foundation Corpus Trust		
Balance as at the beginning of the year	-	-
Add : Accumulated corpus with trust at beginning of year	54.922	-
Less: Deficit for current year	(0.456)	-
	54.466	-
Retained Earnings		
Balance as at the beginning of the year	11370.015	10312.648
Profit as per statement of profit and loss	238.872	2189.101
Other comprehensive income - Re-measurement of defined benefit plans	42.374	(28.855)
Less : Appropriations		
Interim/Final equity dividend	1102.879	1102.879
Balance at the end of the year	10548.382	11370.015
Total Other Equity	12723.629	13450.045

1. Capital Reserve - The company had recognised profit or loss on purchase, sale, issue or forfeiture/ cancellation of own equity instrument to capital reserve.
2. Amalgamation Reserve - Amalgamation reserve represents reserve created on amalgamation under pooling of interests method, representing the difference between consideration and net assets/share capital in past.
3. Capital Redemption Reserve - The Company had bought back its share in the past. In accordance with section 69 of the Companies Act, 2013, Capital Redemption Reserve is created (which represent nominal value of share bought back).
4. Securities premium- Securities premium is used to record the premium on issue of shares. This reserve can be utilised only in accordance with the provisions of the Companies Act, 2013.
5. Share option outstanding account - The Company has established equity-settled share based payment plans for certain categories of executives.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

6. General Reserve - The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
7. Debt instruments through Other Comprehensive Income - The Company has elected to recognize changes in the fair value of certain investments in debt instruments in other comprehensive income. These changes are accumulated within the debt instruments through other comprehensive income within equity.
8. Retained earnings - It includes profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. It also include re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.
9. Exchange differences on translation of foreign operations - Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and are accumulated in separate reserve within equity. The cumulative amount is reclassified to profit and loss, when the investment is disposed off.
10. Praj Foundation Corpus Trust – Includes the corpus of the CSR trust (refer Note 48).

	31 March 2026	31 March 2025
13 Provisions		
Provision for Employee Benefits		
Compensated absences (Refer Note 32c)	4.127	164.202
Gratuity (Refer Note 32b)	104.518	31.522
	108.645	195.724
Current		
Provision for Employee Benefits		
Compensated absences (Refer Note 32c)	199.487	74.140
Gratuity (Refer Note 32b)	44.881	36.488
Other provisions		
Provision for anticipated losses (Refer "A" Below)	84.306	122.302
Provision for warranty (Refer "B" Below)	7.684	1.517
Total provisions	336.358	234.447
A Movement in Provision for anticipated losses on revenue contracts		
Balance of provision as at the start of the year	122.302	408.472
Add: Additional Provision during the year	45.915	10.417
Less: Provision used/ (reversed) during the year	83.911	296.587
Balance of provision as at the end of the year	84.306	122.302
B Warranty provision movement:		
Provision at the beginning of the year	1.517	-
Provision made during the year	6.167	1.517
Provision utilised/reversed during the year	-	-
Provision at the end of the year	7.684	1.517
14 Trade payables		
Current		
- To others		
Total outstanding dues of micro enterprises and small enterprises (Refer note iii below)	1257.359	940.014
Total outstanding dues of creditors other than micro enterprises and small enterprises (MSMED)	4603.785	3882.849
	5861.144	4822.863

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Notes :

- i. Refer Note 38B for ageing schedule
- ii. Trade payables are non-interest bearing and are normally settled on 30-90 days terms except due to micro & small enterprises which are settled in 45 days or contractual terms whichever is earlier.
- iii. Interest due/payable to parties registered under MSMED Act, 2006

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at March 31, 2026. The disclosure pursuant to the said Act is as under:

Particulars	31 March 2026	31 March 2025
Total outstanding amount in respect of micro, small and medium enterprises (including capital payable)	1265.011	954.156
Principal amount due and remaining unpaid	2.807	0.014
Interest due on above and unpaid interest	0.180	0.154
Interest paid	-	-
Payment made beyond appointment day	737.194	199.686
Interest due and payable for the period of delay	6.249	2.465
Interest accrued and remaining unpaid (excluding interest accrued for earlier years)	6.261	2.465
Amount of further interest remaining due and payable in succeeding years	8.890	2.629

The identification of suppliers as micro, small and medium enterprise as defined under the Micro, Small and Medium Enterprises Development Act 2006, was done on the basis of information to the extent provided by the suppliers of company.

	31 March 2026	31 March 2025
15 Other financial liabilities (At amortised cost)		
Non-current		
Other financial liabilities	7.293	6.393
	7.293	6.393
Current		
Unclaimed dividends	10.038	11.841
Employee benefits payable	283.338	411.023
Payable for capital goods		
- To Micro enterprises and small enterprises	7.652	14.142
- To others	24.884	34.274
Other payables**	77.559	20.446
Total Other financial liabilities	403.471	491.726
**Other payables primarily represent interim claim proceeds received from the insurance company, which remain outstanding pending final settlement. Refer Note 47.		
16 Other Liabilities		
Current		
Advances received from customers (Refer Note 28)	7535.379	8662.364
Contract Liability (Unearned revenue) (Refer Note 28)	1287.959	1142.898
Contract Liability (Incremental Costs to obtain contract) (Refer Note 28)	75.410	-
Statutory dues payable (TDS, Professional Tax, ESIC and Provident Fund Payable)	89.339	97.978
	8988.087	9903.240

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

		31 March 2026	31 March 2025
17 Revenue from operations (Refer No 28)			
Revenue from Products and Projects	(a)	27767.443	28658.895
Revenue from Services Rendered	(b)	3596.361	3229.137
Other Operating Revenue			
Scrap Sales		263.753	291.488
Government grant		51.271	28.192
Other Operating Revenue		-	72.710
	(c)	315.024	392.390
Total Revenue from operations (a+b+c)		31678.828	32280.422
18 Other Income			
Foreign exchange fluctuation gain (net)		200.392	99.505
Gain on redemption of investments (net) (FVTPL)		62.133	185.178
Fair Valuation Gain on Investment In Mutual Fund (FVTPL)		69.673	92.600
Interest			
- on fixed deposits		63.940	82.044
- Other		61.070	87.586
Interest on account of unwinding of security deposits and guarantee income		27.506	19.348
Profit / (loss) on sale of property, plant and equipment (net)		-	0.443
Excess provision / creditors written back (including advances)		17.396	29.975
Other non-operating income		1.439	11.186
		503.549	607.865
19 Cost of materials consumed			
Raw material consumed		14761.768	15402.246
		14761.768	15402.246
20 Changes in inventories of Finished Goods and Work in Progress			
Inventories at the end of the year			
Work in progress		167.661	196.587
Finished goods		8.984	26.025
		176.645	222.612
Inventories at the beginning of the year			
Work in progress		196.587	338.416
Finished goods		26.025	31.595
		222.612	370.011
Changes in inventories		45.967	147.399
21 Employee Benefit Expenses			
Salaries, wages and bonus		3004.589	3134.583
Contributions to provident and other funds (Refer note 32a)		149.680	132.155
Gratuity Expense (Refer note 32b)		56.099	44.055
Employee stock option expense (Refer note 33)		49.957	8.392
Staff welfare expenses		197.271	173.631
		3457.596	3492.816

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

	31 March 2026	31 March 2025
22 Finance costs		
Interest expense - others	7.052	4.024
Interest on Lease Liability (Refer note 31)	195.600	180.480
	202.652	184.504
23 Depreciation and amortisation expense		
Depreciation on:		
Property, plant and equipment	329.305	270.089
Amortisation of:		
Intangible assets	91.536	53.480
Right-of-use assets	634.804	540.840
	1055.645	864.409
24 Other Expenses		
Consumption of stores and spares	414.176	315.301
Site expenses and labour charges*	5828.748	4624.070
Manpower support services	147.143	151.930
Freight and transport	1158.923	747.629
Provision for doubtful debts and advances	215.503	247.623
Sales commission	182.646	270.633
Travel and conveyance	413.914	459.285
Professional consultancy & legal charges	464.070	629.220
Software License fees	204.167	191.549
Insurance	100.593	168.359
Rent (Refer note 31)	104.749	68.903
Power and fuel	188.792	173.605
Advertising and exhibition expenses	37.852	58.588
Communication expenses	27.771	30.213
Testing charges	150.641	103.659
Repairs and maintenance:		
Building	64.068	60.379
Plant and Machinery	61.121	52.729
Others	57.150	59.344
Payments to auditor (Refer note 24.1)	10.096	7.964
Non Executive Directors' commission	17.000	13.500
Rates and taxes	6.835	17.996
(Profit) / Loss on sale of fixed assets (net)	31.941	-
Corporate social responsibility (Refer Note 35)	81.644	63.600
Miscellaneous expenses**	533.572	580.552
	10503.115	9096.631
24.1 Payment to auditors(Exclusive of Goods and Services tax)		
Statutory audit fees (including limited reviews fees)	7.627	6.883
Tax audit fees	1.775	0.782
Other services (including of out of pocket expenses)	0.694	0.299
	10.096	7.964

*Includes travelling expenses, Job work charges and other site related expenses.

**Mainly includes R&D expenses, security expenses, housekeeping expenses. Furthermore, it includes political contributions amounting to ₹ Nil (Previous Years ₹ 30.000) in compliance with Section 182 of the Companies Act, 2013 made during the year.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Particulars	31 March 2026	31 March 2025
25 Income tax		
A Statement of profit and loss :		
Current income tax:		
Current income tax charge	583.580	943.757
Tax relating to earlier periods	-	(0.269)
Deferred tax:		
Relating to origination and reversal of temporary differences	(322.881)	(147.283)
Income tax expense reported in the statement of profit and loss	260.699	796.205
B Statement of other comprehensive income :		
i Item will not be reclassified to profit and loss		
Deferred tax :		
Remeasurements gains and losses on post employment benefits	14.034	(8.112)
Debt instruments through other comprehensive income	(2.287)	0.758
ii Items that will be reclassified to profit or loss :		
Deferred tax:		
Income tax effect	0.066	-
Income tax expense reported in the statement of other comprehensive income	11.813	(7.354)
C Reconciliation of effective tax rate		
Accounting profit before tax	499.166	2985.535
Tax using the Company's domestic tax rate 25.168% (25.168%)	125.630	751.399
i Adjustments in respect of current income tax of previous years	-	(0.268)
Less : Tax effect of :		
i Income chargeable at lower rate / capital gain	-	(63.272)
ii Others (Includes gratuity, leave and debt instruments expense recognized in other comprehensive income and items on which DTA/ DTL not recognised in opening balance sheet)	0.736	(14.785)
iii Expenses recognised in OCI	(11.813)	7.354
Add : Tax effect of		
i Donations ineligible under Income tax	21.750	24.397
ii Others including rounding off	7.748	5.487
iii Expenses not allowed for tax purpose (including Exceptional Item)	-	1.114
iv SEZ Investment Allowance-taxable	-	22.086
v Difference in tax rate of subsidiaries	115.952	62.693
Total	260.699	796.205
Income tax expense reported in the statement of profit and loss	260.699	796.205

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

D Deferred tax

Deferred tax relates to the following :	Balance sheet		Statement of profit and loss/ other comprehensive income & other equity	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Deferred tax asset				
Provision for doubtful debts and advances	303.998	250.705	(53.293)	(66.780)
Provision for anticipated losses	26.040	43.431	17.391	61.848
Gratuity	35.767	36.440	0.673	(6.607)
Carry forward business loss	334.402	129.553	(204.849)	(123.346)
Compensated absences	50.587	62.025	11.438	(3.232)
Percentage of completion on consolidated basis	57.236	27.939	(29.297)	6.792
Others	63.222	22.779	(40.443)	(0.300)
Lease Liability	338.429	373.544	35.115	(264.968)
Deposits	12.489	13.931	1.442	(12.769)
Total	1,222.170	960.347	(261.823)	(409.362)
Deferred tax liability				
Property, plant & equipment and intangible assets	(656.085)	(709.390)	(53.305)	287.510
Others	(20.874)	(18.639)	2.235	(32.785)
Total	(676.959)	(728.029)	(51.070)	254.725
Net deferred tax asset / (liability)	545.211	232.318		
Deferred tax expense/(income)			(312.893)	(154.637)

E Movement in Current tax

Particulars	31 March 2026	31 March 2025
Current tax (asset)/liability as at beginning of year (Net)	38.766	123.314
Add: Additional provision during the year- Statement of Profit and loss account	583.580	943.488
Less: Current tax paid during the year (Net of refund received received for previous year and adjustment for TDS receivable for previous years)	(704.158)	(1028.036)
Less: Receivable recognised in other assets	112.771	-
Current tax (asset)/liability as at beginning of year (Net)	30.959	38.766

26 Earnings per share

Particulars	31 March 2026	31 March 2025
Reconciliation of basic and diluted shares used in computing earnings per share		
Weighted average number of basic equity shares	183,813,088	183,813,088
Add: effect of dilutive potential equity shares:		
- Employee stock options*	-	-
Weighted average number of diluted equity shares	183,813,088	183,813,088
Computation of basic and diluted earnings per share		
Net profit after tax attributable to equity shareholders	238.416	2189.101
Basic earnings per equity share of ₹ 2 each	1.30	11.91
Diluted earnings per equity share of ₹ 2 each	1.30	11.91

* Options granted during the current year qualify as potential equity shares. However, for the purpose of calculating diluted earnings per share, they are anti-dilutive and hence there is no impact. For details on options granted, refer Note 33.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

27 Capital commitments and contingent liabilities

Particulars	31 March 2026	31 March 2025
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	44.779	113.160
Contingent liabilities		
Claims against the Group not acknowledged as debts (primarily relating to performance related claims filed by customers)	21.845	21.845
Disputed demands in appeal towards:		
- Income Tax*	4.584	40.232
- Good and service tax**	23.526	0.000
- Sales tax	-	2.785

* The claims against the Group primarily relate to demands arising under Section 156 of the Income-Tax Act, 1961, specifically involving the computation of interest for Assessment Year 2021–22. These matters are currently pending before the Deputy Commissioner of Income Tax. Management believes that its position is likely to be sustained upon final resolution and does not expect any material impact on the Group financial position or results of operations.

** The Group has received GST demands in relation to a corporate guarantee for inter-company transactions pertaining to financial years 2017–18 to 2022–23 and certain cases involving taxation of advances pertaining to 2020–21 and 2021–22 which are currently pending before the Appellate Authorities/Tribunal. Based on its assessment and legal advice, Management expects its position to be sustained and does not anticipate any material impact on the Company's financial position or results of operations.

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

I) Revenue by category of contracts :

Particulars	31 March 2026	31 March 2025
Over a period of time basis	26691.652	25830.122
At a point-in-time basis	4987.176	6450.300
Total revenue from contracts with customers	31678.828	32280.422

II) Revenue by geographical market :

Particulars	31 March 2026	31 March 2025
Within India	19977.190	24674.392
Outside India	11701.638	7606.030
Total revenue from contracts with customers	31678.828	32280.422

III) Transaction price allocated to the remaining performance obligations

Particulars	31 March 2026	31 March 2025
Remaining performance obligations	30886.722	29028.947

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

IV) Contract balances

Particulars	31 March 2026	31 March 2025
Trade receivables	5586.773	5559.864
Contract Assets (Retention)	2163.486	2135.608
Contract Assets (unbilled revenue)	5638.047	6871.169
Contract Assets (Incremental Costs to obtain contract)	75.410	-
Contract Liability (Unearned revenue)	1287.959	1142.898
Contract Liability (Incremental Costs to obtain contract)	75.410	-
Contract Liability (Advances received from customer)	7535.379	8662.364

- As regular projects life cycle lasts 12-24 months, the Group expects that significant portion of remaining performance obligation, will be completed withing next two financial years.
- Contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The Contract assets are transferred to Trade receivables on completion of milestones and its related invoicing.
- The Contract liabilities relate to unearned revenue and customer advances where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised.
- The payment is due from the date of invoice and payment terms are in the range of 30 days to 120 days. The Group expects that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be less than one year. Therefore, the Group does not adjust the promised amount of consideration for the effects of financing component.

V) Changes in unbilled revenue and unearned revenue for the year:

The explanation of the significant changes in the unbilled and unearned balances during the reporting period is presented in the table below:

Particulars	31 March 2026	31 March 2025
Opening unbilled revenue (Refer note 6)	6871.169	3975.078
Opening unearned revenue (Refer note 17)	1142.898	1887.490
Net opening contract asset	5728.271	2087.588
- Transfer of Contract Asset to Receivables	33234.214	28548.392
- Increase in Revenue as a result of POCM change transferred from Unearned Revenue	31856.031	32189.075
- Others	-	-
Net closing contract asset	4350.088	5728.271
Closing unbilled revenue (Refer note 6)	5638.047	6871.169
Closing unearned revenue (Refer note 17)	1287.959	1142.898

29 Segment reporting

The business activities of the Group from which it earns revenue and incurs expenses, whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available involve predominantly one operating segment i.e. Process and Project engineering.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Entity Wide Disclosures:

Information concerning principal geographic areas are as follows:

I) Revenue by geographical market:

Particulars	31 March 2026	31 March 2025
Within India	19977.190	24674.392
Outside India	11701.638	7606.030
Total revenue from contracts with customers	31678.828	32280.422

II) Non-current assets by geographical market:

Particulars	31 March 2026	31 March 2025
Within India	5773.245	5935.080
Outside India	30.260	1.180
Total Non - Current assets	5803.505	5936.260

30 Related party transactions

a) Key management personnel and their close members of family

Key management personnel	Dr. Pramod Chaudhari
	Shishir Joshipura (upto 30 June 2025)
	Ashish Gaikwad
	Sachin Raole
	Anant Bavare
	Parimal Chaudhari (upto 11 August 2025)
	Dr. Shridhar Shukla
	Rujuta Jagtap
	Vinayak Deshpande
	Utkarsh Palnitkar
	Ajay Narayan Deshpande
	Parth Chaudhari (w.e.f 11 August 2025)
	Berjis Desai (w.e.f 01 July 2025)
Key Management personnel of Subsidiaries	Vikram Shrirang Pandit
	Dr. Pramod Madhukar Chaudhari
	Sandeep Rajnikant Mehta
	Mihir Mehta
	Abhijit Dani
	Shrikant Rathi
	Sivaramakrishnan S. Iyer
	Atul Mulay
	Dattatraya Nimbolkar
	Vivek Sukhatankar
	Yotspark Ruangrat
	Dilip Deshpande
	Avinash Padhey
Relatives of key management personnel	Parimal Chaudhari
	Parth Chaudhari
Other related parties with whom transactions have been taken place during the year	Plutus Properties LLP

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

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

Particulars	31 March 2026	31 March 2025
Plutus Properties LLP		
Rent Paid	1.482	4.375
Dr. Pramod Chaudhari		
Short term employee benefits	50.797	90.894
Post employment benefits	121.095	21.892
Other long term employee benefits	0.515	16.215
Commission paid	3.250	-
Payable	3.250	150.815
Shishir Joshipura		
Short term employee benefits	11.208	64.723
Post employment benefits	8.529	6.802
Other long term employee benefit	8.634	2.285
Payable	-	21.704
Ashish Gaikwad		
Short term employee benefits	41.789	16.344
Post employment benefits	5.726	1.150
Other long term employee benefit	0.446	0.251
Employee stock option expense	49.957	8.392
Payable	-	0.564
Sachin Raole		
Short term employee benefits	15.961	30.728
Post employment benefits	4.360	3.165
Other long term employee benefit	1.512	1.268
Payable	-	13.166
Anant Bavare		
Short term employee benefits	4.039	3.846
Post employment benefits	-	0.287
Other long term employee benefit	0.657	0.171
Payable	-	0.578
Parimal Chaudhari		
Commission on profit	1.750	3.500
Payable	1.750	3.500
Berjis Desai		
Commission on profit	1.500	-
Payable	1.500	-
Utkarsh Palnitkar		
Commission on profit	3.000	2.250
Payable	3.000	2.250
Vinayak Deshpande		
Commission on profit	4.000	4.000
Payable	4.000	4.000
Dr. Shridhar Shukla		
Commission on profit	2.000	1.750
Payable	2.000	1.750

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Particulars	31 March 2026	31 March 2025
Mr. Suhas Baxi		
Commission on profit	-	0.500
Payable	-	0.500
Ms. Rujuta Jagtap		
Commission on profit	0.750	0.750
Payable	0.750	0.750
Mr. Ajay Deshpande		
Commission on profit	0.750	0.750
Payable	0.750	0.750
Remuneration to Key management personnel of Subsidiaries	47.118	60.086
Professional fees paid to Non-Executive Directors of Subsidiaries	2.500	2.500

Note

- Transactions with related parties are at arms length price and the balances receivable / payable are un-secured. The terms of payment are generally similar to those of other non-related parties.
- Dividend to KMPs' is not disclosed here, as this is paid in capacity of shareholders.
- The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. The remuneration and perquisites on account of ESOP to key management personnel does not include employee stock compensation expense. The amount of performance link incentive to the extent paid till March 31, 2026 is only consider as remuneration. Non-executive and independent directors do not receive gratuity entitlements and leave benefits from the Company.

31 Leases

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

Nature of Leasing activity :

The Group has entered into lease arrangements for office and factory premises, office equipment, plant & machinery, vehicles, furniture & fixtures and computers.

The disclosures relating to leases are as summarised below :

Particulars	31 March 2026	31 March 2025
Depreciation for right-of-use asset	634.804	540.840
Interest expense on lease liabilities	195.600	180.480
Expenses relating to short-term / low value leases	104.749	68.903
Principal Payment on Leases	582.767	321.750
Total Cash outflow for leases	883.116	571.133
Carrying amount of right-of-use asset	1540.266	1799.850

Changes in lease liabilities arising from financing activities

Particulars	31 March 2026	31 March 2025
Opening lease liability	1948.808	1693.323
Net addition / (deletion) during the year	168.808	396.755
Finance cost	195.600	180.480
Lease Payments	(582.767)	(321.750)
Closing lease liability	1730.449	1948.808

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Particulars	31 March 2026	31 March 2025
Non-Current	1160.682	1503.112
Current	569.767	445.696
Maturity analysis of lease liabilities:		
- less than 1 year	569.764	445.696
- between 1 to 3 years	1059.591	1073.952
- more than 3 years	101.094	429.160

32 Employee benefits

a) Defined contribution plans

The Group has recognised ₹ 149.680 (31 March 2025: ₹ 132.155) towards post-employment defined contribution plans comprising of provident, Employee State Insurance Scheme, National Pension Scheme and superannuation fund in the statement of profit and loss.

b) Defined benefit plan

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

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

Particulars	31 March 2026	31 March 2025
Present value of obligation as at the beginning of the period	530.744	445.796
Interest cost	30.365	31.209
Past service cost	234.821	-
Current service cost	55.189	40.254
Benefits paid	(155.372)	(24.655)
Remeasurements on obligation - (gain) / loss	(55.251)	38.140
Present value of obligation as at the end of the period	640.496	530.744

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

Particulars	31 March 2026	31 March 2025
Fair value of plan assets at the beginning of the period	462.734	326.916
Interest income	30.882	27.408
Contributions	12.480	107.895
Benefits Paid	(16.089)	(0.368)
Other Charges	(0.067)	(0.418)
Return on plan assets, excluding amount recognized in interest income - gain / (loss)	1.157	1.301
Fair value of plan assets as at the end of the period	491.097	462.734

Amounts recognised in the balance sheet are as follows :

Particulars	31 March 2026	31 March 2025
Present value of obligation as at the end of the period	640.496	530.744
Fair value of plan assets as at the end of the period	491.097	462.734
Surplus / (deficit)	(149.399)	(68.010)

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Amounts recognised in the statement of profit and loss are as follows :

Particulars	31 March 2026	31 March 2025
Current service cost	55.189	40.254
Past service cost	234.821	-
Net interest (income) / expense	(0.517)	3.801
Net periodic benefit cost recognised in the statement of profit and loss at the end of the period	289.493	44.055

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

Particulars	31 March 2026	31 March 2025
Remeasurement for the year - obligation (gain) / loss	(55.251)	38.268
Remeasurement for the year - plan assets (gain) / loss	(1.157)	(1.301)
Total remeasurements cost / (credit) for the year	(56.408)	36.967

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

Particulars	31 March 2026	31 March 2025
Interest (income) / expense - obligation	30.365	31.209
Interest (income) / expense - plan assets	(30.882)	(27.408)
Net interest (income) / expense for the year	(0.517)	3.801

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

Particulars	31 March 2026	31 March 2025
Funds managed by insurer	100%	100%
Total	100%	100%

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

Particulars	31 March 2026	31 March 2025
Discount rate	6.90% - 7.20%	7.00% - 7.20%
Rate of increase in compensation levels	9.00%	8.00% - 9.00%
Expected rate of return on plan assets	6.70%	7.00% - 7.20%
Expected average remaining working lives of employees (in years)	5.07 - 7.23	7.76 - 8.46
Withdrawal rate		
Age up to 30 years	10% - 17%	9% - 10%
Age 31 - 40 years	10% - 17%	9% - 10%
Age 41 - 50 years	10% - 17%	9% - 10%
Age above 50 years	10% - 17%	9% - 10%

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

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

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

Discount rate	Present value of obligation	
	31 March 2026	31 March 2025
Decrease by 1%	665.582	552.368
Increase by 1%	617.520	511.402

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

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

Salary increment rate	Present value of obligation	
	31 March 2026	31 March 2025
Decrease by 1%	622.976	514.689
Increase by 1%	659.057	548.253

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

Withdrawal rate	Present value of obligation	
	31 March 2026	31 March 2025
Decrease by 1%	642.251	532.903
Increase by 1%	638.871	528.777

Expected contributions for the next year

The Group expects to fund ₹ 44.881 (31 March 2025: ₹ 36.488) towards its gratuity plan during the year 2026-27.

Average duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 4.93 - 9.59 years (31 March 2025: 8.03 - 13.74 years).

Maturity analysis

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

Particulars	31 March 2026	31 March 2025
Less than a year	218.034	245.404
Between 1-3 years	170.550	94.063
Between 4-5 years	169.361	84.612
More than 5 years	359.337	266.171

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

Risk Exposure and Asset Liability Matching

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

1) Liability Risks

a. Asset-Liability Mismatch Risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Group is successfully able to neutralize valuation swings caused by interest rate movements.

b. Discount Rate Risk

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

c. Future Salary Escalation and Inflation Risk

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

2) Asset Risks

All plan assets are maintained in a trust fund managed by LIC of India and ICICI Prudential Life Insurance.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

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

c) Other long-term employee benefits

Provision for Compensated absences :

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

Particulars	31 March 2026	31 March 2025
Present value of obligation as at the beginning of the period	238.342	232.788
Interest cost	15.042	14.760
Past service cost	0.132	-
Current service cost	41.369	40.266
Benefits paid	(27.657)	(55.576)
Remeasurements on obligation - (gain) / loss	(63.614)	6.104
Present value of obligation as at the end of the period	203.614	238.342

The liabilities for compensated absences represent the Company's obligations for Privileged/earned leave and are classified as other long-term employee benefits. These liabilities are presented as current, as the Company does not have an unconditional right to defer settlement of these obligations. Accordingly, the entire balance is treated as a current obligation as at the reporting date. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require settlement within the next 12 months. The expense/(gain) recognised in the statement of profit and loss for the year amounts to ₹ (7.072) million (31 March 2025: ₹ 61.129 million).

d) The Code on Social Security, 2020

During the year ended 31 March 2026, the Central Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', effective from 21 November 2025 primarily impacting the wage definition to be considered for the purpose of defined benefit obligation relating to gratuity.

The new Labour Codes introduced by the Government of India, inter alia, requires gratuity and leave encashment to be calculated based on wages as defined in Act. This has resulted in an increase in liability for past service periods. Group has also changed policy on compensated absences. Based on assessment of changed regulation and company's policy for compensated absences, Group has recognised past service cost aggregating to ₹ 234.821 millions during the year in accordance with Ind AS. The Group also recognized an incremental liability of ₹ 29.000 million for contract labours. Other potential impacts for contract labours are being evaluated but are not expected to be material. The Group continues to monitor the finalisation of Central/State Rules and clarifications from the Government and would provide appropriate accounting effect as and when such clarifications are issued/rules are notified.

33 Employee Stock Option Plan (ESOP)

In the Annual General Meeting of the Parent held on 22 July 2011, total of 9,238,936 stock options were approved under the scheme "Employee Stock Option Plan 2011". During the previous years, a total of 79,74,700 options were issued as ESOP 2011 – Grant I to XI, basis the eligibility and were exercised/ lapsed until 31 March 2024. During the previous year 2024-25, 4,21,000 options are granted to Managing Director under ESOP 2011 – Grant XII. These stock options will vest in a graded manner equally over the period of vesting starting from 3 February 2026, and each vesting taking effect as per the terms of the grant

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Amount of employee compensation expense recognised for employee services received during the year :

Particulars	31 March 2026	31 March 2025
Expense arising from equity-settled share-based payment transactions	49.957	8.392

Movements during the year - ESOP 2011 Grant I to XII

Particulars	31 March 2026		31 March 2025	
	Options	Weighted average exercise price ₹	Options	Weighted average exercise price ₹
Number of options outstanding at the beginning of the year	421,000		-	
Number of options granted during the year	-		421,000	
Number of options exercised during the year	-		-	
Number of options forfeited/lapsed during the year	-		-	
Number of options outstanding at the end of the year	421,000		421,000	
Number of options exercisable at the end of the year	NIL		NIL	
Range of exercise price of options outstanding at the end of the year	₹ 565.00		₹ 565.00	
Average share price during the year	₹ 393.39		₹ 672.80	
Weighted average remaining contractual life of options outstanding at the end of the year	2years		2.35 years	
Weighted average fair value of option as on date of grant (granted during the year)	NA	NA	03-Feb-25	257.92

Method used for calculating fair value of option – Black Scholes Option Valuation Model

Significant assumptions used in arriving at the fair value of options under Black Scholes model are stated as follows :

Particulars	FY 2025-26	FY 2024-25
Grant date	03 Feb 2025	03 Feb 2025
Risk-free interest rate	6.62%	6.62%
Expected life	2 - 4 years	2 - 4 years
Expected volatility*	55.15%	55.15%
Expected dividend yield	1.47%	1.47%
Price of the underlying share in market at the time of grant of option (₹)	627.15	627.15

* Expected volatility has been determined based on closing price of the share of the Parent over a period equivalent to expected life.

34 Expenditure on research & development activities

Revenue expenditure on research is charged under respective heads of account in the year in which it is incurred. Capital expenditure on development consist of property, plant and equipment, capital work in progress, intangible assets and intangible assets under development. The property, plant and equipment and intangible assets as included above are depreciated / amortised on the same basis as per their respective categories. The Break-up of Research and development (R&D) revenue and capital expenditure is as below:

Particulars	31 March 2026	31 March 2025
Capital expenditure (excluding advances)	180.978	296.927
Revenue expenditure	480.863	402.296

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

35 Corporate Social Responsibility (CSR) expenditure

During the year, these Indian Companies have incurred CSR expenses of ₹ 81.644 (2025: ₹ 63.600) as follows:

Amount spent on	Amounts paid in FY 2025-26	Amounts paid in FY 2024-25
Construction/acquisition of asset	Nil	Nil
On other purposes covered under Schedule VII to Companies Act, 2013	81.644	63.600

Particulars	31 March 2026	31 March 2025
(a) Amount required to be spent by the company during the year	80.400	63.479
(b) Amount of expenditure spent	81.644	63.600
i) Incurred through related party - Praj Foundation	74.224	55.369
ii) Incurred through contribution/donation to trusts / institute which are engaged in activities eligible under section 135 of Companies Act, 2013 read with Schedule VII thereto	7.420	8.231
(c) Shortfall at the end of the year (a-b)	-	-
(d) Total of previous years shortfall	-	-
(e) Cash outflow related to Corporate Social Responsibility (CSR) activities	81.644	63.600
Details of Amount Spent		
(f) Reason for shortfall	NA	NA
(g) Nature of CSR activities	CSR activities primarily include amount given to Praj Foundation which is the trust that has been used for promoting health care, skills development and promoting education including employment enhancing vocation.	
(h) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Praj Foundation	
(i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	

36 Fair value measurements

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

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Sr. No	Particulars	Carrying value		Fair value	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
	Financial assets				
A	Level 1				
i)	Carried at fair value through profit and loss (FVTPL)				
	Investments in mutual funds	3569.498	2867.671	3569.498	2867.671
ii)	Carried at fair value through other comprehensive income (FVOCI)				
	Investment in quoted equity shares	81.699	100.00	81.699	100.00
	Investment in quoted non-convertible bonds	29.981	497.710	29.981	497.710
B	Level 2				
i)	Carried at fair value through profit and loss (FVTPL)				
	Foreign exchange forward contracts	-	8.721	-	8.721
	(The fair value is as per the mark-to-market valuation from banks)				
ii)	Carried at amortised cost				
	Investment in quoted non-convertible bonds*	300.000	446.654	300.000	446.654
	Unquoted investments at amortised cost	200.000	370.000	200.000	370.000
	Security deposits	454.469	413.486	454.469	413.486
	Trade receivable	5586.773	5559.864	5586.773	5559.864
	Deposits with banks with an original maturity of more than 12 months	39.868	8.389	39.868	8.389
	Cash and cash equivalents and other bank balances	2037.420	1811.705	2037.420	1811.705
	Other receivables	77.463	127.289	77.463	127.290
	Financial liabilities				
A	Levelled at level 2				
i)	Carried at amortised cost				
	Trade payables	5861.144	4822.863	5861.144	4822.863
	Unclaimed dividends	10.038	11.841	10.038	11.841
	Lease Liability	1730.449	1948.808	1730.449	1948.808
	Other payables	393.433	479.885	393.433	479.885
	*The fair value of investments in quoted non-convertible bonds issued by Bajaj Auto Credit Limited (Unsecured, 7.25% coupon) has been considered at cost due to the absence of active trading in these securities as at 31 March 2026.				

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Notes :

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- (i) The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.
- (ii) The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.
- (iii) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

37 Financial risk management policy and objectives

The Group's principal financial liabilities, comprise lease liabilities, and trade and other payables. The main purpose of these financial liabilities is to finance Group's operations. Group's principal financial assets include investments, trade and other receivables, security deposits and cash and cash equivalents, that it derives directly from its operations.

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

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

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

(A) Credit risk

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Credit risk management

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

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

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

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

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

Provision for expected credit loss

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

Exposure to risk	31 March 2026	31 March 2025
Trade receivables	6721.960	6488.475
Contract Assets	5713.457	6871.169
Retention money	2163.486	2135.608
Less: Allowance for expected credit loss	(1181.031)	(961.867)
	13417.872	14533.385
Trade receivables	31 March 2026	31 March 2025
Trade receivables		
Neither past due nor impaired	9787.896	10312.088
Less than 180 days past due	3090.843	3271.146
181 - 365 days past due	326.039	395.412
More than 365 days past due	1394.125	1516.606
Gross trade receivables	14598.903	15495.252
Less: Allowance for expected credit loss	(1181.031)	(961.867)
Total	13417.872	14533.385

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Reconciliation of allowance for expected credit loss on trade receivables and contract assets	31 March 2026	31 March 2025
Opening loss allowance	961.867	720.266
Bad debts written off	(2.319)	(14.329)
Additional allowance	221.483	255.930
Closing loss allowance	1181.031	961.867

B) Liquidity risk

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

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

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

Exposure to risk	31 March 2026	31 March 2025
Other financial liabilities		
On demand	10.038	11.841
Less than 365 days	963.200	925.581
More than 365 days	1167.975	1509.505
Total	2141.213	2446.927
Trade payables		
Not Due	4564.110	4085.285
Less than 365 days	1112.055	737.578
More than 365 days	184.979	-
Total	5861.144	4822.863

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

	31 March 2026	31 March 2025
Expiring within one year	580.000	580.000
Expiring beyond one year	-	-

(C) Foreign currency risk

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

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

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Foreign currency exposure :

Financial assets	Currency	Amount in foreign currency		Amount in ₹	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
Trade receivables and Retention	EUR	9.443	4.177	1013.365	382.569
	USD	14.566	12.649	1362.002	1074.748
	GBP	0.180	0.180	22.242	19.741
Less: Foreign exchange forward contracts	EUR	0.000	3.617	0.000	337.583
	USD	0.000	8.925	0.000	769.502
Bank accounts	EUR	0.516	0.263	55.261	24.026
	USD	1.281	1.040	119.519	88.459

Financial liabilities	Currency	Amount in foreign currency		Amount in ₹	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
Trade payables and Capital payables	EUR	4.019	0.282	440.627	26.021
	USD	1.980	2.051	187.938	176.776
	GBP	-	-	-	0.000
	SEK	0.632	0.632	6.320	5.379

Currency wise net exposure (assets -liabilities)

Particulars	Amount in foreign currency		Amount in ₹	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
EUR	5.940	0.541	627.999	42.991
USD	13.867	2.713	1293.583	216.929
GBP	0.180	0.180	22.242	19.741
SEK	(0.632)	(0.632)	(6.320)	(5.379)

Sensitivity analysis

Currency	Amount in ₹		Sensitivity %	Impact on profit-strengthen [Loss / (Gain)]		Impact on profit -weakening [Loss / (Gain)]	
	2026	2025		2026	2025	2026	2025
EUR	627.999	42.991	5.00%	(31.400)	(2.150)	31.400	2.150
USD	1293.583	216.929	5.00%	(64.679)	(10.846)	64.679	10.846
GBP	22.242	19.741	5.00%	(1.112)	(0.987)	1.112	0.987
SEK	(6.320)	(5.379)	5.00%	0.316	0.269	(0.316)	(0.269)
Total	1937.504	274.282		(96.875)	(13.714)	96.875	13.714

(GBP - Great Britain Pound, EUR- Euro, USD - US Dollar, SEK- Swedish Krona)

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

38 Ageing schedule for Trade Receivables, Trade Payables and Capital Work-in-progress

(A) The table below provides details regarding Trade receivables ageing schedule

Particulars	31 March 2026						
	Unbilled dues/Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1910.953	3089.372	299.880	201.167	41.636	0.365	5543.373
(ii) Undisputed Trade Receivables – credit impaired	-	1.471	26.085	91.397	219.763	656.418	995.134
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	43.400	43.400
(iv) Disputed Trade Receivables – credit impaired	-	-	0.074	3.594	1.969	134.416	140.053
Gross trade receivable	1910.953	3090.843	326.039	296.158	263.368	834.599	6721.960
Less: Impairment Allowance							(1135.187)
Total							5586.773

Particulars	31 March 2025						
	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1305.311	3271.146	374.482	362.446	213.011	33.468	5559.864
(ii) Undisputed Trade Receivables – credit impaired	-	-	20.930	92.840	194.212	531.337	839.319
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	89.292	89.292
Gross trade receivable	1305.311	3271.146	395.412	455.286	407.223	654.097	6488.475
Less: Impairment Allowance							(928.611)
Total							5559.864

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

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

Particulars	31 March 2026					
	Unbilled dues/Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Micro and small Enterprises-Undisputed	1242.890	12.652	0.349	0.689	0.779	1257.359
(ii) Other-Undisputed	3321.220	1099.403	75.403	39.777	67.982	4603.785
Total	4564.110	1112.055	75.752	40.466	68.761	5861.144

Particulars	31 March 2025					
	Unbilled dues/Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Micro and small Enterprises-Undisputed	933.356	6.658	-	-	-	940.014
(ii) Other-Undisputed	3151.929	708.391	19.717	2.164	0.648	3882.849
Total	4085.285	715.049	19.717	2.164	0.648	4822.863

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

Particulars	31 March 2026				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Capital Work-in-progress	44.571	11.035	-	-	55.606
(ii) Intangibles under Development	1.703	1.551	-	3.050	6.304

Particulars	31 March 2025				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Capital Work-in-progress	172.437	-	0.846	-	173.283
(ii) Intangibles under Development	1.551	-	3.050	-	4.601

As of the balance sheet date, except for software projects under development, there are no projects with overdue completion. Furthermore, the Company does not anticipate any cost overruns in respect of the overdue projects. All such overdue projects are expected to be completed in FY 2026–27. There are no projects on hold as of 31 March, 2026.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

39 Analytical Ratios

Sr. No.	Ratio	Formula	Numerator	Denominator	31 March 2026	31 March 2025	% Variance	Reason for Variance (if variation is more than 25%)
1	Current ratio	Current Assets / Current Liabilities	Current assets	Current liabilities	1.46	1.51	-3.31%	NA
2	Debt service coverage ratio	Earning available for debt service / Debt service	Profit after tax excluding exceptional items + Finance Cost + Depreciation and amortisation	Interest + Principal Lease Payments	2.26	6.45	-64.96%	Reduction in profits and increased interest expenses due to additional finance cost on leases
3	Return on equity ratio	Profit after tax / Average of Shareholder's Equity	Profit after tax	(Opening Equity Share capital & Other Equity + Closing Equity Share capital & Other Equity)/2	1.77%	16.48%	-89.26%	Praj GenX Limited (GenX) commenced operations at its Mangalore facility in March 2024 and incurred scale-up related expenditure amounting to ₹768.13 million during FY 2024-25. As GenX is in its startup phase, these initial losses have impacted the overall return.
4	Inventory turnover ratio	Cost of Goods Sold / Average Inventory	Cost of Materials consumed + Changes in Inventory + Consumption of stores and spares	(Opening Inventory + Closing Inventory)/2	6.40	7.11	10.05%	NA
5	Trade receivables turnover ratio	Net Credit Sales / Average Trade Receivables	Sales (billed to customer)	(Opening Trade Receivables + Closing Trade Receivables)/2	5.78	4.76	21.43%	NA
6	Trade payables turnover ratio	Net Credit Purchases / Average Trade Payables	Net credit purchases	(Opening Trade Payables + Closing Trade Payables)/2	3.05	3.48	-12.36%	NA

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Sr. No.	Ratio	Formula	Numerator	Denominator	31 March 2026	31 March 2025	% Variance	Reason for Variance (if variation is more than 25%)
7	Net capital turnover ratio	Revenue from Operations / Average Working Capital	Revenue from Operations	(Opening Working Capital + Closing Working Capital) / 2	4.03	4.06	-0.74%	NA
8	Net profit ratio	Net Profit / Net Sales	Profit After Tax	Revenue from Operations	0.75%	6.78%	-88.94%	Reduced profit margin due to execution of few major orders with lower profit margins.
9	Return on capital employed	EBIT / Capital Employed	Earning Before Interest & Tax	Capital Employed = Total equity as adjusted for deferred tax asset and intangible assets	5.59%	24.41%	-77.10%	Reduced profit margin due to execution of few major orders with lower profit margins.
10	Return on investment	Net Income / Net Investment	Income from Investments	Average Investment	5.01%	8.34%	-39.93%	Reduction in returns from capital market.

40 Other Notes

i Title deeds of immovable property not held in the name of the Companies in the Group

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

ii Details of Benami Property

The Indian companies in Group do not own any benami property neither any proceedings are initiated or pending against the Group under the Prohibition of Benami Property Transactions Act, 1988.

iii Borrowings secured against current assets

Though the Indian companies in Group do not have any fund based borrowings from banks or financial institutions on the basis of security of current assets, it has filed quarterly returns or statements of current assets with banks or financial institutions and the same are in agreement with the books of account.

iv Wilful Defaulter

The Indian companies in Group have not been declared as wilful defaulter by any bank or financial institution or other lender.

v Relationship with Struck off Companies

The Indian companies in Group have not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

vi Registration of charges with ROC

There are charges amounting to ₹ 8571.750 million (31 March 2025: Charges amounting to ₹ 8571.750 million) created in favour of banks which are pending for satisfaction. In respect of four charges amounting to ₹ 781.750 million (31 March 2025 : ₹ 781.750 million), there are no outstanding dues to the banks and satisfaction of the charge is pending due to technical issues which company is in the process of resolving.

vii Utilisation of Borrowed funds and share premium

The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group or (ii) provide any guarantee, security or the like to or on behalf of the Group.

viii Loans or advances to specified persons

The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs, or other related parties. However, the group has provided loans to employees as per the Company's policy. These loans are neither granted severally nor jointly with any other person and are not:

- (i) repayable on demand or
- (ii) without specifying any terms or period of repayment."

ix Details of Crypto Currency or Virtual Currency

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

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

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

xi Utilisation of borrowings availed from banks and financial institutions

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

xii Compliance with number of layers of companies

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

xiii Undisclosed income

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

41 Capital management

Risk management

The Group's objectives when managing capital are to

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

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

The Company's strategy is to maintain a gearing ratio of 0%. The gearing ratios were as follows :

	31 March 2026	31 March 2025
Loans and borrowings	-	-
Less: cash and cash equivalents	1423.696	1259.191
Net debt (A)	-	-
Equity (B)	13091.255	13817.671
Capital and net debt (C=A+B)	13091.255	13817.671
Gearing ratio (A/C)	0%	0%

42 Additional information, as required under schedule III to the companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures

For The Year Ended 31 March 2026	Net Assets (Total Assets Minus Total Liabilities)		Share In Profit Or Loss		Share In Other Comprehensive Income		Share In Total Comprehensive Income	
Name Of The Enterprise	As % Of Consolidated Net Assets	Amount	As % Of Consolidated Profit Or Loss	Amount	As % Of Consolidated Other Comprehensive Income	Amount	As % Of Consolidated Total Comprehensive Income	Amount
1	2	3	4	5	6	7	8	9
Parent								
Praj Industries Limited	109.45%	14327.772	505.26%	1204.843	110.95%	36.804	457.10%	1241.647
Subsidiaries								
Indian								
1. Praj Hipurity Systems Limited	9.20%	1204.829	69.48%	165.695	9.74%	3.229	62.19%	168.924
2. Praj Engineering & Infra Limited	2.78%	364.288	3.99%	9.504	-45.70%	(15.160)	-2.08%	(5.637)
3. Praj Genx Limited	-13.99%	(1831.177)	-440.08%	(1049.425)	5.08%	1.686	-385.72%	(1047.739)
Foreign								
1. Praj Far East Philippines Limited-Philippines	0.20%	26.583	-0.20%	(0.472)	3.52%	1.168	0.26%	0.696
2. Praj Americas Inc. - Usa	0.22%	29.040	1.90%	4.530	8.17%	2.710	2.67%	7.240
3. Praj Far East Co. Limited-Thailand	0.18%	23.895	-8.55%	(20.382)	15.16%	5.028	-5.65%	(15.354)
4. Praj Projects (Tanzania) Limited-Tanzania	-0.08%	(10.524)	6.10%	14.546	-6.92%	(2.296)	4.51%	12.250
CSR Trust								
1. Praj Foundation	0.42%	54.466	-0.19%	(0.456)	-	-	-0.17%	(0.456)
Minority Interests In All Subsidiaries	0.01%	1.282	0.02%	0.051	0.00%	0.000	0.02%	0.051
Inter Company Eliminations/Goodwill Amortisation	-8.39%	(1097.917)	-37.73%	(89.967)	-	-	-33.13%	(89.987)
Total	100.00%	13092.537	100.00%	238.467	100.00%	33.168	100.00%	271.635

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

For The Year Ended 31 March 2025	Net Assets (Total Assets Minus Total Liabilities)		Share In Profit Or Loss		Share In Other Comprehensive Income		Share In Total Comprehensive Income	
Name Of The Enterprise	As % Of Consolidated Net Assets	Amount	As % Of Consolidated Profit Or Loss	Amount	As % Of Consolidated Other Comprehensive Income	Amount	As % Of Consolidated Total Comprehensive Income	Amount
1	2	3	4	5	6	7	8	9
Parent								
Praj Industries Limited	102.30%	14139.046	120.78%	2644.278	100.14%	(21.673)	120.99%	2622.605
Subsidiaries								
Indian								
1. Praj Hipurity Systems Limited	7.50%	1035.908	9.80%	214.464	19.67%	(4.257)	9.70%	210.207
2. Praj Engineering & Infra Limited	2.68%	370.009	3.15%	69.049	0.73%	(0.159)	3.18%	68.890
3. Praj Genx Limited	-5.67%	(783.440)	-34.29%	(750.686)	2.38%	(0.514)	-34.65%	(751.200)
Foreign								
1. Praj Far East Philippines Limited-Philippines	0.19%	25.887	-0.01%	(0.294)	-4.59%	0.993	0.03%	0.699
2. Praj Americas Inc.-Usa	0.16%	21.800	0.10%	2.190	-2.27%	0.492	0.12%	2.682
3. Praj Far East Co. Limited-Thailand	0.28%	39.249	-0.14%	(2.967)	-16.22%	3.511	0.03%	0.544
4. Praj Projects (Tanzania) Limited-Tanzania	-0.16%	(22.774)	-1.07%	(23.457)	0.16%	(0.035)	-1.08%	(23.492)
Minority Interests In All Subsidiaries	0.01%	1.226	0.01%	0.229	0.00%	0.00%	0.01%	0.229
Inter Company Eliminations/Goodwill Amortisation	-7.29%	(1008.014)	1.67%	36.524	-	-	1.68%	36.524
Total	100.00%	13818.897	100.00%	2189.330	100.0%	(21.642)	100.00%	2167.688

43 Partly-owned subsidiary

Financial information of subsidiary that have non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interest:

Name	Country of operation	31 March 2026	31 March 2025
Praj Engineering & Infra Limited	India	0.33%	0.33%

Information regarding non-controlling interest

The summarised financial information of the subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Summarised statement of profit and loss

Particulars	31 March 2026	31 March 2025
Total Income	1239.522	1449.066
Employee benefits expense	90.033	63.017
Finance costs	–	0.050
Other expenses	1125.141	1289.105
Profit before tax	24.348	96.894
Exceptional Items	(1.988)	0.000
Total tax expense	12.855	27.614
Profit for the year:	9.505	69.280
Total comprehensive income	(5.656)	69.121

Summarised balance sheet

Particulars	31 March 2026	31 March 2025
Non current assets	131.524	134.186
Current assets	948.641	933.775
Total Assets	1080.165	1067.961
Non current liabilities	1.361	2.302
Current liabilities	713.234	694.433
Total Liabilities	714.595	696.735
Total Equity	365.570	371.226

Summarised cash flow

Particulars	31 March 2026	31 March 2025
Net cash flows from operating activities	129.495	(41.911)
Net cash flows from investing activities	(52.701)	53.860
Net cash flows from financing activities	–	–
Net increase/(decrease) in cash and cash equivalents	76.794	11.949

44 Interest in Subsidiaries:

The summarised information of interest in subsidiaries is as below:

Name of entity	Place of Business	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		31 March 2026	31 March 2025	31 March 2026	31 March 2025	
1. Praj HiPurity Systems Limited	India	100%	100%	–	–	Manufacturing, installation and commissioning of water purification systems
2. Praj Engineering & Infra Limited	India	99.67%	99.67%	0.33%	0.33%	Installation, commissioning and sub-contracting works
3. Praj GenX Limited	India	100%	100%	–	–	Process and Project Engineering
4. Praj Far East Philippines Limited	Philippines	100%	100%	–	–	Installation, commissioning and sub-contracting works
5. Praj Americas Inc.	USA	100%	100%	–	–	Marketing and Supporting services

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

Name of entity	Place of Business	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		31 March 2026	31 March 2025	31 March 2026	31 March 2025	
6. Praj Far East Co. Limited	Thailand	100%	100%	–	–	Commissioning and sub-contracting works with marketing and supporting services
7. Praj Projects (Tanzania) Limited	Tanzania	100%	NA	–	–	Installation, commissioning and sub-contracting works
8. Praj Foundation (CSR trust)	India	NA	NA	NA	NA	CSR activities for promoting health care, skills development and promoting education.

45 Audit Trail and Audit Backup

- a. The Group has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except audit trail at database level due to absence of SOC report.

Further, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, there was no instance of audit trail feature being tampered with except for above. Additionally, the audit trail of prior years has been preserved by the Group as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

- b. With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Group is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Group has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account.

Requirements u/s 143(3) of the Act	Compliance/ remarks
Books of Account maintained on cloud/ servers physically located in India	Yes
Backup maintained in India on daily basis	Yes

46 Exceptional Items:

- a. Effective 21 November 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes'. The New Labour Codes have resulted in a one-time material increase in provision for employee benefits on account of recognition of past service costs. Based on the requirements of the New Labour Codes and ICAI clarification, the Group has assessed and accounted for a net incremental impact of ₹ 263.821 million, including an additional liability of ₹ 29.000 million relating to contract labour and is in the process of evaluating other possible impacts. However, management is of the view that other impacts, if any, is unlikely to be material. Considering the one-time material increase in provision the impact is recognised as 'Exceptional Item' for the year ended 31 March 2026.
- b. Exceptional Item for the year ended 31 March 2025 consists of profit on sale of land located at Nasarpur.

- 47 On 28 March 2025, a fire occurred at the R&D facility, resulting in a temporary disruption of R&D activities for a few weeks. The facility was fully insured, and a claim amounting to ₹ 125.000 millions has been lodged with the insurance company. The loss on account of fire accounting to ₹ 27.341 millions has been recorded in Profit & Loss Account. In addition to this, Group has incurred capital expenditure for replacement of lost asset amounting to ₹ 127.50 millions.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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

The Group has received an advance amounting to ₹ 65.000 millions against the claim lodged during the current year. As the final approval of the claim by the insurance authorities is pending, the advance has been appropriately classified under 'Other Payables'

- 48** In light of the recent opinion issued by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) on "Consolidation of the financial statements of a section 8 company with the Sponsor Company.", the Holding Company has determined that it exercises control over its CSR Trust i.e., 'Praj Foundation'. Consequently, the financial statements of the Trust have been included in the consolidated financial statements, reflecting change in its consolidation status as compared to previous year.

Management believes that they do not have any material impact on the balance sheet at the beginning of the comparative period and, therefore, there is no need for separate presentation of third balance sheet. Hence previous year numbers have not been restated.

49 Standards/ Amendment to standards Issued but not effective

Recent pronouncements: The below amendments to the existing standard which are notified by Ministry of Corporate affairs but are not yet effective: Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants. The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

- Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.
- Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.
- Disclose information about the timing of settlement to understand the impact of the liability on the financial statements. The Group does not expect this amendment to have an impact on its operations or financial statements.

- 50** Prior year figures have been regrouped and reclassified wherever necessary to ensure comparability with the current period's presentation. The reclassification pertains to following:

- Purchases of stock-in-trade are presented separately, which were earlier included under cost of materials consumed;
- Foreign exchange gains are reported under other income, which were earlier presented on the face of Profit and Loss Statement;
- Right-of-use assets are disclosed separately instead of being included within property, plant and equipment; and
- Interest on defined benefit plans are reported under employee benefits expense, which were earlier included in finance costs.

As per our report of even date.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Regn. No: W101187/105047W

Nitin Manohar Juman
Partner
Membership No.: 111700

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

Dr. Pramod Chaudhari
Chairman
(DIN : 00196415)
Date: 28 May 2026

Ashish Gaikwad
Managing Director
(DIN : 07585079)
Date: 28 May 2026

Sachin Raole
Joint MD and CFO
(DIN : 00431438)
Date: 28 May 2026

Anant Bavare
Company Secretary
(M.No. : ACS21405)
Date: 28 May 2026

Place : Pune
Date: 28 May 2026

NOTICE

Notice is hereby given that the Fortieth (40th) Annual General Meeting (“AGM”) of Praj Industries Limited (“the Company”) will be held on **Thursday, the 13th August, 2026** through Video Conferencing (“VC”) / Other Audio Video Visual Means (“OAVM”) at **10.00 a.m. (IST)**. The venue of the AGM shall be deemed to be the Registered Office of the Company. The following businesses will be transacted at the AGM.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026 together with the reports of Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026 together with the report of the Auditors thereon.
3. To declare dividend of ₹3.60/- (180%) per equity share of ₹2/- each for the financial year ended 31st March, 2026.
4. **To consider retirement of Mr. Berjis Desai (DIN: 00153675), Non-Executive Non-Independent Director, by rotation under Section 152 of the Companies Act, 2013, and not to fill up the resultant vacancy:**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Berjis Desai (DIN: 00153675), Non-Executive Non-Independent Director, retires by rotation at 40th Annual General Meeting (AGM) and has not offered himself for re-appointment.

RESOLVED FURTHER THAT vacancy caused by the retirement of Mr. Berjis Desai not be filled up at 40th AGM.”

Note: Mr. Berjis Desai has not offered himself for re-appointment as a Director due to his appointment as a Member of National Commission for Minorities, New Delhi, which require his substantial commitment of time.

SPECIAL BUSINESS:

5. **To approve appointment of Ms. Rujuta Jagtap (DIN: 00861890) as an Independent Director of the Company for the second term of three (3) years with effect from 21st August, 2026 till 20th August, 2029:**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Schedule IV to the Act and Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Rujuta Jagtap (DIN: 00861890) in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for the second term of three (3) years with effect from 21st August, 2026 till 20th August, 2029.”

6. **To ratify the remuneration of Dhananjay V. Joshi & Associates, Cost Accountants as Cost Auditors for the financial year ending 31st March, 2027:**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory

modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹0.325 Mn. as Audit fees plus out of pocket expenses at actual plus applicable taxes, payable to Dhananjay V. Joshi & Associates, Cost Accountants (Firm Registration No. 00030) who have been appointed by the Board of Directors as Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027."

**By Order of the Board of Directors
For Praj Industries Limited**

Anant Bavare

**Company Secretary & Compliance Officer
(M. No. 21405)**

Place: Pune

Date: 15th July, 2026

Registered Office:

"Praj Tower", S. No. 274 & 275/2,
Bhumkar Chowk-Hinjewadi Road,
Hinjewadi, Pune 411 057.

Notes:

1. Ministry of Corporate Affairs ("MCA"), vide its General Circular No. 03/2025 dated 22nd September, 2025 ("MCA Circular") and the Securities and Exchange Board of India ("SEBI") vide its Circular dated 3rd October, 2024 ("SEBI Circular"), has permitted convening the general meetings through VC/OAVM, without physical presence of the members at a common venue. Accordingly, the 40th AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be "Praj Tower", S. No. 274 & 275/2, Bhumkar Chowk-Hinjewadi Road, Hinjewadi, Pune-411 057.
2. As the AGM is being held through VC/OAVM, the facility to appoint proxy shall not be available for the AGM and hence the Proxy Form, the Attendance Slip and the Route Map are not annexed to this Notice. However, Corporate members intending to attend the Meeting through VC/OAVM are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Information regarding appointment of Director and Explanatory Statement in respect of Special Business to be transacted pursuant to Section 102 of the Companies Act, 2013 ("the Act") and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") is annexed hereto.
4. In case of joint holders attending the Meeting, only such joint holder who is first in the order of names will be entitled to vote.

5. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days (Saturdays and Sundays are weekly offs), during business hours up to the date of the AGM.
6. The Company has notified **Thursday, the 6th August, 2026** as Record Date for the purpose of declaration of dividend.

The Dividend, if any declared, shall be payable to those shareholders whose names stand registered:

- a. As beneficial owner as at the end of business hours on **Thursday, the 6th August, 2026** as per the lists to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in the electronic form.
 - b. As member in the register of members (Beneficiaries Position) of the Company/ Registrar & Share Transfer Agent on **Thursday, the 6th August, 2026**.
 - c. The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched by **11th September, 2026** before statutory time limit.
7. Members holding shares in electronic form are requested to intimate any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company / MUFG Intime India Private Limited, Registrar & Share Transfer Agent of the Company (MUFG).

8. Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') (including any statutory modification(s) or re-enactment (s) thereof for the time being in force), final dividend for the financial year ended 31st March, 2019 and onwards, which remains unclaimed for a period of seven (7) years from the date of its transfer to the unpaid dividend account of the Company would be transferred to Investor Education and Protection Fund (IEPF).
9. The members who have so far not yet claimed their dividend for the previous years are advised to submit their claim to the Company or to the Company's Registrar & Share Transfer Agent at their address given herein below, quoting their Folio No. / DP Id and Client Id:

MUFG Intime India Pvt. Ltd. (formerly known as Link Intime India Pvt. Ltd.)
Block No. 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune 411 001.

During the financial year 2025-26, the Company has transferred the unpaid or unclaimed dividend of ₹12,67,262/- (Rupees Twelve Lakhs Sixty Seven Thousand Two Hundred and Sixty Two only) to IEPF in accordance with the provisions of Section 125 of the Act read with the IEPF Rules, as amended.
10. Pursuant to the provisions of Section 124(6) of the Act read with IEPF Rules, 2016, as amended, all the shares in respect of which dividend has not been claimed for seven (7) consecutive years or more shall be transferred by the Company in the name of IEPF.

The shareholders who have not claimed / encashed the dividend in the last seven (7) consecutive years from financial year 2018-19 are requested to claim the same to avoid transfer of shares to IEPF.

In accordance with the aforesaid provisions, the Company has transferred 14,690 equity shares pertaining to the financial year 2017-18, in respect of which the dividend has not been claimed by the concerned shareholder/s consecutively for seven (7) years, to IEPF on 15th October, 2025. Shareholders may note that the unclaimed dividend amount transferred to IEPF and the shares transferred to the Demat Account of IEPF can be claimed back from IEPF by making an online application in web Form IEPF 5 (available on www.iepf.gov.in) to IEPF authority with a copy to the Company.
11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to MUFG, for consolidation into a single folio.
12. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / MUFG.
13. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
14. Non-Resident Indian Members are requested to inform MUFG, immediately of:
 - a. Change in their residential status on return to India for permanent settlement.
 - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN code number, if not furnished earlier.
15. To further Company's environment friendly agenda and to participate in MCA's Green Initiatives, members are requested to register / update their e-mail address with their Depository Participant. Members who are holding shares in physical form are requested to send their e-mail address at pune@in.mpms.mufg.com for updation.
16. SEBI vide its Circulars issued during 2023, established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. The regulatory norms regarding the same were consolidated vide SEBI Master Circular dated 11th August, 2023. Pursuant to the same, investors shall first take up a grievance with the Company directly, escalate the same through the SCORES Portal and if still not satisfied with the outcome after exhausting all available options, investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>. Link to the ODR Portal is also available on the Company's website at <https://www.praj.net/investors-type/shareholders-information/>
17. A "100 days campaign" was organised from 28th July, 2025 to 6th November, 2025 under the IEPF Saksham

Niveshak Program, to facilitate updation of KYC and bank account details by shareholders and to assist them in claiming unpaid and unclaimed dividends relating to earlier financial years, with a view to preventing transfer of such amounts to the IEPF.

Subsequently, the Company has initiated a Second 100 days campaign from 1st April, 2026 to 9th July 2027. Shareholders are encouraged to avail this opportunity to update their KYC and bank account details and claim unpaid and unclaimed dividends within the stipulated timelines, thereby avoiding transfer of such amounts to the IEPF.

18. The notice of 40th AGM and instructions for remote e-voting is being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s) unless a member has requested for a hard copy of the same.
19. The Board vide its Resolution passed on 15th July, 2026 has appointed Mr. Nishad Umrani, Partner, MSN Associates, Practising Company Secretaries (Membership No. FCS 4910, COP No. 3070), as Scrutinizer for conducting the e-voting process in accordance with the law and in a fair and transparent manner.

The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting on the date of the AGM, in the presence of at least two witnesses not in the employment of the Company and make, not later than two working days of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him in writing and the Results shall be declared by the Chairman or any person authorized by him thereafter.

The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.praj.net and on the website of NSDL immediately after the declaration of Result by the Chairman or any person authorized by him in writing. The results shall also be forwarded to the Stock Exchanges where the shares of the Company are listed.

20. Members are requested to notify their queries, if any, on financial statements etc. latest by **7th August, 2026** to facilitate the answering thereto. The queries be sent at investorsfeedback@praj.net.
21. Members who would like to express their views or ask questions during AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client ID/Folio No., mobile number at investorsfeedback@praj.net **on or before 7th August, 2026 by 5.00 P.M. IST**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
 - (a) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device. When a pre-registered speaker is invited to speak at the meeting but does not respond, the next speaker will be invited to speak.
 - (b) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

**By Order of the Board of Directors
For Praj Industries Limited**

Anant Bavare
Company Secretary & Compliance Officer
(M. No. 21405)

Place: Pune

Date: 15th July, 2026

Registered Office:

"Praj Tower", S. No. 274 & 275/2,
Bhumkar Chowk-Hinjewadi Road,
Hinjewadi, Pune 411 057.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE ACT:

The following Statement sets out all material facts relating to the Item No. 5 & 6 of Special Business mentioned in the accompanying Notice:

Item No. 5

To approve appointment of Ms. Rujuta Jagtap (DIN: 00861890) as an Independent Director of the Company for the second term of three (3) years with effect from 21st August, 2026 till 20th August, 2029:

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a Special Resolution by the Company for another term of upto five consecutive years.

The Shareholders of the Company, vide a resolution dated 17th November, 2023, had approved the appointment of Ms. Rujuta Jagtap (DIN: 00861890), as an Independent Director of the Company for a period of three (3) consecutive years with effect from 21st August, 2023 till 20th August, 2026.

Based on the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors at their meeting held on 28th May, 2026 approved the re-appointment of Ms. Rujuta Jagtap (DIN: 00861890) as an Independent Director in accordance with Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, to hold office for the second term of three (3) years with effect from 21st August, 2026 till 20th August, 2029, not liable to retire by rotation, subject to approval of shareholders by way of Special Resolution.

The Company has received notice under Section 160 of the Act from a Member proposing the candidature of Ms. Rujuta as an Independent Director of the Company.

The Company has received following documents/confirmations from Ms. Rujuta Jagtap:

- (i) declaration confirming that she meets the criteria of independence as prescribed under the Act and the Listing Regulations;
- (ii) confirmation that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

In the opinion of NRC and the Board of Directors, Ms. Rujuta Jagtap fulfils the conditions of independence specified in the Act, the Listing Regulations and is independent of the management.

Ms. Rujuta Jagtap also fulfils the conditions specified in Sections 149, 152 and Schedule IV of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force).

Accordingly, it is proposed to seek approval of Shareholders of the Company by way of a Special Resolution for re-appointment of Ms. Rujuta Jagtap as a Non-Executive Independent Director, not liable to retire by rotation, to hold office for a further period of three (3) years from 21st August, 2026 to 20th August, 2029.

The profile and other relevant information as required under the Act, Listing Regulations and SS-2 are given below.

A copy of letter of appointment of Ms. Rujuta Jagtap, setting out the terms and conditions of appointment will be uploaded on the website of the Company at www.praj.net after getting the approval of the members.

Other than Ms. Rujuta Jagtap and her relatives, to whom the resolution relates, none of the Directors, Key Managerial Personnel, or their relatives is in any way, concerned or interested, financially or otherwise, except to the extent of their respective shareholding, if any, in the proposed Resolution as set out in this notice.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No. 6

To ratify the remuneration of Dhananjay V. Joshi & Associates, Cost Accountants as Cost Auditors for the financial year ending 31st March, 2027:

The Board, on the recommendation of the Audit Committee, has approved the appointment of Dhananjay V. Joshi & Associates, Cost Accountants, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027 for a total remuneration of ₹0.325 Mn. as Audit fees plus out of pocket expenses at actual and taxes as may be applicable.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

I BUILDING FOR FUTURE

None of the Director(s) or Key Managerial Personnel of the Company or their relatives, is in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

**By Order of the Board of Directors
For Praj Industries Limited**

Place: Pune
Date: 15th July, 2026

Registered Office:

"Praj Tower", S. No. 274 & 275/2,
Bhumkar Chowk-Hinjewadi Road,
Hinjewadi, Pune 411 057.

Anant Bavare
Company Secretary & Compliance Officer
(M. No. 21405)

Annexure 1

Details of Director seeking appointment pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings.

Name of the Director	Ms. Rujuta Jagtap		
Designation/ Category of Director	Independent Director		
DIN	00861890		
Age	46 years		
Date of Birth	11 th January, 1980		
Qualifications	MBA in International Business from Symbiosis		
Brief resume and expertise in specific functional areas	Ms. Rujuta Jagtap completed her Masters in Business Management (MBA) in International Business in the year 2002 from Symbiosis. At present, she is an Executive Director on the Board of Saj Test Plant Pvt. Ltd. She is also member of the Board of Maharashtra Chamber of Commerce, Industries and Agriculture (MCCIA) since 2018. Ms. Rujuta has more than 23 years of versatile experience in the areas of management, administration, marketing etc. She has worked with TATA Steel Ltd. and Standard Chartered Grindlays Bank. She is first Woman Chairperson of Indo American Chamber of Commerce as well as Chairperson of British Business Group. She is also member of The Indus Entrepreneurs (TIE), and Judge on their Business Plan Competitions, which is a joint Initiative with PRAJ.		
Date of first appointment on the Board	21 st August, 2023		
No. of shares held including shareholding as beneficial owner as on the date of AGM	Nil		
Terms and conditions of appointment	Non-Executive Independent Director, not liable to retire by rotation		
Details of remuneration last drawn (FY 2025-26)	₹0.75 Mn.		
Details of proposed remuneration	Profit based commission on annual basis, as per the recommendation of NRC.		
Relationship with other Directors and Key Managerial Personnel	None		
Number of meetings of the Board attended during the financial year 2025-26	Five (5)		
Chairperson/ Membership of the Committee(s) of Board of Directors of the Company	- Stakeholders' Relationship Committee - CSR & Sustainability Committee - Share Transfer Committee - Compensation & Share Allotment Committee		
Other Directorships	- Praj HiPurity Systems Limited - Techknowgreen Solutions Limited - SAJ Test Plant Private Limited - SAJ Leasing & Finance Private Limited		
Chairperson/ Membership of the Committee(s) of Board of Directors of other companies	Name of the Company	Name of the Committee	Position
	Techknowgreen Solutions Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Member
	Praj HiPurity Systems Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Member
Listed companies from which she has resigned in the past three years	Nil		

E-voting related instructions

1. MCA and SEBI has permitted convening the general meetings through VC/OAVM, without physical presence of the members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC/ OAVM.
2. Pursuant to the MCA Circular, the facility to appoint proxy to attend and cast vote for the members is not available for 40th AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations (as amended), the MCA Circular and SEBI Circular, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with MUFG Intime India Private Limited (MUFG) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by MUFG.
6. In line with the MCA Circular, the Notice calling the AGM has been uploaded on the website of the Company at www.praj.net. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of MUFG (agency for providing the Remote e-Voting facility) i.e. <https://instavote.linkintime.co.in>.
7. The remote e-voting period begins on **Monday, the 10th August, 2026 at 09:00 A.M.** and ends on **Wednesday, the 12th August, 2026 at 05:00 P.M.** The remote e-voting module shall be disabled by MUFG for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Thursday, the**

6th August, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

8. In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November, 2024, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

Login method for Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1–NSDL OTP based login

- a) Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- b) Enter your 8–character DP ID, 8–digit Client Id, PAN, Verification code and generate OTP.
- c) Enter the OTP received on your registered email ID/mobile number and click on login.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2–NSDL IDeAS facility

Shareholders registered for IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on “Beneficial Owner” icon under “IDeAS Login Section”.
- b) Enter IDeAS User ID, Password, Verification code & click on “Log-in”.
- c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on “Access to e-Voting” under e-Voting services.
- d) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

- To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".
- Enter the last 4 digits of your bank account / generate 'OTP'
- Post successful registration, user will be provided with Login ID and password.
- Follow steps given above in points (a-d).

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.



METHOD 3-NSDL e-voting website

- Visit URL: <https://www.evoting.nsdl.com>
- Click on the "Login" tab available under 'Shareholder/ Member' section.
- Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on "Login".
- Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1-CDSL e-voting page

- Visit URL: <https://www.cdslindia.com>.
- Go to e-voting tab.
- Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".
- System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account.
- Post successful authentication, user will be able to see e-voting option. The evoting option will have

links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2-CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

- Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)".
- Enter existing username, Password & click on "Login".
- Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

- To register, visit URL: <https://web.cdslindia.com/myeasitoken/Home/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration>.
- Proceed with updating the required fields for registration.
- Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- Login to DP website
- After Successful login, user shall navigate through "e-voting" option.
- Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

- Visit URL: <https://instavote.linkintime.co.in> & click on "Login" under 'SHARE HOLDER' tab.
- Enter details as under:
 - User ID: Enter User ID
 - Password: Enter existing Password
 - Enter Image Verification (CAPTCHA) Code

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no, registered with the Company

- Click "Submit".

(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

Shareholders not registered for INSTAVOTE facility:

- Visit URL: <https://instavote.linkintime.co.in> & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:
 - User ID: Enter User ID
 - PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no, registered with the Company

- DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/ Company—in DD/MM/YYYY format)
- Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders, holding shares in NSDL form, shall provide 'point 4' above.
- Shareholders, holding shares in CDSL form, shall provide 'point 3' or 'point 4' above.
- Shareholders, holding shares in physical form but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above

- Set the password of your choice.

(The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

- Enter Image Verification (CAPTCHA) Code.
- Click "Submit" (You have now registered on InstaVote).

Post successful registration, click on "Login" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

- Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
- Select 'View' icon. E-voting page will appear.
- Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising

its representative to vote, to the scrutinizer at nishad.msn@gmail.com with a copy marked to RTA at enotices@in.mpms.muvg.com and the company at investorsfeedback@praj.net.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- A. Visit URL: <https://instavote.linkintime.co.in>
- B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
- C. Fill up your entity details and submit the form.
- D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

- A. Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- B. Click on "Investor Mapping" tab under the Menu section
- C. Map the Investor with the following details:
 - 1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
 - 2) 'Investor's Name' – Enter Investor's Name as updated with DP.
 - 3) 'Investor PAN' – Enter your 10-digit PAN.
 - 4) 'Power of Attorney' – Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

- D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1–VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on "Votes Entry" tab under the Menu section.
- c) Enter the "Event No." for which you want to cast vote. Event No. can be viewed on the home page of InstaVote under "On-going Events".
- d) Enter "16-digit Demat Account No."
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2–VOTES UPLOAD

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) After successful login, you will see "Notification for e-voting".
- c) Select "View" icon for "Company's Name / Event number".
- d) E-voting page will appear.
- e) Download sample vote file from "Download Sample Vote File" tab.
- f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.
- g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: **Non-Individual Body corporate shareholders** shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at nishad.msn@gmail.com with a copy marked to RTA at enotices@in.mpms.muvg.com and the company at investorsfeedback@praj.net.

HELPDESK:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on:-Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022-4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on “**Login**” under ‘SHARE HOLDER’ tab.
- Further Click on “**forgot password?**”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g. IN123456) and 8 digit Client ID (eg. 12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no., registered with the Company

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Further Click on “**forgot password?**”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions–Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22nd September, 2025, the companies can continue to conduct AGMs by VC or OAVM, as per the existing procedural requirements. Till further orders, the relaxations will remain in force.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

- a) Visit URL: <https://instameet.in.mpms.mufig.com> & click on "Login".
- b) Select the "Company Name" and register with your following details:
- c) Select Check Box–Demat Account No. / Folio No. / PAN
 - Shareholders holding shares in NSDL/ CDSL demat account shall select check box–Demat Account No. and enter the 16-digit demat account number.
 - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
 - Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
 - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.
- d) Click "Go to Meeting".

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on link "Cast your vote".
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet.
- c) Click on 'Submit'.
- d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- f) After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufig.com or contact on:–Tel: 022 – 4918 6000 / 4918 6175.

DIVIDEND AND TDS RELATED INFORMATION

1. The Record Date for determining the names of members eligible for dividend on Equity Shares, if declared at the AGM is **Thursday, the 6th August, 2026**.
2. Dividend as recommended by the Board of Directors, if approved at this meeting, will be paid by **11th September, 2026** by way of electronic mode or in physical form as follows:
 - a) To all those shareholders holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the close of business hours on the **record date i.e. Thursday, the 6th August, 2026** and
 - b) To all those shareholders holding shares in physical form, as per the details provided to the Company by the share transfer agent of the Company i.e., MUFG Intime India Private Limited ("MUFG") as at the close of business hours on the record date i.e. **Thursday, the 6th August, 2026**.
3. Accordingly, you are requested to ensure that the below details, as applicable to you, are submitted and/ or updated with MUFG / your Depository participant(s):
 - Valid Permanent Account Number (PAN);
 - Residential status as per the Income-tax Act, 1961 ('the IT Act'), i.e. Resident or Non-Resident for FY 2026-27;
 - Category of the Shareholder, viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) – Category I, II or III, Government (Central/ State Government), Foreign Portfolio Investor (FPI)/ Foreign Institutional Investor (FII), Foreign Company, Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person, Trust, Domestic Company, etc.;
 - Email Address;
 - Mobile number;
 - Bank account details; and
 - Address with PIN code (including country).
4. Following additional documents are to be submitted by the shareholders holding shares in physical form:
 - scanned copy of cancelled cheque leaf of the above-mentioned bank account (In case the cancelled cheque leaf does not bear your name,

please attach a copy of the bank pass-book statement, duly self-attested); and

- self-attested copy of your PAN card.

This will facilitate receipt of dividend directly in your bank account.

5. Members holding shares in physical form are requested to send a communication duly signed by all the holder(s) intimating about the change of address, if any, immediately to the R&T agent / Company along with the self-attested copy of their PAN Card(s), unsigned copy of the Cheque leaf where an active Bank account is maintained and the copy of the supporting documents evidencing change in address. Communication details of R&T agent are as under:

MUFG Intime India Pvt. Ltd. Block No. 202, Akshay Complex, Off. Dhule Patil Road, Pune 411 001; Tel No: 020 26160084 E-mail: sandip.pawar@in.mpms.mufg.com

6. In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant to such shareholder by post.
7. The Company is required to deduct Tax at Source ('TDS') in respect of approved payment of dividend to its shareholders (resident as well as non-resident). To give effect to the TDS provisions, the shareholders are required to upload at <https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html> or provide with the R&T Agent at sandip.pawar@in.mpms.mufg.com the documents/ certificates/ declarations as stated in the ensuing paragraph and corresponding Annexures **latest by 13th August, 2026 by 5.00 P.M. (IST)**.

No communication on the tax determination / deduction shall be entertained after above mentioned date.

8. TDS Rates:

8.1 Resident Shareholders:

TDS at the rate of 10% under section 194 of the IT Act is subject to provisions of section 206AA of the IT Act which introduces special provisions for TDS in respect of PAN being not available / invalid PAN / inoperative PAN.

Further, no tax shall be deducted at source on the dividend payable to a **resident individual** if the total dividend to be received by the said resident individual

from the Company during the financial year does not exceed ₹10,000.

Tax will not be deducted at source in cases where a shareholder provides Form 15G (where applicable) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are met.

Blank Form 15G and 15H can be downloaded from the link given at the end of this communication. Please note that all fields mentioned in the Form are mandatory and the Company may reject the forms submitted, if it does not meet the requirement of the law.

NIL / lower tax shall be deducted on the dividend payable to following resident shareholders on submission of self-declaration (as per formats attached) enclosed as **Annexure–A (Part 1)** herewith:

- i. Insurance companies;
- ii. Mutual Funds;
- iii. Category I/ Category II Alternative Investment Fund (AIF) established in India;
- iv. New Pension System Trust;
- v. Other exempt shareholders; and
- vi. Government

The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the IT Act.

8.2 Non-resident Shareholders:

Tax is required to be deducted at source in the case of non-resident shareholders in accordance with the provisions of section 195 of the IT Act at the rates in force. As per the relevant provisions of the IT Act, the TDS on dividend shall be @ 20% or applicable rate under the DTAA plus applicable surcharge and health & education cess on the amount of dividend payable to the non-resident shareholders. For FII/ FPI shareholders, section 196D provides for TDS @ 20% or applicable rate under the DTAA plus applicable surcharge and health & education cess.

However, as per section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) read with applicable Multilateral Instrument (MLI) provisions, if they are more beneficial to them.

In order to claim the benefit of the DTAA, non-resident shareholders will have to provide required documents/ declarations. A list of such documents/ declarations required to be provided by the shareholders is enclosed as **Annexure–A (Part 2)** herewith.

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident shareholders and meeting the requirement of the IT Act read with applicable DTAA. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rate at the time of tax deduction on dividend.

The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the IT Act.

(i) In addition to the above, please note the following:

- In case you hold shares under multiple accounts under different status/ category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
- In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
- For deduction of tax at source, the Company would be relying on the above data shared by MUFG as updated up to the record date.

(ii) It may be further noted that in case tax on dividend is deducted at a higher rate in the absence of receipt of any of the details/ valid documents mentioned in preceding paragraphs from the shareholders within the timeline mentioned above, the shareholders may consider claiming appropriate refund, as may be eligible in their return of income. No claim shall lie against the Company for such taxes deducted. The Company shall arrange to email the soft copy of the TDS certificate to shareholders at the registered email ID within the prescribed time, post payment of the said dividend, if approved in the AGM. The tax credit can also be viewed in Form 26AS by logging in with your credentials (with valid PAN) at TRACES <https://www.tdscpc.gov.in/app/login.xhtml> or the e-filing website of the Income Tax department of India <https://www.incometax.gov.in/home>.

- (iii) Please note dividend shall be paid to the shareholders as per the details provided to the Company by MUFG as at the close of business hours on the record date and TDS will be deducted accordingly, subject to declarations received by the Company in this regard.
- (iv) NIL / lower tax shall be deducted on the dividend payable to resident as well as non-resident shareholders who have provided a valid certificate issued under section 197 of the IT Act for nil/ lower rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration. Also, please provide valid declaration under Rule 37BA of the Income Tax Rules in case of Joint shareholders, Minor shareholders, etc. in case the dividend income is assessable for tax in the hands of person, other than the person whose name appears in the shareholder register as on the record date.
- (v) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Shareholder/s, such Shareholder/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operate in any assessment/ appellate proceedings before the Tax/ Government authorities.

Kindly note that the aforementioned documents are required to be uploaded before 13th August, 2026 with MUFG Intime India Pvt. Ltd., the R&T Agent at <https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html>.

You can visit <https://web.in.mpms.mufg.com/client-downloads.html> to download the documents as applicable.

9. **UPDATION OF BANK ACCOUNT DETAILS:**

While on the subject, we request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you will have to submit a scanned copy of a covering letter, duly signed by you, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card duly self-attested. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested.

- 10. The Company shall arrange to email the soft copy of TDS certificate at the registered email ID of members post payment of the dividend.
- 11. No claim shall lie against the Company for such taxes deducted.

ANNEXURE–A

List of documents to be submitted for determination of appropriate rate of deduction of tax at source

Part 1–Resident Shareholders

Individual Resident Shareholders

- Lower or nil withholding tax certificate under section 197 of the Income-tax Act, 1961 ('the IT Act'), if any.
- Form 15G/ 15H [as prescribed under sections 197A(1) and 197A(1C) of the IT Act, respectively].
- Declaration under Rule 37BA of the Income-tax Rules, 1962 ('the Rules') in case of Joint shareholders, Minor shareholders, Clearing Members, etc.

Note: No tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received during a financial year does not exceed ₹10,000.

Non-individual Resident Shareholders

- Lower or nil withholding tax certificate under section 197 of the IT Act, if any
- Form 15G [as prescribed under sections 197A(1) of the IT Act] applicable in case of HUF.

Additional documents for following categories of shareholders:

Categories of resident shareholders	Documents required
Insurance Companies	Registration certificate along with declaration that you are an Insurance company as defined under the second proviso to section 194 of the IT Act
Mutual Funds	Certificate of registration under section 10(23D) of the IT Act issued by the appropriate authority
Category I/ Category II Alternative Investment Fund	Certificate of registration/ declaration evidencing that you are a Category I/ Category II Alternative Investment Fund, as defined under Section 10(23FBA) and clause (a) of Explanation 1 to Section 115UB of the IT Act [covered by Notification No. 51/2015 dated June 25, 2015]
National Pension Scheme Trust	Registration certificate/ declaration that you qualify as NPS Trust for the purpose of section 197A(1E) of the IT Act, and that your income is eligible for exemption under section 10(44) of the IT Act
Entities unconditionally exempt under section 10 and not required to file a return of income	Documentary evidence and self-declaration substantiating that you are an entity covered by Circular No. 18 of 2017 issued by the Central Board of Direct Taxes and that your income is unconditionally exempt under section 10 of the IT Act and that you are not statutorily required to file a return of income under section 139 of the IT Act
Government	Documentary evidence and self-declaration that you are a Corporation set up under a specific legislation whose income is exempt from income-tax and can be considered as 'Government' and qualify for exemption under section 196 of the IT Act

Part 2–Non-Resident Individuals/ Foreign Nationals/ Foreign Corporate Bodies, Foreign Banks, OCBs, FPI/ FIIs

- Copy of lower or nil withholding tax certificate under section 197 of the IT Act, if any.
- OR
- Copy of the PAN Card (duly attested) allotted by the Indian Income-tax authorities.
 - Copy of Tax Residence Certificate (TRC) (of F.Y. 2026-27 or calendar years 2026 and 2027, valid as on record date) obtained from the tax authorities of the country of which the shareholder is resident. In case, the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter, duly notarized and an apostilled copy of the TRC would have to be provided.
 - Self-declaration by the non-resident shareholder in the prescribed format.
 - Self-declaration in Form 10F.
 - Self-declaration to be provided under Rule 37BC(2) of the Rules (in case PAN is not available).
 - Declaration under Rule 37BA of the Rules – in case of Joint shareholders, Minor shareholders etc.

DIVIDEND AND TDS RELATED INFORMATION

1. The Record Date for determining the names of members eligible for dividend on Equity Shares, if declared at the AGM is **Thursday, the 6th August, 2026**.
2. Dividend as recommended by the Board of Directors, if approved at this meeting, will be paid by **11th September, 2026** by way of electronic mode or in physical form as follows:
 - a) To all those shareholders holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the close of business hours on the **record date i.e. Thursday, the 6th August, 2026** and
 - b) To all those shareholders holding shares in physical form, as per the details provided to the Company by the share transfer agent of the Company i.e., MUFG Intime India Private Limited ("MUFG") as at the close of business hours on the record date i.e. **Thursday, the 6th August, 2026**.
3. Accordingly, you are requested to ensure that the below details, as applicable to you, are submitted and/ or updated with MUFG / your Depository participant(s):
 - Valid Permanent Account Number (PAN);
 - Residential status as per the Income-tax Act, 2025 ('the IT Act'), i.e. Resident or Non-Resident for FY 2026-27;
 - Category of the Shareholder, viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) – Category I, II or III, Government (Central/ State Government), Foreign Portfolio Investor (FPI)/ Foreign Institutional Investor (FII), Foreign Company, Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person, Trust, Domestic Company, etc.;
 - Email Address;
 - Mobile number;
 - Bank account details; and
 - Address with PIN code (including country).
4. Following additional documents are to be submitted by the shareholders holding shares in physical form:
 - scanned copy of cancelled cheque leaf of the above-mentioned bank account (In case the cancelled cheque leaf does not bear your name,

please attach a copy of the bank pass-book statement, duly self-attested); and

- self-attested copy of your PAN card.

This will facilitate receipt of dividend directly in your bank account.

5. Members holding shares in physical form are requested to send a communication duly signed by all the holder(s) intimating about the change of address, if any, immediately to the R&T agent / Company along with the self-attested copy of their PAN Card(s), unsigned copy of the Cheque leaf where an active Bank account is maintained and the copy of the supporting documents evidencing change in address. Communication details of R&T agent are as under:

MUFG Intime India Pvt. Ltd. Block No. 202, Akshay Complex, Off. Dhole Patil Road, Pune 411 001; Tel No: 020 26160084 E-mail: sandip.pawar@in.mpms.mufg.com

6. In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant to such shareholder by post.
7. The Company is required to deduct Tax at Source ('TDS') in respect of approved payment of dividend to its shareholders (resident as well as non-resident). To give effect to the TDS provisions, the shareholders are required to upload the relevant documents at <https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html> or provide with the R&T Agent at sandip.pawar@in.mpms.mufg.com the documents/ certificates/ declarations as stated in the ensuing paragraph and corresponding Annexures **latest by 13th August, 2026 by 5.00 P.M. (IST)**.

No communication on tax determination / deduction shall be entertained after the above-mentioned date

8. TDS Rates:

8.1 Resident Shareholders:

TDS at the rate of 10% under section 393 of the IT Act is subject to provisions of section 397(2) of the IT Act which introduces special provisions for TDS in respect of PAN being not available / invalid PAN / inoperative PAN.

Further, no tax shall be deducted at source on the dividend payable to a **resident individual** if the total dividend to be received by the said resident individual from the Company during the financial year does not exceed ₹10,000.

Tax will not be deducted at source in cases where a shareholder provides Form 121, provided that the eligibility conditions are met.

Blank Form 121 can be downloaded from the link given at the end of this communication. Please note that all fields mentioned in the Form are mandatory and the Company may reject the forms submitted, if it does not meet the requirement of the law.

NIL / lower tax shall be deducted on the dividend payable to following resident shareholders on submission of self-declaration (as per formats attached) enclosed as **Annexure–A (Part 1)** herewith:

- i. Insurance companies;
- ii. Mutual Funds;
- iii. Category I/ Category II Alternative Investment Fund (AIF) established in India;
- iv. New Pension System Trust;
- v. Other exempt shareholders; and
- vi. Government

The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the IT Act.

8.2 Non-resident Shareholders:

Tax is required to be deducted at source in the case of non-resident shareholders in accordance with the provisions of section 393 of the IT Act at the rates in force. As per the relevant provisions of the IT Act, the TDS on dividend shall be @ 20% or applicable rate under the DTAA plus applicable surcharge and health & education cess on the amount of dividend payable to the non-resident shareholders. For FII/ FPI shareholders, section 393 provides for TDS @ 20% or applicable rate under the DTAA plus applicable surcharge and health & education cess.

However, as per section 159 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) read with applicable Multilateral Instrument (MLI) provisions, if they are more beneficial to them.

In order to claim the benefit of the DTAA, non-resident shareholders will have to provide required documents/ declarations. A list of such documents/ declarations required to be provided by the shareholders is enclosed as **Annexure–A (Part 2)** herewith.

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident shareholders and meeting the requirement of the IT Act read with applicable DTAA. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rate at the time of tax deduction on dividend.

The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the IT Act.

(i) In addition to the above, please note the following:

- In case you hold shares under multiple accounts under different status/ category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
- In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
- For deduction of tax at source, the Company would be relying on the above data shared by MUFG as updated up to the record date.

(ii) It may be further noted that in case tax on dividend is deducted at a higher rate in the absence of receipt of any of the details/ valid documents mentioned in preceding paragraphs from the shareholders within the timeline mentioned above, the shareholders may consider claiming appropriate refund, as may be eligible in their return of income. No claim shall lie against the Company for such taxes deducted. The Company shall arrange to email the soft copy of the TDS certificate to shareholders at the registered email ID within the prescribed time, post payment of the said dividend, if approved in the AGM. The tax credit can also be viewed in Form 168 by logging in with your credentials (with valid PAN) at TRACES <https://www.tdscpc.gov.in/app/login.xhtml> or the e-filing website of the Income Tax department of India <https://www.incometax.gov.in/home>.

(iii) Please note dividend shall be paid to the shareholders as per the details provided to the Company by MUFG as at the close of business hours on the record date and TDS will be deducted

accordingly, subject to declarations received by the Company in this regard.

- (iv) NIL / lower tax shall be deducted on the dividend payable to resident as well as non-resident shareholders who have provided a valid certificate issued under section 395 of the IT Act for nil/ lower rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration. Also, please provide valid declaration under Rule 203 of the Income Tax Rules in case of Joint shareholders, Minor shareholders, etc. in case the dividend income is assessable for tax in the hands of person, other than the person whose name appears in the shareholder register as on the record date.
- (v) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Shareholder/s, such Shareholder/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operate in any assessment/ appellate proceedings before the Tax/ Government authorities.

Kindly note that the aforementioned documents are required to be uploaded before 13th

August, 2026 by 5.00 P.M. (IST) with MUFG Intime India Pvt. Ltd., the R&T Agent at <https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html>.

You can visit <https://web.in.mpms.mufg.com/client-downloads.html> to download the documents as applicable.

9. UPDATION OF BANK ACCOUNT DETAILS:

While on the subject, we request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you will have to submit a scanned copy of a covering letter, duly signed by you, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card duly self-attested. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested.

- 10. The Company shall arrange to email the soft copy of TDS certificate at the registered email ID of members post payment of the dividend.
- 11. No claim shall lie against the Company for such taxes deducted.

ANNEXURE–A

List of documents to be submitted for determination of appropriate rate of deduction of tax at source

Part 1–Resident Shareholders

Individual Resident Shareholders

- Lower or nil withholding tax certificate under section 395 of the Income-tax Act, 2025 ('the IT Act'), if any.
- Form 121 [as prescribed under section 393 of the IT Act, respectively].
- Declaration under Rule 203 of the Income-tax Rules, 2026 ('the Rules') in case of Joint shareholders, Minor shareholders, Clearing Members, etc.

Note: No tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received during a financial year does not exceed ₹10,000.

Non-individual Resident Shareholders

- Lower or nil withholding tax certificate under section 395 of the IT Act, if any
- Form 121 [as prescribed under sections 393 of the IT Act] applicable in case of HUF.

Additional documents for following categories of shareholders:

Categories of resident shareholders	Documents required
Insurance Companies	Registration certificate along with declaration that you are an Insurance company as defined under the second proviso to section 393 of the IT Act
Mutual Funds	Certificate of registration under Schedule VII of the IT Act issued by the appropriate authority
Category I/ Category II Alternative Investment Fund	Certificate of registration/ declaration evidencing that you are a Category I/ Category II Alternative Investment Fund, as defined under Schedule V and section 224 of the IT Act
National Pension Scheme Trust	Registration certificate/ declaration that you qualify as NPS Trust for the purpose of section 393(9) of the IT Act, and that your income is eligible for exemption under Schedule VII of the IT Act
Entities unconditionally exempt under section 11 and not required to file a return of income	Documentary evidence and self-declaration substantiating that you are an entity covered by Circular No. 18 of 2017 issued by the Central Board of Direct Taxes and that your income is unconditionally exempt under section 11 of the IT Act and that you are not statutorily required to file a return of income under section 263 of the IT Act
Government	Documentary evidence and self-declaration that you are a Corporation set up under a specific legislation whose income is exempt from income-tax and can be considered as 'Government' and qualify for exemption under section 393(5) of the IT Act

Part 2–Non-Resident Individuals/ Foreign Nationals/ Foreign Corporate Bodies, Foreign Banks, OCBs, FPI/ FIIs

- Copy of lower or nil withholding tax certificate under section 395 of the IT Act, if any.
- OR
- Copy of the PAN Card (duly attested) allotted by the Indian Income-tax authorities.
 - Copy of Tax Residence Certificate (TRC) (of F.Y. 2026-27 or calendar years 2026 and 2027, valid as on record date) obtained from the tax authorities of the country of which the shareholder is resident. In case, the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter, duly notarized and an apostilled copy of the TRC would have to be provided.
 - Self-declaration by the non-resident shareholder in the prescribed format.
 - Self-declaration in Form 41.
 - Self-declaration to be provided under Rule 217 of the Rules (in case PAN is not available).
 - Declaration under Rule 203 of the Rules – in case of Joint shareholders, Minor shareholders etc.

A proud moment for Praj GenX as

Team Rani Chennamma shines
at the 4th Edition of the Weldfab Tech
Awards 2026 in Bengaluru.

Soumya from the batch has been recognised
as Best Woman Welder of the Year — a
prestigious national-level honour that reflects
excellence in high-precision fabrication and
advanced manufacturing skills.

