

INDEPENDENT AUDITORS' REPORT

TO

THE BOARD OF DIRECTORS OF POLAR ELEKTRIC LIMITED (Formerly POLAR ELEKTRIC PRIVATE LIMITED)

Report on Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of Polar Elektric Limited (hereinafter referred to as "the Company"), which comprise of the Balance Sheet for the years ended March 31 2026, March 31 2025 and March 31 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and , the Statement of Changes in Equity for the year then ended, and notes to the financial statements including summary of Material Accounting Policies and other explanatory information (hereinafter referred to as "Special Purpose Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rule, 2015 as amended ("Ind AS"), of the state of affairs of the Company as at March 31, 2026, its profit (including other comprehensive income), changes in equity and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Special Purpose 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 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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements as a whole under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.



Emphasis of Matter – Basis of Preparation and Restriction on Distribution and Use

We draw your attention to Note 2.2 to the accompanying Special Purpose Financial Statements, which describes the basis of its preparation. The Special Purpose Financial Statements have been prepared by the company's management solely for the purpose of preparation of the financial information for the years ended March 31 2026, March 31 2025 and March 31 2024 to be included in the Draft Red Herring Prospectus ('DRHP') which is to be filed by the Holding Company with Securities Exchange Board of India, NSE Limited and BSE Limited as per the requirements of Section 26 of Part I of Chapter III of the Act, read with Securities Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 (as amended) in connection with the proposed Initial Public Offer ('IPO') of equity shares by the existing shareholders of the company (the 'Offer for Sale') together with the Fresh Issue ('the Offer'). Therefore, the Special Purpose Financial Statements may not be suitable for any other purpose. Our report is issued solely for the aforementioned purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Emphasis of Matter – Business Combination

We draw attention to Note 47 to the accompanying Special Purpose Financial Statements which describes that the Company has accounted for the mergers sanctioned by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide Order dated 24th October, 2024, as aforesaid, in accordance with the Scheme of Amalgamation and the requirements of AS 14, Accounting for Amalgamations, using the pooling of interest method w.e.f. October 1, 2023.

Emphasis of Matter – First time adoption of IND AS

We draw your attention to Note 48 to the accompanying Special Purpose Financial Statements which describes that the Special Purpose Financial Statements, for the year ended 31st March 2025, has been prepared by the Company for the first time in accordance with Ind AS. For periods up to and including the year ended 31st March 2025, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2026, together with the comparative period data as at and for the year ended 31st March 2025, as described in the summary of material accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2023, the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2023 and the financial statements as at and for the year ended 31st March 2024 and 31st March 2025.

Our opinion is not modified in this matter.



Management's Responsibility and those charged with governance for the Special Purpose 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 Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015. The Board of Directors of the company is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error, which have been used for the purpose of preparation of the Special Purpose Financial Statements, as aforesaid.

In preparing the Special Purpose Financial Statements, the Board of Directors of the company is responsible for assessing the ability of the respective entities 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 entity to cease operations, or has no realistic alternative but to do so.

The Company's Management and Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Company.

Auditors' Responsibility for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Financial Statements as a whole are free from material misstatements, 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 Special Purpose Financial Statements.



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

- Identify and assess the risks of material misstatement of the Special Purpose Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 financial statements in place and the operating effectiveness of such controls based on our audit.
- 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'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 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 Special Purpose 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 the 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 Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose 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 entities or the business activities within the Company to express an opinion on the Special Purpose Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Special Purpose Financial Statements of which we are the independent auditors.



Materiality is the magnitude of misstatements in the Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Special Purpose Financial Statements.

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.

Other Matter

The financial information has been considered based on the financial statements audited by another auditor whose reports have been furnished to us by the Management. Our opinion is based solely on the reports of auditor.



For V Singhi & Associates
Chartered Accountants
Firm Regn. No: 311017E


(Vinod Kumar Singhi)
Partner

Membership No.: 050051

UDIN: 26050051FWUJYD9371

Place: Kolkata
Date: 24th September, 2026

Polar Elektrik Limited
(Formerly Polar Elektrik Private Limited)
CIN: U28199WB2004PLC10081S
Special Purpose Balance Sheet
(Amount in Rupees Lakhs, unless otherwise stated)

	Note	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
I. ASSETS					
1. Non-current assets					
(a) Property, plant and equipment	3	255.14	277.36	341.05	0.03
(b) Right-of-use assets	4	140.38	185.26	230.14	-
(c) Other Intangible Assets	5	28,886.62	28,402.90	27,301.14	4,998.15
(d) Intangible Assets Under Development	6	-	-	115.66	-
(e) Financial Assets					
(i) Other Financial assets	7	22.34	124.40	123.08	0.29
(f) Deferred Tax Assets (Net)	8	1,651.02	1,917.55	577.45	313.47
(g) Other Non-Current Assets	9	76.46	75.31	71.00	-
Total Non-current assets		31,031.96	30,982.78	28,759.52	5,311.94
2. Current Assets					
(a) Inventories	10	8,828.77	12,187.11	3,673.08	-
(b) Financial Assets					
(i) Trade Receivables	11	26,884.89	25,368.99	19,237.48	-
(ii) Cash and Cash Equivalents	12	33.17	28.78	112.98	7.53
(iii) Bank Balances other than (ii) above	13	1,748.60	716.62	762.09	-
(iv) Other Financial Assets	7	1,347.74	1,057.16	886.36	-
(c) Current Tax Assets (Net)	14	381.89	355.50	286.57	53.29
(d) Other Current Assets	9	597.85	685.93	50.89	7.15
Total current assets		39,822.91	40,406.09	25,009.45	67.97
Total Assets		70,854.87	71,382.87	53,768.97	5,379.91
II. EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital	15	2,086.45	1,449.88	59.72	59.72
(b) Other Equity	16	27,218.48	25,708.79	10,925.75	854.18
Total equity		29,304.93	27,158.67	10,985.47	913.90
LIABILITIES					
1. Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	17	13,618.05	5,974.18	14,585.61	2,600.67
(ii) Lease Liabilities	18	105.02	144.96	178.35	-
(iii) Other Financial Liabilities	19	304.37	249.25	159.07	-
(b) Provisions	20	243.14	195.81	168.10	-
Total Non-Current liabilities		14,270.58	6,564.20	15,091.13	2,600.67
2. Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	17	5,109.09	5,750.12	4,937.57	31.44
(ii) Lease Liabilities	18	57.80	54.68	52.39	-
(iii) Trade Payables	21				
- Total outstanding dues of micro enterprises and small enterprises		137.43	361.93	138.18	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		17,214.50	28,448.30	20,056.77	-
(iv) Other Financial Liabilities	19	2,443.95	2,469.40	1,806.74	1,761.34
(b) Other Current Liabilities	22	2,290.17	545.05	677.90	72.56
(c) Provisions	20	26.42	30.52	22.82	-
Total Current Liabilities		27,279.36	37,660.00	27,692.37	1,865.34
Total Equity and Liabilities		70,854.87	71,382.87	53,768.97	5,379.91

Corporate information and Material accounting policy information 1-2
The accompanying notes form an integral part of the financial statements. 3-50

As per our report of even date attached
For V. Singhi & Associates
Chartered Accountants
(Firm's Registration No. 311017E)

Vinod Kumar Singhi
Partner
(Membership No.: 050051)
Place: Kolkata
Date: 24th September, 2026



For and on behalf of the Board of Directors of
Polar Elektrik Limited

Ashok Goyal
Director
(DIN 00253480)

Gourav Choudhary
Chief Financial Officer

Kanishk Goyal
Managing Director
(DIN 03385366)

Sunita Shah
Company Secretary

Polar Elektrik Limited
(Formerly Polar Elektrik Private Limited)
CIN: U28199WB2004PLC100818
Special Purpose Statement of Profit and Loss
(Amount in Rupees Lakhs, unless otherwise stated)

	Note	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
I. Revenue from Operations	23	42,783.13	42,171.48	28,648.42
II. Other Income	24	1,906.34	844.09	826.26
III. Total Income (I+II)		44,689.47	43,015.57	29,474.68
IV. Expenses				
Cost of materials consumed	25	670.97	3,024.98	1,964.98
Purchases of stock-in-trade	26	27,060.90	37,484.99	17,302.01
Change in inventories of finished goods, Work-in-Progress and Stock-in-Trade	27	3,322.88	(8,525.99)	3,160.26
Employee benefits expense	28	2,947.66	2,617.39	1,219.98
Finance costs	29	3,911.27	2,994.95	1,662.28
Depreciation and Amortisation	30	182.78	194.20	52.76
Other expenses	31	4,706.20	4,518.46	2,998.37
Total Expenses (IV)		42,802.66	42,308.98	28,360.64
V. Profit Before Exceptional Items & Tax (III - IV)		1,886.81	706.59	1,114.04
VI. Exceptional Items	45	26.33	-	-
VII. Profit Before Tax (V-VI)		1,860.48	706.59	1,114.04
VIII. Tax Expense:				
Current Tax		-	-	4.31
Deferred Tax		259.51	(1,341.83)	(261.82)
Total Tax Expenses		259.51	-1,341.83	-257.51
IX. Profit for the year (VII - VIII)		1,600.97	2,048.42	1,371.55
X. Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss:				
Revaluation of Other Intangible Assets		524.44	307.65	-
Remeasurement of net defined benefit liability		27.84	6.01	(7.46)
(ii) Income tax relating to items that will not be reclassified to				
Revaluation of Other Intangible Assets		-	-	-
Remeasurement of net defined benefit liability		7.01	1.75	(2.17)
Total Other Comprehensive Income		545.27	311.91	-5.29
XI. Total Comprehensive Income for the year (IX + X)		2,146.24	2,360.33	1,366.26
XII. Earnings per Equity Share (Rs.):				
- Basic	32	10.71	139.28	229.65
- Diluted	32	10.71	29.45	229.65

Corporate information and Material accounting policy information 1-2
The accompanying notes form an integral part of the financial statements. 3-50

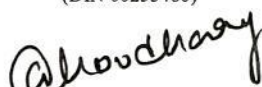
As per our report of even date attached
For V. Singhi & Associates
Chartered Accountants
(Firm's Registration No. 311017E)


Vinod Kumar Singhi
Partner
(Membership No.: 050051)
Place: Kolkata
Date: 24th September, 2026



For and on behalf of the Board of Directors of
Polar Elektrik Limited


Ashok Goyal
Director
(DIN 00253480)


Gourav Choudhary
Chief Financial Officer


Kanishk Goyal
Managing Director
(DIN 03385366)


Sunita Shah
Company Secretary

SL. No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
A	Cash Flow from Operating Activities:			
	Net Profit /(Loss) before tax	1,860.48	706.59	1,114.04
	Less: Adjustments for non- cash items			
	Interest Income	(64.04)	(83.53)	(25.00)
	(Profit) or Loss on Sale of property, plant and equipment	(0.19)	0.86	-
	Gain on Fair Valuation of Financial Liabilities	(1,551.64)	-	-
	Expected Credit Loss on Trade Receivables	(105.71)	(76.72)	-
	Provisions or Sundry Liabilities Written Back	(169.26)	(17.07)	(729.97)
	Impairment Loss or (Reversal) on intangible assets	-	(661.87)	661.87
	Finance Cost	3,911.27	2,994.95	1,662.28
	Depreciation and amortization expense	182.78	194.20	52.76
	Assets Written off	-	4.61	-
	Sundry Balances Written off	-	0.02	2.72
	Operating Profit before Working Capital Changes	4,063.69	3,062.04	2,738.70
	Change in Working Capital (excluding Cash & Cash Equivalents):			
	(Increase)/Decrease in Inventories	3,358.34	(8,514.03)	3,247.56
	(Increase)/Decrease in Trade Receivables	(1,410.19)	(6,054.80)	(11,829.06)
	(Increase)/Decrease in Other Financial Assets	(298.29)	(156.32)	(797.47)
	(Increase)/Decrease in Other Assets	257.35	(617.97)	2,476.66
	Increase/(Decrease) in Trade Payables	(11,458.29)	8,615.27	4,969.94
	Increase/(Decrease) in Other Financial Liabilities	34.35	526.52	(31.53)
	Increase/(Decrease) in Other Liabilities	1,735.95	(114.36)	(884.47)
	Increase/(Decrease) in Provisions	71.07	41.43	3.73
	Cash (used in) operating activities	(3,646.03)	(3,212.20)	(105.94)
	Income Tax Paid (Net)	(26.39)	(68.93)	(237.60)
	Net Cash Flow from Operating Activities (3+4)	(3,672.42)	(3,281.13)	(343.54)
B	Cash Flow from Investing Activities:			
	Interest Received	80.98	67.87	(77.59)
	Proceeds From/(Investments) in fixed deposits with banks	(939.16)	45.34	(863.01)
	Acquisition of property, plant and equipment and intangible assets	(66.95)	(154.86)	(73.26)
	Disposal of property, plant and equipment	0.20	24.37	-
	Net Cash Flow from Investing Activities	(924.93)	(17.28)	(1,013.86)
C	Cash flow from Financing Activities:			
	Payment for Lease liability	(54.68)	(52.39)	(25.41)
	Proceeds from Long Term Borrowings	15,495.80	13,128.12	12,168.86
	Repayment of Long Term Borrowings	(6,923.31)	(7,793.52)	(2,633.66)
	Proceeds from/(Repayment) of Short Term Borrowings (Net)	(300.63)	679.35	(7,874.63)
	Finance Cost	(3,615.44)	(2,747.35)	(1,414.54)
	Net Cash Flow from Financing Activities	4,601.74	3,214.21	220.62
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	4.40	(84.20)	(1,136.77)
	Cash & Cash Equivalents at the beginning of the year	28.78	112.98	7.53
	Less: Cash and bank balances acquired on amalgamation	-	-	(1,242.22)
	Cash & Cash Equivalents at the end of the year	33.17	28.78	112.98
	Net Increase/(Decrease) in Cash and Cash Equivalents	4.40	(84.20)	(1,136.77)

Note: 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows"

Note: 2. Cash and cash equivalents

Balances with banks :
In current accounts
Cash in hand

March 31, 2026	March 31, 2025	March 31, 2024
17.39	4.78	79.75
15.78	24.00	33.23
33.17	28.78	112.98

Note: 3. Non-cash movements from above activities during the year includes:

Proceeds from Issue of shares
Transfer of Compound Financial Instrument Component to Equity
Repayment of Borrowings

March 31, 2026	March 31, 2025	March 31, 2024
6,365.70	7,456.53	-
(6,365.70)	6,365.70	-
-	(13,822.23)	-

As per our report of even date attached

For V. Singhi & Associates

Chartered Accountants

(Firm's Registration No. 311017E)


Vinod Kumar Singhi
Partner

(Membership No.: 050051)

Place: Kolkata

Date: 24th September, 2026

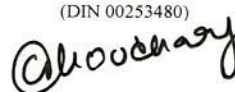


For and on behalf of the Board of Directors of

Polar Elektrik Limited



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Director
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(DIN 03385366)



Sunita Shah
Company Secretary

Polar Elektrik Limited
(Formerly Polar Elektrik Private Limited)
CIN: U28199WB2004PLC100818
Special Purpose Statement of Changes in Equity
(Amount in Rupees Lakhs, unless otherwise stated)

A Equity Share Capital

Particulars	Numbers	Amount
April 1, 2023	5,97,230	59.72
Changes during the year	-	-
March 31, 2024	5,97,230	59.72
Add : Pursuant to the Scheme of Amalgamation (Refer Note 47)	64,45,053	644.51
Issued during the year	74,56,525	745.65
March 31, 2025	1,44,98,808	1,449.88
Add : Issued during the year	63,65,700	636.57
March 31, 2026	2,08,64,508	2,086.45

B Other Equity

Particulars	Share Pending Issuance	Equity component of compound financial instruments	Reserve for Redemption of Preference Shares	Reserves and Surplus			Comprehensive Income (OCI)	Total
				Capital Reserve	Securities Premium	Retained Earnings		
Balance as on 1st April 2023	-	-	-	-	8,834.41	(8,293.20)	-	541.21
Effect of transition to IND AS (Refer Note 48) :	-	-	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	312.97	-	312.97
Adjusted balance as on 1st April 2023	-	-	-	-	8,834.41	(7,980.23)	-	854.18
Pursuant to the Scheme of Amalgamation (Refer Note 47)	653.86	-	-	4,756.40	(4,998.15)	8,293.20	-	8,705.31
Profit or Loss for the year	-	-	-	-	-	1,371.55	-	1,371.55
Other Comprehensive Income	-	-	-	-	-	(5.29)	-	(5.29)
Balance as on 31st March 2024	653.86	-	-	4,756.40	3,836.26	1,679.23	-	10,925.75
Issuance of share Capital	(653.86)	6,565.70	-	-	6,710.87	-	-	12,422.71
Profit or Loss for the year	-	-	-	-	-	2,048.42	-	2,048.42
Other Comprehensive Income	-	-	-	-	-	4.26	307.65	311.91
Balance as on 31st March 2025	-	6,365.70	-	4,756.40	10,547.13	3,731.91	307.65	25,708.79
Issuance of share Capital	-	(6,365.70)	-	-	5,729.13	-	-	(636.57)
Profit or Loss for the year	-	-	-	-	-	1,600.97	-	1,600.97
Redemption of preference shares	-	-	9.35	-	-	(9.35)	-	-
Other Comprehensive Income	-	-	-	-	-	20.84	524.44	545.28
Balance as on 31st March 2026	-	-	9.35	4,756.40	16,276.26	5,344.38	832.09	27,218.48

C Refer to note no 16 for nature and purpose of reserves.

For and on behalf of the Board of Directors of
Polar Elektrik Limited

As per our report of even date attached
For V. Singhi & Associates
Chartered Accountants
(Firm's Registration No. 311017E)

Vinod Kumar Singhi
Partner
(Membership No. : 050051)
Place: Kolkata
Date: 24th September, 2026



Ashok Goyal
Director
(DIN 00253480)



Kanishk Goyal
Managing Director
(DIN 03385566)

Gourav Choudhary
Chief Financial Officer

Sumita Shah
Company Secretary

1. CORPORATE INFORMATION

Polar Elektric Limited (formerly known as Polar Elektric Private Limited, before that it was known as Vinsa Electricals Private Limited) ("the Company") is an unlisted Public Limited Company domiciled in India and incorporated on 23rd December, 2004 and having its registered office at Unit No. 8B & 8C, 8th Floor, 23, Circus Avenue, Kolkata - 700017.

The Company is engaged in the business of manufacturing and trading of electrical consumer durables and appliances under the Polar brand. Its product portfolio comprises fans, electric motors, water lifting pumps, cooler kit pumps, and other related appliances. The Company focuses on delivering reliable and energy-efficient electrical solutions across its product categories.

The Special Purpose Financial Statements for the years ended March 31, 2026, March 31, 2025 and March 31, 2024 were approved by the Board of Directors of the Company on 24th September, 2026.

1.1 Recent accounting pronouncements

(A) New standards / amendments effective from April 1, 2025

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and subsequent amendments thereto, applicable from April 1, 2025. The Company has applied the following amendments in the preparation of these financial statements:

Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures

The amendments introduce new disclosure requirements for supplier finance arrangements, including information about terms and conditions, carrying amounts of financial liabilities, and liquidity risk exposure. The company has made appropriate compliance to the said amendment.

Ind AS 12 – Income Taxes

The amendments introduce a temporary exception to the accounting for deferred taxes arising from the implementation of the OECD Pillar Two model rules and require additional disclosures regarding the Company's exposure to such taxes. However, the requirements of this amendment is not applicable.

Ind AS 21 – The Effects of Changes in Foreign Exchange Rates

The amendments provide guidance on determining the exchange rate when a currency is not exchangeable and require enhanced disclosures in such cases. The Company has evaluated the requirements of this amendment and there is no impact on its financial statements.

(B) Standards issued but not yet effective

The new or amended standards but are not yet effective upto the date of issuance of Company's financial statements are disclosed below. The Company will adopt these standards, when they become effective.

Ind AS 1 – Presentation of Financial Statements

The amendments clarify the criteria for classification of liabilities as current or non-current based on rights that exist at the reporting date. The amendments also introduce additional disclosure requirements for non-current liabilities subject to covenants. This amendment will be effective from April 1, 2026.

2. MATERIAL ACCOUNTING POLICY

2.1 Statement of Compliance

The Special Purpose Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.



For all periods up to and including the year ended 31st March 2025, the Company prepared its Special Purpose Financial Statements in accordance with the accounting standards notified under the Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (the 'IGAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The Special Purpose Financial Statements for the year ended 31st March 2024, 31st March 2025 and the opening Balance sheet as at 1st April 2023 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from IGAAP to Ind AS on the Company's Balance sheet, Statement of profit and loss and Statement of cash flows are provided in Notes thereto Note 49.

2.2 Basis of Preparation

The Special Purpose Financial Statements have been prepared under the historical cost convention on the accrual basis following the going concern principles with the exception of certain assets and liabilities that are required to be measured at fair values by Ind AS, as stated in the accounting policies set out hereinafter. The accounting policies have been applied consistently over all the periods presented in the Special Purpose Financial Statements.

The Special Purpose Standalone Financial Statements has been compiled by the management considering Audited Standalone Financial Statements of the Polar Elektric Limited for year ended March 31, 2026, March 31, 2025 and March 31, 2024 prepared in accordance with the Indian Accounting Standards as prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India to the extent applicable, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and other relevant provisions of the Act.

The Special Purpose Standalone Financial Statements for the years ended March 31 2026, March 31 2025 March 31 2024 and April 1, 2023 have been prepared by the management solely for the purpose of included in the Draft Red Herring Prospectus ('DRHP'), to be filed by the Company with the Securities Exchange Board of India ('SEBI'), BSE Limited ('BSE'), NSE Limited ('NSE'), as applicable, in connection with the proposed Initial Public Offer ('IPO') of equity shares of the Company (the 'Offer for sale').

The Special Purpose Standalone Financial Statements, which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:

- i. Section 26 of Part I of Chapter III of the Act
- ii. Securities Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 issued by the Securities Exchange Board of India ('SEBI') as amended, from time to time in pursuance of the Securities and Exchange Board of India Act, 1992; and
- iii. The Guidance Note on Reports in Company Prospectuses (revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) as amended (the "Guidance Note")

Therefore, the Special Purpose Standalone Financial Statements may not be suitable for any other purpose.

2.3 Use of estimates and judgements

In preparing the Special Purpose Financial Statements, in conformity with the accounting policies of the Company, management is required to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of the contingent liabilities as at the date of the Special Purpose Financial Statements, the amounts of revenue and expenditures during the reported period and notes to the Special Purpose Financial Statements. Actual results may differ from those estimates and any revision to such estimates is recognized in such period in which the same is determined and if material, their effects are disclosed in the notes to the Special Purpose Financial Statements. Information about material areas of estimates and judgments in applying accounting policies that have the most material effect on the amounts recognized in the Special Purpose Financial Statements are described below:



(a) Provision for warranty

Warranty provision is determined based on the historical percentage of warranty expense to sales for the same types of goods, depending upon the warranty period offered. The percentage to sales is applied to derive the warranty expense to be accrued. The warranty claims may not exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence. The closing warranty provision is bifurcated into current and non-current based on the past settlement trend with the non-current portion be discounted to derive the present value.

(b) Measurement of employee benefits– Defined Benefit Obligations

The cost of the defined benefit gratuity plan 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. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

(c) Useful lives of Property, Plant and Equipment and Intangible Assets

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management at each reporting date and revised, if appropriate. In case of a revision, the unamortized depreciable amount, if any, is charged over the remaining useful life of the assets.

(d) Determination of lease term and discount rate

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics because the interest rate implicit in the lease is not readily determinable.

(e) Intangible Assets Under Development

The Company capitalizes intangible asset under development for a project in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project and the expected period of benefits.

(f) Recognition and measurement of provisions and contingencies

There are certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is made towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

(g) Expected Credit Loss (ECL)

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value Through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.



For Trade receivables, the Company measures loss allowance at an amount equal to lifetime expected credit losses. The Company computes expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and is adjusted for forward-looking information. The expected credit loss allowance is based on ageing of receivables and the rates used in provision matrix. The amount of ECLs is sensitive to changes in circumstances and of forecasted economic conditions and may also not be representative of customer's actual default in the future.

(h) Deferred Tax

Deferred Tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and utilized business loss, depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses or credits and unabsorbed depreciation could be utilised.

2.4 Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind-AS 1 and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it expects to settle the liability, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

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

2.5 Presentation currency and rounding-off:

The functional and presentation currency of the Company is Indian Rupee ("Rs."), which is the currency of the primary economic environment in which the Company operates. All amounts are rounded-off to two decimal places to the nearest lakhs of rupees, unless otherwise indicated.



2.6 Property, Plant and Equipment (PPE) and Capital Work In Progress

Recognition and initial measurement

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably.

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment includes its purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Trial run expenses are capitalized. Borrowing costs incurred during the period of construction is capitalized as part of cost of qualifying asset.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred.

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

Assets retired from active use and held for disposal are stated at the lower of their net book value and net realizable value and shown under 'Non- current Asset held for sale'.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date is classified as capital advances under "Other non-current assets" and the cost of assets not put to use before such date are disclosed under "Capital work-in-progress".

The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the assets and the resultant gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit or loss.

Transition to Ind AS

On transition to Indian Accounting Standards (Ind AS), the Company has elected to apply the optional exemption available under Ind AS 101 – First-time Adoption of Indian Accounting Standards. Accordingly, the Company has measured all its Property, Plant and Equipment (PPE) at carrying value as at the date of transition to Ind AS and has considered such value as the deemed cost of the respective assets as at that date.

Subsequent Expenditure

Subsequent expenditure is capitalised only, if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Derecognition

An item of PPE and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is accordingly recognized in the Statement of Profit and Loss. The carrying amount of any component accounted for as a separate asset is de-recognized when replaced.



Depreciation

Depreciable amount for assets is the cost of an asset or other amount substituted for cost less its estimated residual value. Depreciation on PPE (other than leasehold land) has been provided based on useful life of the assets as estimated by the management on Written Down Method. The useful lives used are in agreement with those specified in Schedule II to the Act. The estimated useful lives of assets, residual values and depreciation method are reviewed regularly and, when necessary, revised prospectively. Depreciation on assets under construction commences only when the assets are ready for their intended use.

Asset	Useful Life (in years)
Leasehold Improvement	30 years or lease Term, whichever is lower
Plant and Machinery	8 to 15 years
Office Equipment	5 years
Computers	3 years
Electrical Installation	10 years
Furniture & Fixtures	10 years
Vehicles	8 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use or disposal of the asset. Any gain or loss arising on de-recognition of the asset is included in the statement of Profit & Loss in the period in which the item is derecognized. Any gain or loss arising on actual sale of the asset is included in the Statement of Profit and Loss in the period in which the item is actually sold as scrap.

Capital Work in Progress (CWIP)

Assets which are in the course of construction or are not ready for intended use, are initially kept under capital work in progress and capitalized when the assets are available for use in the manner as intended by the management. Such cost includes the costs incurred during construction period and the present value of the initial estimate of any decommissioning or site restoration obligation, wherever applicable. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Borrowing cost consisting of interest on term loan availed for construction projects or for procurement of any PPE item, is capitalised in CWIP or in the relevant item of PPE (as the case may be).

2.7 Intangible Assets

Recognition and initial measurement

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any except for Trademark measured under revaluation model. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

Revaluation of Intangible Assets

Intangible assets for which an active market exists are measured under the revaluation model and are carried at their fair value at the date of revaluation, less subsequent accumulated amortisation and accumulated impairment losses. Revaluations are carried out with sufficient regularity to ensure that the carrying amount does not differ materially from its fair value.



An increase in the carrying amount arising on revaluation is recognised in Other Comprehensive Income (OCI) and accumulated in equity under Revaluation Surplus, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the Statement of Profit and Loss, in which case such increase is recognised in the Statement of Profit and Loss.

A decrease arising on revaluation is recognised in the Statement of Profit and Loss, except to the extent of any existing credit balance in the revaluation surplus relating to that asset, in which case the decrease is recognised in OCI to that extent.

Accordingly, where a subsequent revaluation increase reverses a revaluation decrease previously recognised in the Statement of Profit and Loss, the increase is recognised in the Statement of Profit and Loss to the extent of the previously recognised decrease, with any excess increase recognised in OCI and accumulated under Revaluation Reserve.

Impairment

At each reporting date, the Company assesses whether there is any indication that an intangible asset may be impaired. Where such indication exists, the recoverable amount is estimated and an impairment loss is recognised when the carrying amount exceeds the recoverable amount.

For revalued intangible assets, an impairment loss is treated as a revaluation decrease and is recognised in OCI to the extent of any available revaluation surplus relating to that asset, with the balance, if any, recognised in the Statement of Profit and Loss.

Amortisation

Intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. Intangible assets are stated at cost less accumulated depreciation and impairment losses, if any.

The Company follows cost model for recognition and measurement of intangible assets except for trademarks. Intangible assets are stated at the amount initially recognized less accumulated amortization and accumulated impairment losses, if any.

Subsequent Expenditure

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

Transition to Ind AS

The Company has elected to measure all its intangible assets at carrying value as at the date of transition to Ind AS except for Trademarks which has been measured at fair value and considered as deemed cost on the transition date pursuant to the exemption under Ind AS 101.

2.8 Research & Development Expenses

Research cost

Revenue expenditure on research is charged to Statement of profit and loss under the respective heads of accounts in the period in which it is incurred.



2.9 Impairment

i. Impairment of non-financial assets

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

ii. Impairment of Financial Assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased materially since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases materially since its initial recognition. The Company's trade receivables do not contain material financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognized in Statement of Profit and Loss.

2.10 Leases

The determination of whether an arrangement is (or contains) a lease, is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets for a period of time in exchange for consideration, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1st April 2023, the date of inception is deemed to be 1st April 2023 in accordance with Ind-AS 101- First-time Adoption of Indian Accounting Standard after determining whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

Lease term

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances on case to case basis, that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.



Right-Of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is first available for use). Right of use assets are recognized at cost, less any accumulated depreciation and impairment losses (Ind AS 36), if any.

The cost of right of use assets includes the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease, any initial direct costs incurred and restoration obligations, if any.

Depreciation

The right-of-use assets are depreciated using the straight-line method, beginning from the commencement date over the lease term or useful life of right-of-use assets whichever is earlier.

Lease liabilities

The lease liability is initially measured at present value of the future lease payments over the reasonably certain lease term. The lease payments are discounted using the incremental borrowing rate as applicable.

Finance cost on lease liabilities

The interest cost on lease liability, computed using effective interest method, is expensed in the statement of profit and loss, unless eligible for capitalization as per accounting policy on "Borrowing costs".

Reassessment of lease liabilities

The Company remeasures the carrying amount of lease liabilities if there is a change in the lease term or a change in the lease payments.

Short term lease and low value assets leases

Leases for which lease term ends within 12 months is classified as short-term leases. The Company has elected short term leases and low value asset leases for recognition exemption in terms of Ind AS 116. The Company recognizes the lease rental payment associated with short term lease and low-value asset leases as expense in the Statement of Profit & Loss over the lease term.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is ascertained on a FIFO basis. Cost comprises direct materials and, where applicable, direct labour costs and the overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

- Raw materials, packing materials and stores and spares are valued at cost computed on FIFO basis. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable.
- Work-in-progress is valued at input material cost plus conversion cost as applicable.
- Finished goods are valued at lower of net realisable value and cost (including cost of conversion and other overheads incurred in bringing the inventories to their present location and condition).

The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

Provisions are made to cover slow-moving and obsolete items as identified on a reporting date, based on historical experience of utilization on a product category basis.



In all above cases, 'net realizable value' is netted off after adjusting estimated cost of disposal.

2.12 Financial instruments:

Financial assets

(i) Initial Recognition and Measurement

All regular purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the marketplace are recognized on a trade date basis which is the date on which the Company commits to purchase or sell the asset or investment date as the case may be.

The Company measures a financial asset at its fair value plus, in the case of a financial asset not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset except for trade receivables which are initially measured at transaction price. Transaction costs of financial assets carried at fair value through profit or loss are expensed off in the Statement of Profit and Loss.

(ii) Classification of financial assets

The Company determines the classification of its financial assets based on its business model for managing the financial assets and the contractual terms of the cash flows. The Company's financial assets are classified into the following categories:

- a. those to be measured at fair value (either through other comprehensive income or through profit or loss). These includes equity securities at fair value through other comprehensive income (FVTOCI) and investment in mutual fund at fair value through profit or loss (FVTPL).
- b. those to be measured at amortized cost. These comprise debt securities at amortized cost, trade receivables, loan receivables, cash and bank balances, other financial assets and receivables.

(iii) Subsequent Measurement

On initial recognition of equity instruments (other than in subsidiaries, joint ventures and associates) that are not held for trading, the Company makes an irrevocable election to present the subsequent changes in fair value through other comprehensive income.

A gain or loss in debt securities that is subsequently measured at amortized cost is recognized as a component of other income/expense when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest method.

Gain and losses on financial assets measured at fair value are recorded either through profit or loss or other comprehensive income. Upon derecognition, the cumulative fair value changes recognised in OCI is not reclassified from the equity to profit or loss.

(iv) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, including outstanding net favourable bank overdrafts and short-term highly liquid investments that are readily convertible to known amounts of cash and, have a maturity of three months or less from the respective date of acquisition.

(v) Trade receivables

Trade receivables are recognized initially at their transaction price unless those contain a significant financing component in accordance with Ind AS 115.



(vi) De-recognition of financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

Financial liabilities

(i) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

(ii) Financial liabilities other than Equity Instruments

The Company initially recognizes a financial liability at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities which are not held for trading are subsequently measured at amortized cost using the effective interest method which mainly include loans and borrowings, lease liabilities and other financial liabilities.

Interest expense that is not capitalized as part of costs of an asset is included in the 'finance costs' line item.

Gain or loss on financial liabilities are measured at amortized cost are recorded in statement of profit or loss.

(iii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in statement of profit or loss.

2.13 Fair Value Measurement

The Company measures financial instruments at fair value at each reporting 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 on the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either,

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would normally use while pricing the asset or liability assuming that such market participants act in their best economic interests.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different level of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred.

2.14 Revenue recognition

Revenue from contracts with customers

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring control of promised goods or services to a customer, at the amount of the transaction price (i.e. selling price) allocated to that performance obligation. The transaction price is the consideration the Company is entitled on sale of goods or services, net of variable consideration, and excludes Goods and Services Tax and other amounts collected.

(a) Sale of goods — The Company recognizes revenue from the sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

(b) Variable consideration — The transaction price (i.e. selling price) is reduced for various discounts & rate differences offered to dealers, distributors or customers. Variable consideration is estimated using the expected value or most-likely-amount method, based on schemes in force and historical experience, and is recognised only to the extent that it is highly probable that a significant reversal of cumulative revenue will not occur.

(c) Warranties — Warranties provided on products assure that the product complies with agreed specifications and they are accounted for as a provision under Ind AS 37.

(d) Contract balances — A trade receivable is recognised when the right to consideration becomes unconditional. Advances received from customers for which goods are yet to be delivered are recognised as contract liabilities (disclosed under "Other Current Liabilities" as advances from customers) and recognised to revenue as mentioned in sub point (a).

(e) Royalty income — Sales-based royalty for the right to use the Company's brand is recognised as the underlying sales by the licensee occur (or as the usage occurs).



Other income

Interest income is recognised on a time-proportion basis using the effective interest rate applicable to the financial asset. Interest on income-tax refunds is accounted for on finalisation of assessments. Rental income is recognised on a straight-line basis over the lease term. Insurance claims are accounted for on final acceptance by the insurer. Other items, including interest on delayed realisation from customers and sale of scrap, are recognised when certainty of ultimate realisation is established.

2.15 Foreign currency transactions

In preparing the Financial Statements of the Company, transactions in currencies other than Indian Rupees are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the closing rates prevailing at that reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rate prevailing at the date when the fair value was measured.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as on the dates of the initial transactions. Transaction gains and losses realized upon settlement of foreign currency transactions are included in determining net profit / loss for the period in which the transaction is settled.

Exchange differences on monetary items are recognized in the statement of profit and loss in the period in which they arise.

2.16 Borrowing costs

Borrowing cost consists of interest and other cost incurred in connection with borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method.

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized to the cost of those assets, until such time the assets are substantially ready for their intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

2.17 Government grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Grant related to Income (Revenue Grants)

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Grant relating to Assets (Capital Grants)

Government grants with the primary condition that the Company should purchase construct or otherwise acquire non-current assets are recognized as deferred income in the balance sheet and transferred to the statement of profit and loss in the ratio of depreciation calculated on the related assets.



2.18 Employee benefits:

i. Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid for settling the liabilities. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Post-employment benefits

• **Defined Contribution Plans-** A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available

• **Defined Benefit Plans-** The Company also provides for post-employment defined benefit in the form of gratuity. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation being carried out at each reporting date. Re-measurement of the net benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interests) and the effect of the assets ceiling (if any, excluding interest) are recognised in other comprehensive income (OCI). The effect of any plan amendments is recognised in net profit in the Statement of Profit and Loss.

iii. Leave Obligation

Accumulated leaves which is expected to be utilised within next 12 months from the reporting date is treated as short term employee benefit.

2.19 Taxation

Tax expense for the year comprises of current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current Tax

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

The Company evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation at each reporting date and considers whether it is probable that a taxation authority will accept an uncertain tax treatment.

In respect of disputed cases, when an appeal is decided by appellate authority, the corresponding appeal effect is given in the accounts only after receipt of appellate order from the concerned Department/ Authority, if not further contested.



Deferred tax

- (i) Deferred tax is recognized using liability 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.
- (ii) Deferred tax liabilities are generally recognized for all taxable temporary differences.
- (iii) Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.
- (iv) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of all or part of the deferred tax asset to be utilized. Any such reduction shall be reversed to the extent when it becomes probable that sufficient taxable profit will be available.
- (v) In assessing the recoverability of deferred tax assets, the Company relies on the same forecast, assumptions used elsewhere in the Financial Statements and in other management reports/estimates.
- (vi) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is to be settled or the asset to be realized. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- (vii) The Company offsets deferred tax assets and deferred tax liabilities as it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.20 Business Combination

Business combinations — acquisition method (other than combinations involving entities under common control)

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred, and the equity interests issued by the Company as at the acquisition date i.e., date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Directly attributable transaction costs are included in the initial measurement of investments in subsidiaries accounted for at cost. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values as at the acquisition date. Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date, which is regarded as their cost.

Subsequent to initial recognition, such intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Goodwill is measured as the excess of the aggregate of the consideration transferred, the amount recognised for any non-controlling interests and any previously held equity interest, over the net identifiable assets acquired and liabilities assumed. Goodwill is tested annually for impairment.

Accordingly, pursuant to the Scheme of Amalgamation of Vishva Electrotech Limited with the Company approved by the Hon'ble NCLT, Kolkata Bench vide order dated 24th October, 2024, the amalgamation has been accounted for using the pooling of interest method with effect from the appointed date, 1st October, 2023 (Refer Note 44).



Business combinations involving entities under common control

Business combinations arising from transfers of interests in entities that are under common control are accounted for using the pooling of interest method in accordance with Appendix C to Ind AS 103, Business Combinations. Under this method, the assets and liabilities of the combining entities are reflected at their carrying amounts and no adjustments are made to reflect fair values, nor are any new assets or liabilities recognised, other than adjustments made to harmonise accounting policies. The identity of the reserves of the transferor is preserved and they appear in the financial statements of the Company in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amount recorded as share capital issued (plus any additional consideration in the form of cash or other assets) and the amount of share capital of the transferor is transferred to capital reserve. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the earliest period presented, or from the date on which the entities came under common control, whichever is later.

2.21 Earnings per share

i. Basic Earnings Per Share

Basic earnings per share are calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for bonus issue and bonus elements in a rights issue to existing shareholders.

The number of equity shares used in computing basic earnings per share for all periods presented is adjusted retrospectively for bonus issues, share splits and consolidations, including where such events occur after the reporting date but before the financial statements are approved for issue. Equity shares issued as consideration pursuant to the Scheme of Amalgamation accounted for under the pooling of interests method are included in the weighted average number of shares from the beginning of the earliest period presented, consistent with the restatement of comparatives.

ii. Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit after tax for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year, both are adjusted for the effects of all dilutive potential equity shares.

Potential equity shares are treated as dilutive only when their conversion to equity shares would decrease earnings per share or increase loss per share. Bonus shares issued and shares outstanding do not constitute potential equity shares. Where no dilutive potential equity shares exist, diluted earnings per share equals basic earnings per share.

2.22 Dividend

The final dividend on shares is recorded as a liability on the date of approval by shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's board of directors. However, the Company has not declared any dividend for the reported years.

2.23 Provisions, Contingent Liabilities and Contingent Assets

i. Provisions

Provisions are recognized in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis. Constructive obligation is an obligation that derives from an entity's actions where:



a. by an established pattern of past practice, policies adopted or a sufficiently specific current statement, the Company has indicated to other parties that it will accept certain responsibilities and;

b. as a result, the Company has created a valid expectation on the part of those other parties that it will discharge such responsibilities.

ii. Contingent Liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. A provision is recognised in respect of present obligations where the outflow of resources is probable and all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

Contingent liabilities relating to direct taxes, indirect taxes, guarantees, legal cases and others, whether disputed or not, are disclosed on the basis of judgment of the management/ independent experts and reviewed at each reporting date to reflect the current management estimate.

iii. Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is not recognised but disclosed if as on the reporting date, an inflow of economic benefit is probable.

2.24 Prior period Items & Changes in accounting policy

Any impact of errors occurred in prior period that may come to light in subsequent years as well as impact on prior period of any changes made in accounting policy, if 'material' then, are dealt with in terms of IND AS 8.

2.25 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted in the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.26 Exceptional Items

Items of income or expense within profit or loss from ordinary activities which are non-recurring in nature and are of such size, nature or incidence that their separate disclosure is relevant to explain the performance of the Company for the period, are presented as "Exceptional Items" on the face of the Statement of Profit and Loss. The nature and amount of each such item is disclosed separately in the Notes to the Special Purpose Financial Statements.

2.27 Statement of Cash Flows

The Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7, Statement of Cash Flows, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash flows are segregated into operating, investing and financing activities. For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise cash on hand, balances with banks in current accounts and deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.



Polar Elektrik Limited
(Formerly Polar Elektrik Private Limited)
CIN: U28199WB2004PLC100818
Notes to Special Purpose Financial Statements
(Amount in Rupees Lakhs, unless otherwise stated)

3 Property, Plant and Equipment

	Leasehold Improvements	Plant & Equipment	Office Equipments	Computers	Electric Installation	Furniture & Fixtures	Vehicles	Total
A. Gross carrying amount								
As at April 1, 2023	-	0.01	0.01	0.01	-	0.00	-	0.03
Additions	-	28.26	3.28	1.96	-	5.33	-	38.83
Transferred from merging Company	15.28	164.76	25.30	13.96	2.57	51.87	52.31	326.05
Deletions / Disposal	-	-	-	-	-	-	-	-
As at March 31, 2024	15.28	193.03	28.59	15.93	2.57	57.20	52.31	364.91
Additions	2.92	6.63	5.26	8.09	-	8.83	45.10	76.83
Deletions / Disposal	-	(27.56)	-	-	-	-	-	(27.56)
Adjustments	-	(0.18)	(0.58)	(3.01)	(0.17)	(0.67)	-	(4.61)
As at March 31, 2025	18.20	171.92	33.27	21.01	2.40	65.36	97.41	409.57
Additions	-	0.41	24.98	3.28	-	2.17	37.68	68.52
Deletions / Disposal	-	(0.01)	-	-	-	-	-	(0.01)
Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2026	18.20	172.32	58.25	24.29	2.40	67.53	135.09	478.08
B. Depreciation								
As at April 1, 2023	-	-	-	-	-	-	-	-
For the year	0.39	12.28	1.52	3.10	0.24	4.66	1.67	23.86
As at March 31, 2024	0.39	12.28	1.52	3.10	0.24	4.66	1.67	23.86
For the year	2.01	33.95	19.71	9.73	0.88	20.10	24.30	110.68
Deletions / Disposal	-	(2.33)	-	-	-	-	-	(2.33)
As at March 31, 2025	2.40	43.89	21.23	12.83	1.13	24.76	25.97	132.21
For the year	1.90	25.29	10.50	5.78	0.51	14.21	32.54	90.73
Deletions / Disposal	-	-	-	-	-	-	-	-
As at March 31, 2026	4.30	69.18	31.73	18.61	1.64	38.97	58.51	222.94
C. Net Carrying Amount								
As at April 1, 2023	-	0.01	0.01	0.01	-	0.00	-	0.03
As at March 31, 2024	14.89	180.75	27.07	12.83	2.33	52.54	50.64	341.05
As at March 31, 2025	15.80	128.03	12.04	8.18	1.27	40.60	71.44	277.36
As at March 31, 2026	13.90	103.14	26.52	5.68	0.76	28.56	76.58	255.14

Note:

- (a) Details of Property, Plant & Equipment hypothecated against borrowings is as presented in Note 17
(b) The Company has not revalued its property, plant and equipment and these are carried at their respective carrying amounts.



4 Right-of-use assets

	Building
A. Gross carrying amount	
As at April 1, 2023	-
Additions	252.58
As at March 31, 2024	252.58
Additions	-
As at March 31, 2025	252.58
Additions	-
As at March 31, 2026	252.58
B. Amortisation	
As at April 1, 2023	-
For the year	22.44
As at March 31, 2024	22.44
For the year	44.88
As at March 31, 2025	67.32
For the year	44.88
As at March 31, 2026	112.20
C. Net Carrying Amount	
As at April 1, 2023	-
As at March 31, 2024	230.14
As at March 31, 2025	185.26
As at March 31, 2026	140.38

* Refer Note 41 for detailed disclosure on leases

5 Other Intangible Assets

	Trade Marks	Softwares	Total
A. Gross carrying amount			
As at April 1, 2023	4,998.15	-	4,998.15
Additions	27,907.00	17.65	27,924.65
Other Adjustments	(4,998.15)	-	(4,998.15)
Transferred from merging Company	-	44.82	44.82
On account of revaluation	(661.87)	-	(661.87)
As at March 31, 2024	27,245.13	62.47	27,307.60
Additions	-	27.33	27.33
Transferred from intangible assets under development	-	143.55	143.55
On account of revaluation	969.52	-	969.52
As at March 31, 2025	28,214.65	233.35	28,448.00
Additions	-	6.45	6.45
On account of revaluation	524.44	-	524.44
As at March 31, 2026	28,739.09	239.80	28,978.89
B. Amortisation and Impairment			
As at April 1, 2023	-	-	-
For the year	-	6.46	6.46
As at March 31, 2024	-	6.46	6.46
For the year	-	38.64	38.64
As at March 31, 2025	-	45.10	45.10
For the year	-	47.17	47.17
As at March 31, 2026	-	92.27	92.27
C. Net Carrying Amount			
As at April 1, 2023	4,998.15	-	4,998.15
As at March 31, 2024	27,245.13	56.01	27,301.14
As at March 31, 2025	28,214.65	188.25	28,402.90
As at March 31, 2026	28,739.09	147.53	28,886.62



Note:

(a) A first and paramount registered charge was created over the Trademark in favour of Mr. Ashok Goyal and Mr. Giriraj Ratan Kothari, Nominees of EM Group vide instrument dated 25th April, 2012 and supplementary agreement dated 5th February 2013 to secure recovery and/or realisation of business exposure of said EM Group in Polar Group.

As per the Scheme approved by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide Order dated 24th October, 2024, the balance of Securities Premium has been utilized to fully amortize the unamortized value of the Brand "POLAR" as recognized in the books amounting to Rs. 4,998.15 Lakhs.

(b) The Company has adopted revaluation model of accounting for revaluation of trademark as at March 31, 2024, March 31, 2025 and March 31, 2026 on the basis of valuation report dated 16th May, 2026. As a result, Company has recognised impairment of Rs. 661.87 Lakhs during the FY 2023-24. However, in FY 2024-25 Rs. 307.65 Lakhs of the revaluation gain was recognised in Other Comprehensive Income after reversal of Rs. 661.87 in Other Income, being charged to Other Expenses in the earlier year. Also, Rs. 524.44 Lakhs was recognised in FY 2025-26 in Revaluation Reserve through Other Comprehensive Income. The trademark was initially recognized in the books on 1st October 2023 through merger of Vishva Electrotech Limited with Polar Elektrik Limited based on the Purchase Price Allocation (PPA) report dated 30th December 2024 taken from registered valuer. Refer to note no 47 for details relating to merger.

(c) Impairment loss provided during the year is Nil (2025: Nil, 2024: 661.87 Lakhs)

6 Intangible Assets Under Development

As at April 1, 2023

Transfer from merging company

-

As at March 31, 2024

115.66

Additions

27.89

Transferred to Intangible Assets

(143.55)

As at March 31, 2025

-

Additions

-

As at March 31, 2026

-

Aging	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
As at March 31, 2024	115.66	-	-	-	115.66

Note: The amalgamating company, was in the process of developing an intangible asset, SAP, which was acquired during the development phase as a part of the Scheme (Refer Note No.: 47)



	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
7 Other Financial Assets				
Unsecured considered good				
Non-Current				
Security Deposit	14.12	23.34	22.16	0.29
Bank Deposits*	8.22	101.06	100.92	-
	<u>22.34</u>	<u>124.40</u>	<u>123.08</u>	<u>0.29</u>
Current				
Security Deposits	173.62	134.10	112.98	-
Margin Money on bills discounted	1,118.04	825.91	676.55	-
Interest Receivable on Fixed Deposits	54.81	95.88	95.56	-
Rent Receivable	1.27	1.27	1.27	-
	<u>1,347.74</u>	<u>1,057.16</u>	<u>886.36</u>	<u>-</u>

*Represents amount deposited as margin money towards working capital facilities.

8 Deferred Tax Assets (Net)				
Deferred Tax Assets	1,651.27	1,926.41	591.32	313.47
Deferred Tax Liability	(0.25)	(8.86)	(13.86)	-
	<u>1,651.02</u>	<u>1,917.55</u>	<u>577.45</u>	<u>313.47</u>
Deferred Tax Assets				
Lease Liability net of Right of Use Assets	5.65	4.19	0.17	-
Unabsorbed Depreciation	9.63	11.14	0.73	-
Business Loss carried forward	1,495.88	1,730.77	425.74	313.45
Disallowances u/s Section 43B of Income Tax Act, 1961	38.31	44.33	16.67	-
Provisions for Gratuity, Warranty and Expected Credit Losses	101.80	135.98	148.01	-
Property, Plant & Equipment and Intangible Assets	-	-	-	0.02
	<u>1,651.27</u>	<u>1,926.41</u>	<u>591.32</u>	<u>313.47</u>
Deferred Tax Liabilities				
Property, Plant & Equipment and Intangible Assets	0.25	8.86	13.86	-
	<u>0.25</u>	<u>8.86</u>	<u>13.86</u>	<u>-</u>

* Deferred tax has not been recognised on trademarks, as the related difference represents a permanent difference.

Movement in deferred tax assets and liabilities during the year ended 31st March 2026

Particulars	April 1, 2025	Recognised in Profit & loss	Recognised in Other Comprehensive Income	March 31, 2026
Deferred Tax Assets in relation to:				
Lease Liability net of Right of Use Assets	4.19	1.46	-	5.65
Disallowances u/s Section 43B of Income Tax Act, 1961	44.33	(6.02)	-	38.31
Provisions for Gratuity, Warranty and Expected Credit Losses	135.98	(27.17)	(7.01)	101.80
Brought forward losses and Unabsorbed Depreciation	1,741.91	(236.40)	-	1,505.51
Total Deferred tax Asset	<u>1,926.41</u>	<u>(268.13)</u>	<u>(7.01)</u>	<u>1,651.27</u>
Deferred Tax Liabilities in relation to:				
Property, Plant & Equipment and Intangible Assets	(8.87)	8.62	-	(0.25)
Total Deferred Tax Liability	<u>(8.87)</u>	<u>5.62</u>	<u>-</u>	<u>(0.25)</u>
Deferred Tax Assets (Net)	<u>1,917.54</u>	<u>(259.52)</u>	<u>(7.01)</u>	<u>1,651.02</u>

Movement in deferred tax assets and liabilities during the year ended 31st March 2025

Particulars	April 1, 2024	Recognised in Profit & loss	Recognised in Other Comprehensive Income	March 31, 2025
Deferred Tax Assets in relation to:				
Lease Liability net of Right of Use Assets	0.17	4.02	-	4.19
Disallowances u/s Section 43B of Income Tax Act, 1961	16.67	27.66	-	44.33
Provisions for Gratuity, Warranty and Expected Credit Losses	148.01	(10.28)	(1.75)	135.98
Brought forward losses and Unabsorbed Depreciation	426.47	1,315.44	-	1,741.91
Total Deferred tax Asset	<u>591.32</u>	<u>1,336.84</u>	<u>(1.75)</u>	<u>1,926.41</u>
Deferred Tax Liabilities in relation to:				
Property, Plant & Equipment and Intangible Assets	(13.87)	5.00	-	(8.87)
Total Deferred Tax Liability	<u>(13.87)</u>	<u>5.00</u>	<u>-</u>	<u>(8.87)</u>
Deferred Tax Assets (Net)	<u>577.45</u>	<u>1,341.84</u>	<u>(1.75)</u>	<u>1,917.54</u>



Movement in deferred tax assets and liabilities during the year ended 31st March 2024

Particulars	April 1, 2023	Recognised in Profit & loss	Recognised in Other Comprehensive Income	March 31, 2024
Deferred Tax Assets in relation to:				
Property, Plant & Equipment and Intangible Assets	0.02	(0.02)	-	-
Lease Liability net of Right of Use Assets	-	0.17	-	0.17
Disallowances u/s Section 43B of Income Tax Act, 1961	-	16.67	-	16.67
Provision for Gratuity, Warranty and Expected Credit Losses	-	145.84	2.17	148.01
Brought forward losses and Unabsorbed Depreciation	313.45	113.02	-	426.47
Total Deferred Tax Asset	313.47	275.68	2.17	591.32
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Deferred Tax Liabilities in relation to:				
Property, Plant & Equipment and Intangible Assets	-	(13.87)	-	(13.87)
Total Deferred Tax Liability	-	(13.87)	-	(13.87)
Deferred Tax Assets (Net)	313.47	261.81	2.17	577.45
9 Other Assets				
Unsecured considered good				
Non-Current				
Capital Advances*	47.59	46.44	42.13	-
Deposit with tax authorities	28.87	28.87	28.87	-
	76.46	75.31	71.00	-
Current				
Advances				
To suppliers	262.90	35.14	21.86	-
To employees	13.50	17.50	12.54	-
For Expenses	238.21	123.98	11.37	-
Balances with government authorities	2.20	472.15	2.04	7.15
Other Receivables	81.03	36.76	3.08	-
	597.85	685.93	50.89	7.15

*Note: Includes an amount of Rs. 40.69 Lakhs paid to a supplier by the amalgamating company (earlier classified as Capital Work-in-Progress) for a project that has been subsequently abandoned. The advance given will be utilized for another project.

10 Inventories				
At cost				
Raw materials	153.48	189.82	201.78	-
At lower of cost and net realisable value				
Traded goods	7,670.65	11,178.82	3,129.83	-
Components and Spares	1,004.64	818.47	341.47	-
	8,828.77	12,187.11	3,673.08	-

Note: Traded Goods includes stock in transit amounting to Rs. 104.75 Lakhs (2025: Rs. 47.97 Lakhs; 2024: Rs. 108.29 Lakhs).

11 Trade Receivables				
Unsecured, considered good	27,019.82	25,609.63	19,554.84	-
Secured, considered good	-	-	-	-
Trade Receivables which have significant increase in credit risk	-	-	-	-
Trade Receivables - credit impaired	-	-	-	-
	27,019.82	25,609.63	19,554.84	-
Less: Allowance for Expected Credit Loss	(154.93)	(240.64)	(317.36)	-
	26,864.89	25,368.99	19,237.48	-

Note:

- Trade Receivables are net of Unapplied Receipts of Rs. 43.58 Lakhs (2025: Rs. 118.77 Lakhs; 2024: Rs. 103.59 Lakhs).
- Disputed Trade Receivables represents receivables of old management of Vishva Electrotech Limited (now merged with the Company).

Trade Receivable ageing analysis
March 31, 2026

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	23,142.86	2,197.38	1,060.49	374.20	155.58	37.20	26,967.71
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	19.07	-	33.04	52.11
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	23,142.86	2,197.38	1,060.49	393.27	155.58	70.24	27,019.82
Less: Allowance for Expected Credit Loss	-	(10.99)	(10.60)	(39.33)	(38.89)	(35.12)	(134.93)
	23,142.86	2,186.39	1,049.89	353.94	116.68	35.12	26,864.89



March 31, 2025

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	20,793.98	3,248.76	1,196.52	269.25	49.01	-	25,557.52
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	14.10	4.97	-	33.04	-	52.11
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	20,793.98	3,262.86	1,201.49	269.25	82.05	-	25,609.63
Less: Allowance for Expected Credit Loss	-	(120.29)	(12.01)	(67.31)	(41.03)	-	(240.64)
	20,793.98	3,142.57	1,189.48	201.94	41.02	-	25,368.99

March 31, 2024

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	17,075.43	1,540.28	690.55	248.58	-	-	19,554.84
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	17,075.43	1,540.28	690.55	248.58	-	-	19,554.84
Less: Allowance for Expected Credit Loss	-	(186.15)	(69.06)	(62.15)	-	-	(317.36)
	17,075.43	1,354.13	621.49	186.43	-	-	19,237.48

	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Movement in Expected Credit Loss				
Balance at the beginning of the year	240.64	317.36	-	-
Provision created during the year	-	-	317.36	-
Provision transferred from the merging company	-	-	-	-
Provision reversed during the year	(105.71)	(76.72)	-	-
Balance at the end of the year	134.93	240.64	317.36	-
12 Cash & Cash Equivalents				
Balances with banks				
- In current accounts	17.39	4.78	79.75	4.89
Cash on Hand (As certified by the management)	15.78	24.00	33.23	2.64
	33.17	28.78	112.98	7.53
13 Other Bank Balances				
Bank Deposits*	1,748.60	716.62	762.09	-
	1,748.60	716.62	762.09	-
14 Current Tax Assets				
Income Tax Paid	381.89	355.50	286.57	53.29
(Net of Provision for Tax 2026: Rs. 118.14 Lakhs, 2025: Rs. 118.14 Lakhs, 2024: Rs. 118.14 Lakhs and 2023: Nil)	381.89	355.50	286.57	53.29

*Represents amount deposited towards working capital facilities.



	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
15 Equity Share Capital				
Authorised share capital				
Equity Shares (2026: 2,13,50,000; 2025: 1,73,50,000; 2024: 43,50,000; 2023: 7,50,000) of Rs. 10/- each				
At the Beginning of the Year	1,735.00	435.00	75.00	75.00
Increase During the Year	400.00	1,300.00	360.00	-
At the End of the Year	2,135.00	1,735.00	435.00	75.00
Preference Share Capital				
Preference Shares (2026: 1,00,000; 2025: 1,00,000; 2024: Nil; 2023: Nil) of Rs. 10/- each				
At the Beginning of the Year	10.00	-	-	-
Increase During the Year	-	10.00	-	-
At the End of the Year	10.00	10.00	-	-
Issued, subscribed and fully paid-up shares				
Equity Shares (2026: 2,08,64,508; 2025: 1,44,98,808; 2024: 5,97,230; 2023: 5,97,230) of Rs. 10/- each				
At the Beginning of the Year	1,449.88	59.72	59.72	59.72
Increase During the Year	636.57	1,390.16	-	-
At the End of the Year	2,086.45	1,449.88	59.72	59.72
(a) Reconciliation of outstanding shares				
Equity shares of Rs. 10/- each fully paid				
Balance at the beginning of the reporting period	1,44,98,808	5,97,230	5,97,230	5,97,230
Add : Pursuant to the Scheme of Amalgamation (Refer Note 47)	-	64,45,053	-	-
: Issued during the year	63,65,700	74,56,525	-	-
Balance at the end of the reporting period	2,08,64,508	1,44,98,808	5,97,230	5,97,230

Note:

- (i) Pursuant to the order dated 24th October, 2024 passed by the Hon'ble National Company Law Tribunal approving the Scheme of Amalgamation (refer Note 47), 64,45,053 numbers of equity shares of the Company, has been issued to the shareholders of Vishva Electrotech Limited (merging company) on 14th February, 2025 for consideration other than cash.
- (ii) Pursuant to a rights issue under Section 62(1)(a) read with Section 39 of the Companies Act, 2013, authorised by the Board on 17 March 2025, the Company allotted 74,56,525 equity shares of Rs.10 each at Rs. 100 per share (including a premium of Rs. 90 per share), aggregating Rs.7,456.53 Lakhs, vide Board resolution dated 29 March 2025. The allotment comprised 51,24,525 shares (Rs. 5,124.53 Lakhs) to Ranks Fiscals Private Limited and 23,32,000 shares (Rs.2,332.00 Lakhs) to Tenty Limited, both fully paid in cash. Accordingly, paid-up share capital increased by Rs.745.65 Lakhs and securities premium by Rs.6,710.87 Lakhs. The shares rank pari passu with the existing equity shares of the Company. Letters of allotment were issued on 29 March 2025 and the shares were dematerialised as on 30th July 2025.
- By an agreement dated 31 March 2025 between Ranks Fiscals Private Limited and Tenty Limited, to which the Company is not a party, Ranks Fiscals Private Limited agreed to transfer the 51,24,525 shares allotted to it to Tenty Limited in full and final settlement of a loan obligation, with the beneficial interest deemed to have passed on that date. As at the balance sheet date Ranks Fiscals Private Limited remains the registered holder and holds the shares in trust for Tenty Limited pending completion of the transfer. Being a transfer between shareholders, it has no effect on the issued, subscribed and paid-up share capital of the Company.
- (iii) Pursuant to the resolution dated 30th March, 2026 approved by the members, 63,65,700 shares were issued to Ranks Fiscals Private Limited being conversion of loan amounting to Rs. 6,365.70 Lakhs to equity shares of Rs. 10 each at a premium of Rs. 190. The said conversion resulted in settlement of the corresponding loan liability through issuance of equity shares.

(b) Terms/rights attached to equity shares

- i) The Company has only one class of equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.
- ii) In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- iii) The shareholders have the right to declare and approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than that recommended by the Board of Directors.

(c) Shares held by holding Company

	March 31, 2026		March 31, 2025		March 31, 2024		April 1, 2023	
Equity shares of Rs. 10/- each fully paid	Number	Amount	Number	Amount	Number	Number	Number	Number
Tenty Limited*	2,07,28,770	2,072.88	74,56,525	745.65	-	-	-	-

(d) Details of shareholders holding more than 5% shares in the Company

	March 31, 2026		March 31, 2025		March 31, 2024		April 1, 2023	
Equity shares of Rs. 10/- each fully paid	Number	%	Number	%	Number	%	Number	%
Tenty Limited*	2,07,28,770	99.35%	74,56,525	51.43%	-	0.00%	-	0.00%
Ranks Fiscals Private Limited	-	0.00%	14,18,590	9.78%	1,13,887	19.07%	1,13,887	19.07%
Kanishk Goyal	-	0.00%	12,91,927	8.91%	1,06,721	17.87%	1,06,721	17.87%
Kanishk Goyal HUF	-	0.00%	93,883	0.65%	93,883	15.72%	-	0.00%
Asish Kothari	-	0.00%	3,26,364	2.25%	43,938	7.36%	43,938	7.36%
Ashok Goyal, Giriraj Ratan Kothari, Anil Kamboj as partners of Excellent Moulders	-	0.00%	42,600	0.29%	42,600	7.13%	42,600	7.13%
Virat Leasing Limited	-	0.00%	43,300	0.30%	43,300	7.25%	43,300	7.25%
Shvama Kothari	-	0.00%	4,68,744	3.23%	36,400	6.09%	36,400	6.09%
Ashok Goyal	-	0.00%	8,62,348	5.95%	6,000	1.00%	6,000	1.00%
Giriraj Ratan Kothari	-	0.00%	7,33,206	5.06%	6,000	1.00%	6,000	1.00%
Gurukul Retails Private Limited	-	0.00%	-	0.00%	-	0.00%	1,08,294.00	18.13%
Navrit Kumar Goel	-	0.00%	-	0.00%	-	0.00%	49,776.00	8.33%
Total	2,07,28,770	99.35%	1,27,37,487	87.85%	4,92,729	82.50%	5,56,916	93.25%

As per records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

* The shareholding pattern as at 31 March 2026 includes 1,32,72,245 shares acquired by Tenty Limited on 30th March 2026 pursuant to the Share Purchase Agreement executed during the year, for which the demat transfer formalities were completed prior to the signing of the Financial Statements.

(e) Details of Promoter Shareholdings (of Rs. 10 each fully paid up)

Promoter name	31st March, 2026	% of Shareholding As On 31st March 2026	31st March, 2025	% of Shareholding As On 31st March 2025	Change during FY 2025-26	31st March, 2024	% of Shareholding As On 31st March 2024	Change during FY 2024-25	April 1, 2023	% of Shareholding As On 1st April, 2023	Change during FY 2023-24
Ashok Goyal	-	0.00%	8,62,348	5.95%	(5.95%)	6,000	1.00%	4.94%	6,000	1.00%	0.00%
Tenty Limited	2,07,28,770	99.35%	74,56,525	51.43%	47.92%	-	-	51.43%	-	-	0.00%
Kanishk Goyal	-	0.00%	12,91,927	8.91%	(8.91%)	1,06,721	17.87%	(8.96%)	1,06,721	17.87%	0.00%
Total	2,07,28,770	99.35%	96,10,800	66.29%	33.06%	1,12,721	18.87%	47.41%	1,12,721	18.87%	0.00%



16 Other Equity

Particulars	Share Pending Issuance	Equity component of compound financial instruments	Reserve for Redemption of Preference Shares	Reserves and Surplus			Other Comprehensive Income (OCI) Revaluation Reserve	Total
				Capital Reserve	Securities Premium	Retained Earnings		
Balance as on 1st April 2023	-	-	-	-	8,834.41	(8,293.20)	-	541.21
Effect of transition to IND AS(Refer Note 48):	-	-	-	-	-	312.97	-	312.97
Deferred Tax	-	-	-	-	8,834.41	(7,980.23)	-	854.18
Adjusted balance as on 1st April 2023	-	-	-	-	(4,998.15)	8,293.20	-	8,705.31
Pursuant to the Scheme of Amalgamation (Refer Note 4)	653.86	-	-	4,756.40	-	1,371.55	-	1,371.55
Profit or Loss for the year	-	-	-	-	-	(5.29)	-	(5.29)
Other Comprehensive Income	-	-	-	-	-	-	-	-
Balance as on 31st March 2024	653.86	-	-	4,756.40	3,836.26	1,679.23	-	10,925.75
Issuance of share Capital	(653.86)	6,365.70	-	-	6,710.87	-	-	12,422.71
Profit or Loss for the year	-	-	-	-	-	2,048.42	-	2,048.42
Other Comprehensive Income	-	-	-	-	-	4.26	307.65	311.91
Balance as on 31st March 2025	-	6,365.70	-	4,756.40	10,547.13	3,731.91	307.65	25,708.79
Issuance of share Capital	-	(6,365.70)	-	-	5,729.13	-	-	(636.57)
Profit or Loss for the year	-	-	-	-	-	1,600.97	-	1,600.97
Redemption of preference shares	-	-	9.35	-	-	(9.35)	-	-
Other Comprehensive Income	-	-	-	-	-	20.84	524.44	545.28
Balance as on 31st March 2026	-	-	9.35	4,756.40	16,276.26	5,344.38	832.09	27,218.48

Nature and Purpose of Reserves

a) **Share Pending Issuance:** 64,45,053 Equity Shares of Rs. 10/- each and 93,500 1% Optionally Convertible redeemable Preference Shares of Rs. 10/- each were issued to the erstwhile shareholders of the amalgamating company as per the Scheme of Amalgamation (Refer Note No. 47)

b) **Equity component of compound financial instruments:** This reserve represents the equity component of a convertible unsecured loan recognized in accordance with IND AS 32. The loan was convertible into equity shares of the Company as per the agreed terms. Upon conversion of the loan into equity shares during current financial year, the balance in this reserve was transferred within equity and accordingly the reserve stands NIL as at 31 March 2026.

c) **Capital Reserves:** Created through business combinations and shall be utilised as per the provisions of Companies Act, 2013

d) **Securities Premium:** Securities Premium represents the excess of the amount received over the face value of the shares. This reserve will be utilized in accordance with the provisions of the Companies Act, 2013.

e) **Reserve for Redemption of Preference Shares:** Created out of accumulated profits on account of redemption of preference shares and shall be utilised as per the provisions of Companies Act, 2013

f) **Revaluation Reserve:** Created on account of revaluation of Trademarks.

g) **Retained Earnings:** This Reserve represents the cumulative profits/(losses) of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.



	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
17 Borrowings				
Non-current				
Secured				
(i) Term Loans				
a. From ICICI Bank	1,080.74	1,353.17	1,625.77	-
Less: Current maturities	(272.25)	(272.51)	(272.60)	-
b. From Tata Capital Finserv Limited	-	150.00	350.00	-
Less: Current maturities	-	(150.00)	(200.00)	-
c. BOB Covid Emergency Credit	-	196.85	418.92	-
Less: Current maturities	-	(196.85)	(152.33)	-
(ii) Auto loan				
- From Bank of Baroda	20.45	30.19	39.13	-
Less: Current maturities	(10.62)	(9.74)	(8.94)	-
- From ICICI Bank	62.46	41.08	-	-
Less: Current maturities	(17.14)	(9.43)	-	-
Unsecured				
Loan from Related Parties	10,865.90	2,993.93	11,769.01	2,600.67
Loan from Banks	148.48	182.38	67.07	-
Less: Current Maturities	(82.66)	(81.46)	(20.42)	-
Loan from Financial Institutions	121.71	144.47	-	-
Less: Current Maturities	(64.42)	(58.15)	-	-
Loan from Body Corporates	1,765.40	1,660.25	970.00	-
	<u>13,618.05</u>	<u>5,974.18</u>	<u>14,585.61</u>	<u>2,600.67</u>
Current				
Secured				
Current maturities				
For Term Loans from Banks	272.25	469.36	424.93	-
For Term Loan from Financial Institutions	-	150.00	200.00	-
For Auto Loan	27.77	19.17	8.94	-
Overdraft Facilities	866.59	3,468.76	98.75	-
Cash Credit Facilities	3,795.41	1,493.87	4,184.53	-
Liability component of compound financial instruments	-	9.35	-	-
Unsecured				
Current Maturities for Unsecured Loan	147.07	139.61	20.42	-
From Body Corporates	-	-	-	31.44
	<u>5,109.09</u>	<u>5,750.12</u>	<u>4,937.57</u>	<u>31.44</u>

Notes:

a) Liability component of compound financial instruments

The Company has issued optionally convertible redeemable preference shares in accordance with the Scheme (Refer Note No.: 47) approved by the Hon'ble National Company Law Tribunal vide its order dated 24th October, 2024. The terms of such preference shares will be as under:

Face Value	INR 10/- per share
Coupon Rate	1% p.a on a Non-Cumulative
Tenure	20 Years from the date of allotment
Redemption	OCRPS shall be redeemed at par at any time before the expiry of 20 years at the option of the holder
Terms of Conversion	Upon expiry of 20 Years from the date of allotment, the outstanding OCRPS shall be converted into equity shares of the Transferee Company in proportion of 1 fully paid up equity share of INR 10/- each against 1 fully paid up Optionally Convertible Redeemable Preference Shares of INR 10/- each by the shareholder

The entire amount of Rs. 9.35 Lakhs was repaid during FY 25-26, the equity component of the said instrument stands nil as on March 31, 2025.



17 Borrowings (Cont'd)

Repayment Terms	Securities	
	Primary	Collateral
Term Loans		
From Banks		
ICICI Bank has sanctioned a Corporate Loan of Rs. 578.50 Lakhs for long-term working capital requirements and replacement of unsecured loan (transfer from Vishva Electrotech Ltd). The loan carries an interest rate of Repo Rate + 3.50% spread (currently 5.25% + 3.50% = 8.75% p.a.), with quarterly reset of Repo Rate and monthly interest servicing. Spread is resettable as per RBI guidelines and credit risk assessment. The loan is repayable in 54 equal monthly instalments with no moratorium.	First pari passu charge over current assets of the company.	1. Equitable mortgage of Residential Property no. 1A, 4A & 4B located at Premises No-2B, Lansdowne Place, Sishumangal Hospital, South 24 Parganas, Kolkata-700029 in the name of directors and shareholders. 2. Lien on Bank FDRs with interest due hereon for Rs. 1220 Lakhs in the name of Tenty Limited. 3. Personal Guarantee of Mr. Ashok Goyal, Mr. Kanishk Goyal, Mr. Giriraj Ratan Kothari, Mr. Asish Kothari and Mrs. Neelam Goyal. 4. Corporate Guarantee of Tenty Limited (Restricted to the value of Lien on Fixed deposit)
ICICI Bank has sanctioned Corporate Loan of Rs. 726.10 Lakhs for repayment of unsecured loan (transfer from Vishva Electrotech Ltd). The loan carries an interest rate of Repo Rate + 3.50% spread (currently 8.75% p.a.), reset quarterly, with monthly interest payment. The loan is repayable in 61 equal monthly instalments with no moratorium.		
Tata Capital Financial Services Limited - Rs. 4.00 Crores repayable in 24 equal monthly instalments of Rs.16.67 Lakhs beginning from 24th November, 2023 which carries an interest rate of 12%.The Repayment was made in the month of November 2025.		1. Fixed Deposit (FD) of 10% of loan amount with a Bank as acceptable to TCFSL, duly lien marked on Principal and Interest in favor of TCFSL. With nature of Deposit: Reinvestment of interest and Maturity Instruction of Auto renew Principal and Interest. 2. Personal Guarantee of Mr. Kanishk Goyal and Mr. Asish Kothari.
BOB COVID Emergency Credit loan - Rs. 457.00 lakhs repayable in 60 months including a 24-month moratorium on principal repayment, during which interest is payable. The Repayment was made in the month of May 2025.	The credit will rank pari passu with existing credit facilities in terms of cash flows and charged securities.	
Vehicle Loan		
Bank of Baroda -Car Loan Scheme- Rs. 16.23 lakhs, repayable in 60 equated monthly instalments of Rs. 0.33 Lakhs each, commencing from September, 2022 which carries an Interest rate of RBIRR + Spread of 2.89% which is 8.05% at present date	Hypothecation of TATA Nexon	Personal Guarantee of Mr. Kanishk Goyal
Bank of Baroda -Car Loan Scheme- Rs. 19.75 lakhs, repayable in 60 equated monthly instalments of Rs. 0.41 Lakhs each, commencing from April, 2023 which carries an Interest rate of RBIRR + Spread of 2.25% which is 7.50% at present date	Hypothecation of Honda City	Personal Guarantee of Mr. Ashok Goyal
Bank of Baroda -Car Loan Scheme- Rs. 12.60 lakhs, repayable in 60 equated monthly instalments of Rs. 0.26 Lakhs each, commencing from June, 2023 which carries an Interest rate of RBIRR + Spread of 2.65% which is 7.90% at present date.	Hypothecation of Maruti Suzuki Vitara Brezza	Personal Guarantee of Mr. Ashok Goyal
ICICI Bank -Car Loan Scheme- Rs. 14.75 lakhs, repayable in 60 monthly instalments varying from Rs. 0.35 Lakhs (includes interest) commencing from October, 2024 which carries an Interest Rate of 9.25%	Hypothecation of TATA NEXON EV	-
ICICI Bank -Car Loan Scheme- Rs. 15.00 lakhs, repayable in 60 monthly instalments varying from Rs. 0.36 Lakhs (includes interest) commencing from October, 2024 which carries an Interest Rate of 9.25%	Hypothecation of Nexon/! 2 Fearless Plus SP Dca	-
ICICI Bank -Car Loan Scheme- Rs. 15.00 lakhs, repayable in 60 monthly instalments varying from Rs. 0.36 Lakhs (Includes interest) commencing from February, 2025 which carries an Interest Rate of 9.27%	Hypothecation of Curvv/ Creative Plus S	-
ICICI Bank -Car Loan Scheme- Rs. 14.70 lakhs, repayable in 60 monthly instalments varying from Rs. 0.37 Lakhs (includes interest) commencing from June, 2025 which carries an Interest Rate of 9.28%	Hypothecation of KIA Syros/GI	-
ICICI Bank -Car Loan Scheme- Rs. 21.56 lakhs, repayable in 60 monthly instalments varying from Rs. 0.53 Lakhs (includes interest) commencing from September, 2025 which carries an Interest Rate of 8.90%	Hypothecation of KIA Seltos	-
Unsecured Loan from Banks & Financial Institutions	Primary	Collateral
ICICI Bank - Rs. 95.00 Lakhs payable in 24 equal monthly instalments of Rs. 4.63 Lakhs (includes interest) starting from May, 2025 with a fixed interest rate of 15.25% p.a. The loan was foreclosed in the month of December 2025 and a new loan amounting Rs. 96.00 Lakhs was sanctioned that was payable in 24 equal monthly instalments of Rs. 4.61 Lakhs (including interest) starting from January, 2026 with a fixed interest rate of 14% p.a	-	Personal Guarantee of Mr. Giriraj Ratan Kothari and Mrs. Nishi Goyal.
ICICI Bank - Rs. 70.00 Lakhs payable in 36 equal monthly instalments of Rs. 2.43 Lakhs (includes interest) starting from Feb, 2024 with a fixed interest rate of 15% p.a. The Repayment was made in the month of December 2025.	-	Personal Guarantee of Mr. Ashok Goyal and Mr. Kanishk Goyal
Poonawalla Fincorp Ltd - Rs. 50.56 Lakhs payable in 24 equal monthly instalments of Rs. 2.46 Lakhs starting from November, 2024 with a fixed interest rate of 15.5% p.a	-	Personal Guarantee of Mr. Ashok Goyal, Mr. Kanishk Goyal, Mr. Giriraj Ratan Kothari and Mr. Asish Kothari.
SMFG India Credit Co. Ltd - Rs. 40.38 Lakhs payable in 49 equal monthly instalments of Rs. 1.14 Lakhs (includes interest) starting from December, 2024 with a fixed interest rate of 16% p.a	-	-
Kotak Mahindra Bank - Rs. 49 Lakhs payable in 24 equal monthly instalments of Rs. 2.40 Lakhs (includes interest) starting from December, 2024 with a fixed interest rate of 16% p.a	-	Personal Guarantee of Mr. Ashok Goyal, Mr. Kanishk Goyal and Mr. Giriraj Ratan Kothari.
Tata Capital Financial Services Limited (TCFSL) - Rs. 75.00 Lakhs payable in 36 equal monthly instalments of Rs. 2.62 Lakhs starting from December, 2024 with a fixed interest rate of 15.5% p.a	-	-
Yes Bank - Rs. 60 Lakhs payable in 36 equal monthly instalments of Rs. 2.11 Lakhs (includes interest) starting from June, 2025 with a fixed interest rate of 16% p.a	-	-
Bajaj Finserv - Rs. 41.07 Lakhs payable in 36 equal monthly instalments of Rs. 1.45 Lakhs (includes interest) starting from June, 2025 with a fixed interest rate of 16.50% p.a	-	-



Polar Elektrik Limited
(Formerly Polar Elektrik Private Limited)
CIN: U28199WB2004PLC100818
Notes to Special Purpose Financial Statements
(Amount in Rupees Lakhs, unless otherwise stated)

Cash Credit and Overdraft Facilities	Primary	Collateral
Union Bank of India has sanctioned the Cash Credit Facility of Rs. 1500 Lakhs for Working Capital Requirements. The Facility carries an interest rate of EBLR + 3% p.a. which at present stands at 11% p.a.	First Pari Passu hypothecation charge on all current assets including stocks, book debts, etc of the company with other working capital lenders, both present and future.	1. Lien on FDR of worth Rs. 492.63 Lakhs. 2. Personal Guarantee of Mr. Ashok Goyal, Mr. Kanishk Goyal, Mr. Giriraj Ratan Kothari and Mr. Asish Kothari. 3. Corporate Guarantee of Ranks Fiscals Private Limited
ICICI Bank has sanctioned the Overdraft Facility of Rs. 500 Lakhs for Working Capital Requirements. The Facility carries an interest rate of Repo Rate + Spread of 5.50% p.a. which at present stands at 8.75% p.a. The Repo Rate component shall be reset after every 3 months.	First Pari Passu hypothecation charge on all current assets including stocks, book debts, etc of the company with other working capital lenders, both present and future.	1. Equitable Mortgage of Residential Property no. 1A, 4A & 4B located at Premises No-2B, Lansdowne Place, Sishumangal Hospital, South 24 Parganas, Kolkata-700029 in the name of directors and shareholders. 2. Lien on Bank FDRs with interest due thereon for Rs. 1220 Lakhs in the name of Tenty Limited. 3. Personal Guarantee of Mr. Ashok Goyal, Mr. Kanishk Goyal, Mr. Giriraj Ratan Kothari, Mr. Asish Kothari and Mrs. Neelam Goyal. 4. Corporate Guarantee of Tenty Limited (Restricted to the value of Lien on Fixed deposit)
ICICI Bank has sanctioned the Drop Line Overdraft Facility of Rs. 432 Lakhs for Working Capital Requirements. The Facility carries an interest rate of Repo Rate + Spread of 3.50% p.a. which at present stands at 8.75% p.a. The Repo Rate component shall be reset after every 3 months.	First Pari Passu hypothecation charge on all current assets including stocks, book debts, etc of the company with other working capital lenders, both present and future.	1. Equitable mortgage of Plot No PPF-19, Dhulagarh, Kandua Gram Panchayat, Polypark, Howrah, West Bengal-711302. 2. Personal Guarantee of Mr. Ashok Goyal, Mr. Kanishk Goyal, Mr. Giriraj Ratan Kothari, Mr. Asish Kothari and Mrs. Neelam Goyal. 3. Corporate Guarantee of Tenty Limited (Restricted to the value of Lien on Fixed deposit)
Uco Bank has sanctioned the Cash Credit Facility of Rs. 1500 Lakhs for Working Capital Requirements. The Facility carries an interest rate of UCO Float Rate + 1.90% p.a. which at present stands at 10.20% p.a.	First Pari Passu hypothecation charge on all current assets including stocks, book debts, etc of the company with other working capital lenders, both present and future.	1. 35% of aggregate credit facilities in the form of FDR. 2. Personal Guarantee of Mr. Ashok Goyal, Mr. Kanishk Goyal and Mr. Giriraj Ratan Kothari. 3. Corporate Guarantee of Ranks Fiscals Private Limited and Tenty Limited.
Bank of Maharashtra has sanctioned the Cash Credit Facility of Rs. 1500 Lakhs for Working Capital Requirements. The Facility carries an interest rate of RLLR + 1.45% + BSS 0.50% which at present stands at 10% p.a.	First Pari Passu hypothecation charge on all current assets including stocks, book debts, etc of the company with other working capital lenders, both present and future.	1. 40% of aggregate credit facilities in the form of FDR 2. Personal Guarantee of Mr. Ashok Goyal, Mr. Kanishk Goyal and Mr. Giriraj Ratan Kothari. 3. Corporate Guarantee of Ranks Fiscals Private Limited and Tenty Limited.
Loan from Body Corporates and Related Parties	Primary	Collateral
Unsecured Loan from related parties carries an interest rate of 7.5% p.a. The said loan is repayable by March 2028 and is stated by the company to be long term in nature.	-	-
Unsecured Loans from other body corporates, bearing interest rate ranging from 9% to 18%, are repayable by March 2028 and are stated by the company to be long term in nature.	-	-



	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
18 Lease Liabilities				
Non - Current	105.02	144.96	178.35	-
Current	57.80	54.68	52.39	-
	162.82	199.64	230.74	-

The movement in Lease liabilities is as follows:

Balance as at beginning of the year	199.64	230.74	-	-
Add: Addition in Lease Liabilities	-	-	244.42	-
Add: Accretion of interest	17.86	21.29	11.73	-
Less: Payment of lease liabilities during the year	(54.68)	(52.39)	(25.41)	-
Closing balance as at 31st March	162.82	199.64	230.74	-

Refer Note 41 for Lease Liabilities details

19 Other Financial Liabilities

Non-Current				
Security Deposits	240.54	184.59	112.38	-
Deferred Income on Security Deposits	63.83	64.66	46.69	-
	304.37	249.25	159.07	-
Current				
Interest Payable	417.81	442.73	230.69	-
Deferred Income on Security Deposit	15.96	16.16	11.67	-
Liabilities for expenses				
Due to Micro & Small Enterprises	176.22	302.20	211.66	-
Due to other than Micro & Small Enterprises	951.82	1,000.83	905.88	89.87
Employee Benefits Payable	605.49	634.70	434.65	0.35
Other Payables	276.65	72.78	12.19	1,671.12
	2,443.95	2,469.40	1,806.74	1,761.34

20 Provisions

Non-Current				
Gratuity	240.84	187.81	158.97	-
Warranty	2.30	8.00	9.13	-
	243.14	195.81	168.10	-
Current				
Gratuity	17.25	14.68	5.79	-
Warranty	9.17	15.84	17.03	-
	26.42	30.52	22.82	-

Notes:

(i) Movement in Provision for Warranty

Balance at the beginning of the year	23.84	26.16	-	-
On amalgamation of Vishva Electrotech Ltd (Note 47)	-	-	26.23	-
Unused amounts reversed (net of provisions)	(12.38)	(2.32)	(0.07)	-
Balance at the end of the year	11.46	23.84	26.16	-

Of which: Current

Non-current

Current	9.17	15.84	17.03	-
Non-current	2.30	8.00	9.13	-
	11.46	23.84	26.16	-

(ii) For Movement in Provision for Gratuity Refer Note 45.



	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
21 Trade payables				
Due to Micro & Small Enterprises	137.43	361.93	138.18	-
Due to other than Micro & Small Enterprises	9,963.17	19,424.60	16,867.55	-
Suppliers Financial Arrangements:				
Liabilities under letter of credit	596.12	1,212.39	835.42	-
Channel Finance Facility	6,655.21	7,811.31	2,353.80	-
	<u>17,351.93</u>	<u>28,810.23</u>	<u>20,194.95</u>	<u>-</u>

Trade payable ageing analysis
March 31, 2026

Undisputed

(i) Total outstanding dues of micro enterprises and small enterprises - Undisputed

(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises - Undisputed

(iii) Total outstanding dues of micro enterprises and small enterprises - Disputed

(iv) Total outstanding dues of creditors other than micro enterprises and small enterprises - Disputed

Outstanding for following periods from due date of payment					
Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
83.35	54.08	-	-	-	137.43
14,234.47	2,136.04	423.05	420.93	0.00	17,214.50
-	-	-	-	-	-
-	-	-	-	-	-
<u>14,317.82</u>	<u>2,190.12</u>	<u>423.05</u>	<u>420.93</u>	<u>0.00</u>	<u>17,351.93</u>

March 31, 2025

Undisputed

(i) Total outstanding dues of micro enterprises and small enterprises - Undisputed

(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises - Undisputed

(iii) Total outstanding dues of micro enterprises and small enterprises - Disputed

(iv) Total outstanding dues of creditors other than micro enterprises and small enterprises - Disputed

Outstanding for following periods from due date of payment					
Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
259.83	102.10	-	-	-	361.93
22,978.66	4,847.12	620.06	0.30	2.16	28,448.30
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,238.49</u>	<u>4,949.22</u>	<u>620.06</u>	<u>0.30</u>	<u>2.16</u>	<u>28,810.23</u>

March 31, 2024

Undisputed

(i) Total outstanding dues of micro enterprises and small enterprises - Undisputed

(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises - Undisputed

(iii) Total outstanding dues of micro enterprises and small enterprises - Disputed

(iv) Total outstanding dues of creditors other than micro enterprises and small enterprises - Disputed

Outstanding for following periods from due date of payment					
Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
110.40	24.75	2.41	0.62	-	138.18
16,795.15	2,666.52	591.07	1.83	2.14	20,056.77
-	-	-	-	-	-
-	-	-	-	-	-
<u>16,905.55</u>	<u>2,691.27</u>	<u>593.48</u>	<u>2.50</u>	<u>2.14</u>	<u>20,194.95</u>

Note :

(a) The company has identified Micro & Small Enterprises, both for goods and expenses (Refer Note 19 and 21), to whom the company owes dues as under:

Particulars	March 31, 2026	March 31, 2025	March 31, 2024	April 1, 2023
a) The principal amount remaining unpaid to MSMEs supplier	310.04	664.13	349.84	-
b) The interest due thereon remaining unpaid to MSMEs supplier	3.61	-	-	-
c) The amount of interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-
e) The amount of interest accrued and remaining unpaid at the end of the year	3.61	-	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest above are actually paid to the small enterprise, for the purpose of disallowance of deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-



(b) Supplier Finance Arrangements

The Company has entered into supplier finance arrangements under which Cholamandalam Investment and Finance Company Ltd. (CIFCL), Mintifi Finserv Private Limited, Progfim Private Limited and ICICI Bank have agreed to facilitate payment of amounts that the Company owes to its suppliers. Under these arrangements, the respective finance providers pay the suppliers, and the Company repays the finance providers on terms that are the same as those agreed with the relevant suppliers except for interest paid by the Company to the finance provider.

The agreements entered into by the company (in the capacity of approved debtor) with assignees viz., Incred Financial Services Limited, Stride One Capital Private Limited, Capsave Finance Private Limited, Unity Small Finance Bank Limited, Tata Capital Limited and SBI Factors Limited and assignor being Wonder Electricals Limited (WEL). The respective finance providers pay to WEL, and the Company repays the finance providers on terms similar with WEL.

The Company is required to pay interest to the finance provider in connection with the arrangement. The arrangement does not affect the Company's exposure to liquidity risk significantly as the Company would continue to have payment obligations to suppliers under similar terms if the arrangement were withdrawn.

a) Terms and Conditions

Financier	Guarantee or security or charge over assets
Cholamandalam Investment and Finance Company Ltd. (CIFCL)	1. Collateral Security: Lien on Fixed Deposit of Rs. 40 lakhs 2. Personal Guarantee of Mr. Ashok Goyal and Mr. Kanishk Goyal 3. Corporate Guarantee from Tenty Limited.
Mintifi Finserv Private Limited	1. Collateral Security: Margin Money of Rs. 275 Lakhs 2. Personal Guarantee of Mr. Ashok Goyal and Mr. Kanishk Goyal
Progfim Private Limited	1. 15% of Cash Margin of Sanctioned Amount 2. Personal Guarantee of Mr. Ashok Goyal, Mr. Kanishk Goyal, Mr. Giriraj Ratan Kothari & Mr. Asish Kothari
SBI Factors Limited	1. Personal Guarantee of Mr. Ashok Goyal 2. Corporate Guarantee from Tenty Limited.
Tata Capital Limited	Margin of minimum 10% of sanctioned amount
Unity Small Finance Bank Limited	1. Collateral Security: Lien of FD of Rs. 30 Lakhs 2. Personal Guarantee of Mr. Ashok Goyal & Mr. Kanishk Goyal
Stride One Capital Private Limited	1. 15% cash margin of sanctioned amount 2. Personal Guarantee of Mr. Ashok Goyal and Mr. Kanishk Goyal
Incred Financial Services Limited	Personal Guarantee of Mr. Ashok Goyal and Mr. Kanishk Goyal
ICICI Bank	1. Primary Security: First Pari Passu hypothecation charge on all current assets including stocks, book debts, etc of the company with other working capital lenders, both present and future. 2. Collateral Security: a. Equitable Mortgage of Residential Property no. 1A, 4A & 4B located at Premises No-2B, Lansdowne Place, Sishumangal Hospital, South 24 Parganas, Kolkata-700029 in the name of directors and shareholder. b. Lien on Bank FDRs of Rs. 1,220 Lakhs with interest due thereon. 3. Personal Guarantee of Mr. Ashok Goyal, Mr. Kanishk Goyal, Mrs. Neelam Goyal, Mr. Asish Kothari & Mr. Giriraj Ratan Kothari

(b) Financial liabilities under the arrangement

Particulars	31st March, 2026	31st March, 2025	31st March, 2024	April 1, 2023
Carrying amount of liabilities under supplier finance arrangement presented as : — Trade Payables	6,655.21	7,811.31	2,353.80	-

22 Other Current Liabilities

Advance from customers
Creditors for Capital Goods
Statutory liabilities

As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
194.29	197.36	78.90	-
16.01	6.84	25.34	-
2,079.87	340.85	573.66	72.56
<u>2,290.17</u>	<u>545.05</u>	<u>677.90</u>	<u>72.56</u>



	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
23 Revenue from Operations			
Sale of products			
- Finished goods	792.65	3,540.72	2,324.74
- Traded goods	41,990.48	38,630.76	26,138.94
Sale of services			
- Royalty Income	-	-	184.74
	42,783.13	42,171.48	28,648.42
Note:			
1. All revenue (within India) from the sale of goods is recognised at a point in time. Royalty was recognised over time / as earned.			
2. Contract Balances (Within India)			
Trade Receivables	26,884.89	25,368.99	19,237.48
Contract Assets - Unbilled Revenue	-	-	-
Contract Liabilities - Advance from Customers	194.29	197.36	78.90
3. Reconciliation of contracted price to revenue recognised			
Revenue from contract with customers (net of return, trade discount, claims, etc.)	42,783.13	42,171.48	28,648.42
Revenue from contract with customers as per Statement of Profit and Loss	42,783.13	42,171.48	28,648.42
24 Other Income			
Interest on bank deposits	39.90	68.20	17.97
Unwinding interest on security deposits	24.13	15.34	7.03
Rent	1.20	1.20	1.98
Commission Income	-	-	31.67
Consultancy Fees	-	-	36.75
Provisions written back	105.71	76.72	682.06
Sundry Liabilities Written Back	169.26	17.07	47.91
Gain on Fair Valuation of Financial Liabilities	1,551.64	-	-
Reversal of Impairment Loss on intangible assets	-	661.87	-
Profit on sale of Property, Plant and Equipments	0.19	-	-
Miscellaneous Income	14.31	3.69	0.89
	1,906.34	844.09	826.26
25 Cost of Material Consumed			
Inventory at the beginning of the year	189.82	201.78	-
Add : Purchases of Raw Materials	634.63	3,013.02	1,933.06
Transfer from merging company	-	-	233.69
	824.45	3,214.80	2,166.75
Less: Inventory at the end of the year	(153.48)	(189.82)	(201.78)
	670.97	3,024.98	1,964.98
26 Purchases of stock-in-trade			
Purchases of stock-in-trade	27,060.90	37,484.99	17,302.01
	27,060.90	37,484.99	17,302.01
27 Change in inventories of finished goods, Stock-in-Trade and Work-in-Progress			
Opening Stock			
Traded goods	11,178.82	3,129.83	-
Components	818.47	341.47	-
Add: Transfer from merging company			
Traded goods	-	-	6,389.60
Components	-	-	241.96
Closing Stock			
Traded goods	(7,669.77)	(11,178.82)	(3,129.83)
Components	(1,004.64)	(818.47)	(341.47)
Net (Increase)/ Decrease	3,322.88	(8,525.99)	3,160.26

Note: Traded Goods includes stock in transit amounting to Rs. 104.75 Lakhs (2025: Rs. 47.97 Lakhs; 2024: Rs. 108.29 Lakhs).



Polar Elektrik Limited
(Formerly Polar Elektrik Private Limited)
CIN: U28199WB2004PLC100818
Notes to Special Purpose Financial Statements
(Amount in Rupees Lakhs, unless otherwise stated)

	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
28 Employee benefits expense			
Salaries and Wages	2,724.89	2,396.41	1,120.30
Contribution to provident and other funds	180.00	173.21	75.65
Staff Welfare Expenses	42.77	47.77	24.03
	2,947.66	2,617.39	1,219.98
29 Finance costs			
Interest Expense			
-From Banks	436.80	530.47	288.06
-On Channel Finance Facility	1,187.88	252.24	56.46
-Unwinding interest on Lease Liabilities	17.86	21.29	11.73
-Unwinding interest on Security Deposits	20.24	14.27	5.31
-Unwinding interest on Unsecured Loans	282.64	-	-
-From Others	1,562.51	1,867.66	1,234.50
Other borrowing costs	403.34	309.02	66.22
	3,911.27	2,994.95	1,662.28
30 Depreciation and Amortisation			
Property, Plant & Equipment	90.73	110.68	23.86
Right of Use Assets	44.88	44.88	22.44
Other Intangible Assets	47.17	38.64	6.46
	182.78	194.20	52.76
31 Other expenses			
Consumption of Stores and Spare Parts	2.62	7.11	40.83
Power and fuel consumed	21.85	29.37	14.38
Labour Charges	61.13	140.04	94.41
Freight and Handling Expenses	838.84	810.24	370.64
After sales services	532.86	456.26	280.16
Sales Incentive and Discounts	188.53	315.24	114.67
Advertisement and Sales Promotion	612.21	662.85	246.35
Impairment loss on Trade Marks	-	-	661.87
Repairs and maintenance:			
- Plant and Machinery	0.27	2.52	4.24
- Others	38.41	56.77	28.19
Rent	883.37	592.50	215.02
Royalty	-	-	141.73
Insurance	36.30	17.68	41.22
Rates and Taxes	80.71	17.70	18.46
Information technology expenses	74.39	67.45	17.96
Telephone Expenses	26.37	25.91	15.00
Printing and Postage Expenses	42.56	52.36	25.57
Travelling and Conveyance	570.78	566.29	389.34
Security Charges	21.04	16.81	11.31
Commission and Brokerage	153.93	50.91	5.64
Legal and professional charges	498.75	586.84	224.46
Payment to Auditors			
Statutory Audit Fees	5.00	5.00	5.00
Tax Audit Fees	1.00	1.00	1.00
Other Services (Certification Fees)	0.32	-	-
Membership and Subscription	5.87	5.33	10.71
Loss on sale of Property, Plant and Equipments	-	0.86	-
Sundry Balance Written off	-	0.02	2.72
Miscellaneous expenses	9.10	31.39	17.49
	4,706.20	4,518.46	2,998.37



32 Earnings per Equity Share

Particulars	31st March, 2026	31st March, 2025	31st March, 2024
Amount of profit after tax attributable to equity shareholders for the purpose of Basic EPS (a)	1,600.97	2,048.42	1,371.55
Amount of profit after tax attributable to equity shareholders for the purpose of Diluted EPS (b)	1,600.97	2,307.86	1,371.55
Number of equity shares at the beginning of the year	1,44,98,808	5,97,230	5,97,230
Change in Equity Shares during the year	63,65,700	1,39,01,578	-
Number of equity shares at the end of the year	2,08,64,508	1,44,98,808	5,97,230
Weighted average number of equity shares outstanding for the purpose of Basic Earnings Per Share (c)	1,49,52,255	14,70,770	5,97,230
Weighted average number of equity shares outstanding for the purpose of Diluted	1,49,52,255	78,36,470	5,97,230
Nominal value of each equity share (Rs.)	10	10	10
Basic earnings per equity share of Rs.10 each (a/c) (in Rs.)	10.71	139.28	229.65
Diluted earnings per equity share of Rs.10 each (b/d) (in Rs.)	10.71	29.45	229.65

33 Contingent Liabilities

Contingent Liabilities not provided for in the books of accounts in respect of :

Description	31st March, 2026	31st March, 2025	31st March, 2024
A Claims against the company not acknowledged as Debts :			
a) Income Tax Matters (Refer Note 2 below)	410.27	410.27	410.27
b) Goods and Service Tax Matters (Refer Note 2 below)	185.66	158.61	248.49
c) Entry Tax Matters (Refer Note 3 below)	21.84	21.84	21.84
d) Value Added Tax/ Central Sales Tax Matters (Refer Note 4 below)	100.77	1,427.08	1,427.08
e) Excise Duty Matters	15.02	15.02	15.02
f) Provident Fund Matters*	-	-	3.55
g) Employee State Insurance Corporation Matters	1.64	1.64	1.64
h) Professional Tax Matters (Refer Note 5 below)	6.83	-	-
h) Corporate Guarantee to SBI Factors Limited for Tenty Limited towards Domestic	2,500.00	-	-
i) Corporate Guarantee to Kotak Mahindra Bank Limited for Tenty Limited towards Domestic Factoring Facilities	2,000.00	-	-
B Commitments	47.59	46.44	42.13

* related documents yet to be obtained from the erstwhile management of Vishva Electrotech Limited.

Notes:

1. Contingent Liabilities includes Rs. 711.51 Lakhs (2025: Rs. 2,037.82 Lakhs; 2024: Rs. 2,124.10 Lakhs) representing legal proceedings pending against Vishva Electrotech Limited (amalgamated with Polar Elektric Limited w.e.f. October 1, 2023).

2. Income Tax and GST Matters

Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the amount relates (F.Y.)	Forum where disputes are pending
Income Tax Act, 1961	Income Tax	7.06	2021-22	Assessing Officer u/s 147 of Income Tax Act, 1961
		210.03	2012-13	CIT (Appeals)
		175.68	2014-15	CIT (Appeals)
		2.92	2020-21	Assessing Officer u/s 147 of Income Tax Act, 1961
		14.58	2016-17	CIT (Appeals)
Central Goods and Services Tax Act, 2017	Goods and Services Tax	124.07	2017-18	Assistant Commissioner of State Tax(Audit) Ropar, Headquarter at Mohali
		8.88	2017-18	State Tax Officer
		15.47	2017-18	Deputy Commissioner, Circle A, Jaipur IV
		2.03	2018-19	Assistant Commissioner - Cossipore charge, 24 parganas
		1.15	2019-20	Assistant Commissioner - Khairatabad, Somajiguda-1, Punjagutta, Telangana
		0.15	2019-20	Additional CT & GST Officer, CT & GST Circle II, Bhubaneswar
		8.94	2020-21	Joint Commissioner, Business Audit, Circle-1, Zone IV, Jaipur
		18.11	2020-21	Assistant Commissioner, Korattur, Ambattur, Tamil Nadu
		6.85	2009-10	Assistant Commissioner (ST)-Indrakeeladri, Vijayawada-1



3. The Company has filed Special Leave Petition titled as Polar Elektrik Limited (Petitioner) Vs. State of West Bengal & Ors. (Respondents) vide Efiling no.ECSCIN01328652025 dated 30-07-2025 with Diary Number 42105 of 2025, before The Supreme Court of India (Civil Appellate Jurisdiction) under Article 136 of the Constitution of India against the impugned judgement and final order dated 30th January, 2025 passed by the Hon'ble High Court at Calcutta in W.P.T.T. No. 6 of 2023 in relation to the West Bengal Entry Tax matter.

4. A demand of Rs. 1,326.31 Lakhs was raised on the Company under the CST Act, 1956 for AY 2015-16 vide assessment order dated 15th November 2022. On appeal, the Hon'ble Punjab & Haryana High Court remanded the matter for fresh assessment, and the liability was recomputed at Rs. 111.04 Lakhs (including interest of ₹36.77 Lakhs under Section 9(2)) vide remand order dated 13th January 2025.

During the year, the Company opted for the Punjab One Time Settlement Scheme for Recovery of Outstanding Dues, 2025. Vide Order of Settlement (Form OTS-4) No. 93 dated 10th April 2026, the demand was settled as follows: additional demand of Rs. 111.04 Lakhs, reduced by Rs. 99.22 Lakhs on submission of statutory declaration forms and Rs. 7.87 Lakhs by way of waiver under the scheme, resulting in a determined amount of Rs. 3.95 Lakhs, which has since been paid in full. The matter stands fully and finally settled by High Court, Chandigarh vide order dt. 22-09-2026 with no further liability.

5. Assessment order and demand notice under Section 7 of West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 were issued on 25 August 2025, in relation to a discrepancy in professional tax deductions for employees whose salaries were accounted for at Head Office.

6. The contingent liability includes Rs. 5,850 Lakhs relating to trade receivables discounted under channel financing arrangements as on 31st March 2026. The dealers/distributors are the primary borrowers under these arrangements and bear the primary repayment obligation towards the financiers. Any recourse to the Company would arise only in the event of default by the dealers/distributors, against whom the Company has corresponding recovery rights. Based on past experience and current assessments, the management does not expect any material liability to arise in this regard.

34 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company's objective when managing capital are to:

- (a) maximise shareholders value and provide benefits to other stakeholders and
- (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

Particulars	31st March, 2026	31st March, 2025	31st March, 2024
Equity Share Capital	2,086.45	1,449.88	59.72
Other Equity	27,218.48	25,708.79	10,925.75
Total Equity (A)	29,304.93	27,158.67	10,985.47
Non-Current Borrowings	13,618.05	5,974.18	14,585.61
Current Borrowings	5,109.09	5,750.12	4,937.57
Gross Debt (B)	18,727.14	11,724.30	19,523.18
Total (A+B)	48,032.07	38,882.97	30,508.65
Gross Debt (as above)	18,727.14	11,724.30	19,523.18
Less: Cash and Cash Equivalents	33.17	28.78	112.98
Net Debt (C)	18,693.97	11,695.52	19,410.20

Gearing Ratio (D) (D= C/(C+A))

0.39

0.30

0.64



35 Analytical Ratios

Particulars	As at 31st March, 2026		As at 31st March, 2025		% Change in ratios	Reason of % change beyond 25%
Current Ratio						
Current Assets	39,822.91		40,400.09			
Current Liabilities	27,279.36	1.46	37,660.00	1.07	36.08%	Current Ratio has improved on account of reduction in Current Liabilities
Debt - Equity Ratio						
Total Debt	18,727.14		11,724.30			
Shareholder's Equity	29,304.93	0.64	27,158.67	0.43	48.03%	Due to conversion of loan to Equity Shares in FY 2024-25 and on account of revaluation of trade marks
Debt Service Coverage Ratio						
Earnings available for debt services	3,844.09		4,466.58			
Debt Services	4,884.18	0.79	3,830.70	1.17	(32.50%)	Debt Service Coverage Ratio has reduced due to increase in long term borrowings
Return on Equity Ratio						
Net Profit after tax	1,600.97		2,048.42			
Average Shareholders Equity	28,231.80	5.67%	19,072.07	10.74%	(47.20%)	Return on Equity Ratio has reduced due to reduction in profit and Equity Shares issued during the year
Inventory Turnover Ratio						
Revenue from Operations	42,783.13		42,171.48			
Average Inventory	10,507.94	4.07	7,930.09	5.32	(23.44%)	
Trade Receivables Turnover Ratio						
Revenue from Operations	42,783.13		42,171.48			
Average Trade Receivables	26,126.94	1.64	22,303.23	1.89	(13.40%)	
Trade Payables Turnover Ratio						
Net Credit Purchases	27,695.52		40,498.02			
Average Trade Payables	23,081.08	1.20	24,502.59	1.65	(27.40%)	Trade Payables Turnover Ratio has reduced due to decrease in Net Credit Purchases
Net Capital Turnover Ratio						
Revenue from Operations	42,783.13		42,171.48			
Working Capital	12,543.55	3.41	2,740.09	15.39	(77.84%)	Increase in Bank Deposits and payments to trade payables
Net Profit Ratio						
Net Profit	1,600.97		2,048.42			
Revenue from Operations	42,783.13	3.74%	42,171.48	4.86%	(22.96%)	
Return on Capital employed						
EBIT	3,891.74		2,857.45			
Capital Employed	17,354.05	22.43%	8,377.25	34.11%	(34.25%)	Return on Capital employed has reduced due to issue of Equity Shares issued during the year



Analytical Ratios (Cont'd)

Particulars	As at 31st March, 2025		As at 31st March, 2024		% Change in ratios	Reason of % Change beyond 25%
Current Ratio						
Current Assets	40,400.09		25,009.45		18.78%	
Current Liability	37,660.00	1.07	27,692.37	0.90		
Debt - Equity Ratio						
Total Debt	11,724.30		19,523.18		(75.71%)	Due to conversion of loan to Equity Shares in FY 2024-25 and on account of revaluation of trade marks
Shareholders Equity	27,158.67	0.43	10,985.47	1.78		
Debt Service Coverage Ratio						
Earnings available for debt services	4,466.58		2,352.31		(4.90%)	
Debt Services	3,830.70	1.17	1,918.61	1.23		
Return on Equity Ratio						
Net Profit after tax	2,048.42		1,371.55		(53.41%)	Return on Equity Ratio has reduced due to issue of Equity Shares in FY 2024-25
Average Shareholders Equity	19,072.07	10.74%	5,949.68	23.05%		
Inventory Turnover Ratio						
Revenue from Operations	42,171.48		28,648.42		(65.91%)	Inventory Turnover Ratio has reduced due to higher closing inventory in FY 2024-25 compared to FY 2023-24
Average Inventory	7,930.09	5.32	1,836.54	15.60		
Trade Receivables Turnover Ratio						
Revenue from Operations	42,171.48		28,648.42		(36.52%)	Trade Receivables Turnover Ratio has reduced due to higher Closing Trade Receivables in FY 2024-25 compared to
Average Trade Receivables	22,303.23	1.89	9,618.74	2.98		
Trade Payables Turnover Ratio						
Net Credit Purchases	40,498.02		19,235.07		(13.24%)	
Average Trade Payables	24,502.59	1.65	10,097.48	1.90		
Net Capital Turnover Ratio						
Revenue from Operations	42,171.48		28,648.42		(244.13%)	Net Capital Turnover Ratio has reduced due to positive working capital on account of higher closing inventory and higher closing trade receivables during FY 2024-25
Working Capital	2,740.09	15.39	(2,682.92)	(10.68)		
Net Profit Ratio						
Net Profit	2,048.42		1,371.55		1.46%	
Revenue from Operations	42,171.48	4.86%	28,648.42	4.79%		
Return on Capital employed						
EBIT	2,857.45		1,950.06		(60.04%)	Return on Capital employed has reduced due to issue of equity shares during FY 2024-25
Capital Employed	8,377.25	34.11%	2,284.26	85.37%		

Note: Since the Company does not have investments, hence return on investments has not been presented

36 Segment Reporting

Based on the guiding principles given in Ind AS 108 on Segmental Reporting issued by The Institute of Chartered Accountants of India, the Company is a single segment Company mainly engaged in the manufacturing and trading of Electrical Consumer Durables and therefore Segment Reporting is not applicable.

37 CSR Applicability

The provisions relating to Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 are not applicable to the Company for the year under consideration. Accordingly, no amount was required to be spent towards CSR activities during the year.

38 Loans to Promoters and Directors

During the year, the Company has not granted any loans or advances to its promoters or directors. Accordingly, there are no balances or transactions requiring disclosure under this head.



39 Related Party Disclosures

A. Related Parties

Name of Related Parties

Mr. Kanishk Goyal
Mr. Ashok Goyal
Mr. Ramesh Kumar Dhanuka
Mr. Chandra Shekhar Khaitan
Mrs. Tanvee Srivastava
Mrs. Sunita Shah

Relationship

Managing Director
Non-Executive Director (w.e.f.31.12.2024)
Executive Director (Till 31.12.2024)
Executive Director (Till 31.12.2024)
Non-Executive Director (w.e.f. 05-12-2025)
Company Secretary (w.e.f. 27-09-2025)

Holding Company

Tenty Limited (Formerly Tenty Private Limited) (w.e.f. 30.03.2025)

Enterprise or Firm owned or significantly influenced by Key Managerial Personnel or Company

Ranks Fiscals Private Limited
Ramarpit Fiscal Private Limited
KKG Electricals
KKG Industries
Green Fingers (India) Private Limited
Hi Tech Engineering Industries
Excellent Moulders

B. Transactions with the Related Parties

The following transactions were carried out with related parties in the ordinary course of business:

Name of related party	Nature of transaction	Transaction for the year ended		
		March 31, 2026	March 31, 2025	March 31, 2024
Tenty Limited	Purchase of Goods	2,656.55	2,362.36	1,055.82
	Sale of Goods	59.63	166.69	12.28
	Sale of Property, plant and equipment	0.77	5.46	-
	Service Given	0.87	0.07	-
	Advertisement and Sales promotion (Excluding GST)	6.00	6.00	4.80
	Corporate Guarantee Commission (Excluding GST)	24.56	8.56	-
	Expenses paid on behalf of Holding Company	18.82	-	-
	Advances Received	1,399.00	7,142.00	827.50
	Advances Repaid	1,399.00	7,142.00	3,412.50
	Issue Of Shares against advance received	-	2,332.00	-
Ranks Fiscals Private Limited	Loan Taken	15,048.30	9,754.25	3,963.40
	Repayment of Loan and Other Liability	6,005.08	7,958.14	2,334.88
	Interest Expense	968.65	860.05	671.22
	Rent Received	1.20	1.20	0.60
	Royalty Received	-	-	184.74
	Royalty Paid	-	-	141.73
	Issue Of Shares (Subsequently transferred to Tenty Limited)	6,365.70	5,124.53	-
	Payment of Interest	860.05	671.22	67.86
Excellent Moulders	Purchase of Goods	278.66	327.82	88.59
	Sale of Goods	0.37	1.09	-
	Advances Received	-	-	30.00
	Advances Repaid	-	-	30.00
Ramarpit Fiscal Private Limited	Loan Taken	-	168.00	-
	Repayment of Loan and Other Liability	-	23.00	-
	Interest Expense	16.57	11.96	-
	Payment of Interest	16.57	11.96	-
KKG Industries	Purchase of Goods	7.86	324.43	1,182.46
	Sale of Goods	10.16	225.90	92.56
KKG Electricals	Purchase of Goods	-	9.06	21.41
	Sale of Goods	-	-	11.21
Hi-Tech Engineering Industries	Purchase of Goods	-	22.02	-
Green Fingers India Pvt. Ltd.	Sale of Goods	-	0.93	2.71
Mr. Kanishk Goyal	Director's Remuneration	244.00	125.72	28.37
	Reimbursement of Expenses	22.21	15.27	3.80
Mr. Ramesh Kumar Dhanuka	Consultancy Fees	-	16.11	12.66
	Reimbursement of Expenses	-	2.89	3.03
Mr. Chandra Shekhar Khaitan	Director's Remuneration	-	7.84	-



39 Related Party Disclosures (Cont'd)

Balances as at year end:

Name of Related Party	Nature of Transaction	March 31, 2026	March 31, 2025	March 31, 2024
Tenty Limited	Trade Payables (Net)	2,469.99	1,586.04	737.45
	Liabilities for Expenses	49.37	-	-
Ranks Fiscals Private Limited	Loan Taken	11,989.81	9,214.63	11,769.01
	Rent Receivable	-	0.59	-
	Receivable against Royalty	-	-	11.73
	Payable against Royalty	0.47	2.48	14.21
Excellent Moulders	Trade Payables (Net)	-	58.59	20.89
Ramarpit Fiscal Private Limited	Loan Taken	145.00	145.00	-
KKG Industries	Trade Payables (Net)	811.50	1,006.59	2,666.80
KKG Electricals	Trade Payables (Net)	3.00	11.46	20.33
Hi Tech Engineering Industries	Trade Payables (Net)	0.03	7.20	0.45
Green Fingers (India) Private Limited	Trade Payables (Net)	0.16	0.16	2.25
Mr. Ramesh Kumar Dhanuka	Consultancy Fees Payable	-	1.19	1.84

Terms and conditions of transactions with related parties

The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevailed in arm's length transactions during the financial year.

40 Events after reporting date

a) The Company has appointed Chief Financial Officer w.e.f 1st May 2026.

b) A demand of Rs. 1,326.31 Lakhs was raised on the Company under the CST Act, 1956 for AY 2015-16 vide assessment order dated 15th November 2022. On appeal, the Hon'ble Punjab & Haryana High Court remanded the matter for fresh assessment, and the liability was recomputed at Rs. 111.04 Lakhs (including interest of ₹36.77 Lakhs under Section 9(2)) vide remand order dated 13th January 2025.

During the year, the Company opted for the Punjab One Time Settlement Scheme for Recovery of Outstanding Dues, 2025. Vide Order of Settlement (Form OTS-4) No. 93 dated 10th April 2026, the demand was settled as follows: additional demand of Rs. 111.04 Lakhs, reduced by Rs. 99.22 Lakhs on submission of statutory declaration forms and Rs. 7.87 Lakhs by way of waiver under the scheme, resulting in a determined amount of Rs. 3.95 Lakhs, which has since been paid in full. The matter stands fully and finally settled by High Court, Chandigarh vide order dt. 22-09-2026 with no further liability.

41 Leases

As Lessee

The Company has entered into a lease agreement for land situated at BT Road, which is used for the operation of its manufacturing facility. The arrangement has been assessed as a long term lease and accounted for in accordance with Ind AS 116 – Leases.

The leased land is recognized as a Right-of-Use asset on the balance sheet, with a corresponding lease liability recorded representing the present value of future lease payments. The lease does not confer ownership rights over the land to the Company.

The Company has constructed a factory building on the leased land. This building is capitalized as Property, Plant and Equipment and is depreciated over its estimated useful life or lease tenure, whichever is lower, in accordance with the Company's accounting policies.

The Company entered into lease arrangement for Offices taken on rent for use in its business operations. Accordingly, the Company has recognized Right-of-Use assets on longterm lease and corresponding lease liabilities in respect of these leases from their respective commencement dates.



Polar Elektrik Limited
(Formerly Polar Elektrik Private Limited)
CIN: U28199WB2004PLC100818
Notes to Special Purpose Financial Statements
(Amount in Rupees Lakhs, unless otherwise stated)

Information about leases for which the Company is lessee is presented below.

	31 March 2026	31 March 2025	31 March 2024
(a) Amount recognised in profit or loss			
Amortisation of Right -of-use assets	44.88	44.88	22.44
Interest expense on lease liabilities	17.86	21.29	11.73
Expense related to short term and low value leases (included in other expense - Refer Note 31)	883.37	592.50	215.02
(b) Amount recognised in statement of cash flows			
Total cash outflow for leases	54.68	52.39	25.41

For movement of Right-of-use assets refer Note 4.

(c) Extension Options

The Company's lease agreements include extension options which provide the Company with the right to extend the lease term beyond the initial non-cancellable period.

At the date of initial application of Ind AS 116, and based on management's assessment, the Company is reasonably certain to exercise the extension option, considering factors such as the economic benefits derived from continued use of the asset, business continuity requirements and no immediate plans to relocate.

Accordingly, the lease term used for measuring lease liabilities and right-of-use assets as at the date of transition includes such extension periods. This has been accounted for under the modified retrospective approach, and no adjustments have been made to comparative information.

The Company will reassess the certainty of exercising extension options if significant events or changes in circumstances occur that affect this assessment.

Maturity Analysis of Undiscounted Lease Payments to be paid after the reporting date

Particulars	31 March 2026	31 March 2025	31 March 2024
Not later than 1 Year	57.80	54.68	52.39
Later than one year but not later than 5 years	131.81	189.62	233.93
More than 5 years	-	-	10.36
Total	189.61	244.30	296.68



42 Disclosure on Financial Instruments

Accounting classification and fair values

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024

As at 31 March 2026

Particulars	Note	Amortised Cost	FVTPL	FVTOCI	Total Carrying Amount
Financial assets:					
Trade Receivables	11	26,884.89	-	-	26,884.89
Cash and Cash Equivalents	12	33.17	-	-	33.17
Other Bank Balances	13	1,748.60	-	-	1,748.60
Other Financial Assets	7	1,370.08	-	-	1,370.08
		30,036.74	-	-	30,036.74
Financial Liabilities:					
Borrowings	17	18,727.14	-	-	18,727.14
Lease Liabilities	18	162.82	-	-	162.82
Trade Payables	21	17,351.93	-	-	17,351.93
Other Financial Liabilities	19	2,748.32	-	-	2,748.32
		38,990.21	-	-	38,990.21

As at 31 March 2025

Particulars	Note	Amortised Cost	FVTPL	FVTOCI	Total Carrying Amount
Financial assets:					
Trade Receivables	11	25,368.99	-	-	25,368.99
Cash and Cash Equivalents	12	28.78	-	-	28.78
Other Bank Balances	13	716.62	-	-	716.62
Other Financial Assets	7	1,181.56	-	-	1,181.56
		27,295.95	-	-	27,295.95
Financial Liabilities:					
Non- Current:					
Borrowings	17	11,724.30	-	-	11,724.30
Lease Liabilities	18	199.64	-	-	199.64
Trade Payables	21	28,810.23	-	-	28,810.23
Other Financial Liabilities	19	2,718.65	-	-	2,718.65
		43,452.82	-	-	43,452.82

As at 31 March 2024

Particulars	Note	Amortised Cost	FVTPL	FVTOCI	Total Carrying Amount
Financial assets:					
Trade Receivables	11	19,237.48	-	-	19,237.48
Cash and Cash Equivalents	12	112.98	-	-	112.98
Other Bank Balances	13	762.09	-	-	762.09
Other Financial Assets	7	1,009.44	-	-	1,009.44
		21,121.99	-	-	21,121.99
Financial Liabilities:					
Non- Current:					
Borrowings	17	19,523.18	-	-	19,523.18
Lease Liabilities	18	230.73	-	-	230.73
Trade Payables	21	20,194.95	-	-	20,194.95
Other Financial Liabilities	19	1,965.81	-	-	1,965.81
		41,914.67	-	-	41,914.67



Fair Value Hierarchy

This Section explains the estimates and judgements made in determining the fair values of Financial Instruments that are measured at fair value and amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about reliability of the inputs used in determining the fair values, the company has classified its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table:

Level 1 : Includes Financial Instruments measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2 : Includes Financial Instruments which are not traded in active market but for which all significant inputs required to fair value the instruments are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

Level 3: Includes those instruments for which one or more significant input are not based on observable market data.

March 31, 2026

Particulars	Note	Fair Value	Fair value measurement using		
			Level 1	Level 2	Level 3
Trademarks	5	28,739.09	-	28,739.09	-

March 31, 2025

Particulars	Note	Fair Value	Fair value measurement using		
			Level 1	Level 2	Level 3
Trademarks	5	28,214.65	-	28,214.65	-

March 31, 2024

Particulars	Note	Fair Value	Fair value measurement using		
			Level 1	Level 2	Level 3
Trademarks	5	27,245.13	-	27,245.13	-

43 Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activities expose it to a variety of financial risks: credit risk, liquidity and risk market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company has a risk management policy which not only covers the foreign exchange risk but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

- create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- achieve greater predictability to earnings by determining the financial value of the expected earnings in advance

(i) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to credit risk and concentration thereof principally consist of cash and cash equivalents, other bank balances, trade receivables and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

The maximum exposure of financial asset to credit risk are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	17.39	4.78	79.75
Other bank balances	1,748.60	716.62	762.09
Trade Receivables	26,884.89	25,368.99	19,237.48
Other Financial Assets	1,370.08	1,181.56	1,009.44



(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has fund and non-fund based working capital lines from various banks. Furthermore, the Company have access to undrawn lines of committed and uncommitted borrowing/ facilities. The company invests its surplus funds in bank fixed deposit (presently liened) and in securities, which are subject to market risk.

The cash and cash equivalents of the company amounts to Rs. 33.17 Lakhs (2025: Rs. 28.78 Lakhs, 2024: Rs. 112.98 Lakhs).

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Contractual maturity of financial	Note	upto 1 year	1 year to 5 year	More than 5 years	Total
As at 31 st March, 2026					
Borrowings	17	5,110.39	13,617.99	-	18,728.38
Lease Liabilities	18	57.80	131.81	-	189.62
Trade Payables	21	17,351.93	-	-	17,351.93
Other Financial Liabilities	19	2,427.99	323.97	-	2,751.96
As at 31 st March, 2025					
Borrowings	17	5,745.27	5,935.05	35.71	11,716.04
Lease Liabilities	18	54.68	189.62	-	244.30
Trade Payables	21	28,810.23	-	-	28,810.23
Other Financial Liabilities	19	2,453.24	266.47	-	2,719.70
As at 31 st March, 2024					
Borrowings	17	4,958.11	14,296.43	264.29	19,518.83
Lease Liabilities	18	52.39	233.93	10.36	296.68
Trade Payables	21	20,194.95	-	-	20,194.95
Other Financial Liabilities	19	1,795.07	171.91	-	1,966.98

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, payables and borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Fixed rate instruments			
Borrowings	12,963.94	5,378.30	13,575.00
Variable rate instruments			
Borrowings	5,763.20	6,346.00	5,948.18

Sensitivity Analysis

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Impact on profit before tax			
Interest Rates -increase by 50 basis points	(28.82)	(31.73)	(29.74)
Interest Rates -decrease by 50 basis points	28.82	31.73	29.74
Impact on profit before tax			
Interest Rates -increase by 50 basis points	(21.56)	(22.49)	(21.08)
Interest Rates -decrease by 50 basis points	21.56	22.49	21.08



44 Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	-	-	4.31
Deferred tax	259.51	(1,341.83)	(261.82)
Total income tax expense recognised in the profit and loss	259.51	(1,341.83)	(257.51)
Recognised in Other Comprehensive Income			
Deferred tax	7.01	1.75	(2.17)
Total income tax expense recognised in the current year	266.52	(1,340.08)	(259.68)
The income tax expense for the year can be reconciled to the accounting profit as follows:			
Particulars			
Profit before tax	1,860.48	706.59	1,114.04
Applicable Tax Rate	25.17%	29.12%	29.12%
Income tax expense	468.25	205.76	324.41
Tax effects of adjustment of brought forward business loss and Unabsorbed Depreciation	(468.25)	(205.76)	(320.10)
Current tax expenses recognised in Profit & Loss (A)	-	-	4.31
Lease Liabilities net of Right of use assets	(1.46)	(4.02)	(0.17)
Disallowances u/s Section 43B of Income Tax Act, 1961	6.02	(27.66)	(16.67)
Provisions for gratuity, warranty and expected credit loss on trade receivables	27.17	10.28	(145.84)
Brought forward losses and Unabsorbed Depreciation	236.40	(1,315.44)	(113.02)
Property, Plant & Equipment and Intangible Assets	(8.62)	(5.00)	13.89
Deferred tax expenses recognised in Profit & Loss (B)	259.51	(1,341.83)	(261.82)
Remeasurement of net defined benefit liability	7.01	1.75	(2.17)
Deferred tax expenses recognised in Other Comprehensive Income (C)	7.01	1.75	(2.17)
Total income tax expense recognised in the current year (A+B+C)	266.52	(1,340.08)	(259.68)

Note: Election under Section 115BAA

During FY 2025-26, the Company has elected to be taxed under Section 115BAA of the Income-tax Act, 1961, with effect from Assessment Year 2026-27, at the concessional rate of 22% plus applicable surcharge and cess (effective rate 25.17%), subject to the prescribed conditions. The election is irrevocable and MAT provisions under Section 115JB cease to apply. Accordingly, deferred tax balances as at 31st March, 2026 have been remeasured at 25.17% (previous years: 29.12%), and the resultant charge of Rs. 236.41 Lakhs, arising mainly on deferred tax assets on carried-forward business losses, is included in deferred tax expense for the year.

45 Post-Employment Benefit Plan

(a) Defined contribution plans:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to defined contribution plans, recognised as expense for the year are as under:			
Employer's contribution to Provident Fund and ESI	113.35	120.44	56.66

(b) Defined benefit plans:

Statement of Assets and Liabilities for defined benefit obligation	Gratuity (Unfunded)		
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Plan Assets			
Defined benefit obligation			
Non-current	240.84	187.81	158.97
Current	17.25	14.68	5.79
Net Defined Benefit Obligation	258.09	202.49	164.76

Defined benefits - Gratuity (Unfunded)

The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and related service cost. The benefits valued in this report are made in accordance with The Code on Social Security, 2020. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of Rs. 20 lakhs on superannuation, resignation, termination, disablement or on death.

These defined benefit plans expose the Company to interest rate risk, liquidity risk, salary escalation risk, demographic risk and regulatory risk.



Post-Employment Benefit Plan (Cont'd)

The following tables analyse present value of defined benefit obligations, expense recognised in statement of Profit and Loss, actuarial assumptions and other information.

Reconciliation of the net defined benefit (asset)/ liability:	Gratuity (Unfunded)		
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Reconciliation of present value of defined benefit obligation			
(a) Balance at the beginning of the year	202.49	164.76	138.20
(b) Current service cost	51.49	41.72	36.76
(c) Past Service Cost*	26.33	-	-
(d) Interest cost	15.16	11.04	8.71
(e) Actuarial (gains)/ losses recognised in other comprehensive income			
- financial assumptions	(23.48)	1.92	5.60
- experience adjustment	(4.37)	(7.93)	1.86
(f) Benefits paid	(9.53)	(9.02)	(26.38)
(g) Balance at the end of the year	258.09	202.49	164.76
(ii) Expense recognised in Profit or Loss			
(a) Current service cost	51.49	41.72	36.76
(c) Past Service Cost	26.33	-	-
(d) Interest cost	15.16	11.04	8.71
	92.98	52.76	45.47
(iii) Remeasurements recognised in Other Comprehensive Income			
Actuarial loss/ (gain) arising on defined benefit obligation from			
- financial assumptions	(23.48)	1.92	5.60
- experience adjustment	(4.37)	(7.93)	1.86
	(27.85)	(6.01)	7.46
(iv) Actuarial assumptions			
Financial Assumptions			
Discount rate (in %)	7.67%	6.89%	6.97%
Expected rate of salary increase (in %)	7.00%	7.00%	7.00%
(v) Demographic Assumptions			
Mortality Rate (100%)	IIAM 2012-2015	IIAM 2012-2015 Ultimate	IIAM 2012-2015
Retirement age (in years)	Ultimate 58.00	58.00	58.00
(vi) Sensitivity analysis			
Defined Benefit obligation (Base)	258.09	202.49	164.76
(a) Discount Rate (+/- 0.5%)			
Decrease - Rs. in Lakhs	272.77	215.12	175.90
Increase - Rs. in Lakhs	244.62	190.95	154.60
(b) Salary Growth Rate (+/- 0.5%)			
Decrease - Rs. in Lakhs	245.65	191.81	155.41
Increase - Rs. in Lakhs	271.50	214.06	174.78
(c) Attrition Rate (+/- 0.5% of base assumption)			
Decrease - Rs. in Lakhs	258.18	202.59	164.84
Increase - Rs. in Lakhs	258.00	202.39	164.67
(d) Mortality Rate (+/- 10%)			
Decrease - Rs. in Lakhs	258.05	202.49	164.76
Increase - Rs. in Lakhs	258.13	202.49	164.76
(v) Estimated future benefit payments from the fund			
Year 1	17.90	15.18	5.99
Year 2	7.22	4.90	7.43
Year 3	26.93	5.59	4.51
Year 4	29.51	19.88	6.26
Year 5	13.61	21.61	16.92
Year 6 to 10	86.50	62.75	60.54
Above 10 Years	563.08	427.66	388.83
Total Undiscounted Payments related to Past Service	744.75	557.57	490.48
Less: Discount For Interest	486.66	355.09	325.72
Projected Benefit Obligation	258.09	202.48	164.76

Note:

During the year, the Company recognised a past service cost of Rs. 26.33 Lakhs as an Exceptional Item, being the incremental liability on the gratuity plan consequent to the enhancement of the statutory gratuity ceiling and revision in the definition of 'wages' pursuant to The Code on Social Security, 2020. In accordance with Ind AS 19, past service cost arising from a plan amendment is recognised immediately in the Statement of Profit and Loss. The charge is non-recurring and has been disclosed separately in terms of Ind AS 1 (para 97) read with Schedule III (Division II) to the Companies Act, 2013.



46 Change in the name of the Company

The Company is a Joint Stock Company within the meaning of section 565, 566 and 567 of the Companies Act, 1956, formed on 23rd December 2004 as a result of conversion of erstwhile partnership firm M/s. Rameshwarlal Sajjan Kumar to Joint Stock Company. During the F.Y. 2023-24, the name of the Company has been changed from "Vinsa Electricals Private Limited" to "Polar Elektrik Private Limited" vide fresh certificate of incorporation dated 2nd May 2023 and the Company has been converted from Private Limited Company to Public Limited Company vide fresh certificate of incorporation dated 22nd May, 2023 issued by the Registrar of Companies, Kolkata.

47 Scheme of Amalgamation

a) As per scheme approved by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide Order dated 24th October, 2024, Vishva Electrotech Limited, being the Transferor Company has amalgamated with Polar Elektrik Limited being the Transferee Company w.e.f. the Appointed Date (i.e. 1st October, 2023) and the company has intimated the Registrar of Companies on 31st December, 2024.

b) Vishva Electrotech Limited was engaged in the business of manufacturing and/or trading of Polar branded Fans, Motors, Water Lifting Pumps, Cooler Kit Pumps and Appliances.

c) Consideration to the erstwhile shareholders of amalgamating company: 374 (Three Hundred and Seventy four) fully paid up Equity Share of Rs. 10/- (Rupees Ten only) each of the Transferee Company for every 100 (One Hundred) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each or fully paid up 1% Optionally Convertible Redeemable Preference Shares of Rs. 10/- (Rupees Ten only) each of the Transferee Company for every 100 (One Hundred) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each.

d) The amalgamation has been accounted as prescribed by Accounting Standard (AS) -14 Accounting for Amalgamation, notified by the companies (Accounting standard) Rules, 2006. Accordingly, the Assets and Liabilities of the amalgamating company has been transferred to the Company at fair values as determined by registered valuer vide his report dated 30th December, 2024. The difference between the value of net assets/(Liabilities) acquired and the net consideration paid has been transferred to Capital Reserve calculated below. The Scheme also provide for adjusting the opening negative balance of retained earnings with the Capital Reserve. Consequently, Rs. 8,293.20 lakhs has been adjusted.

Statement showing Capital Reserve calculation

Particulars	Vishva Electrotech Limited	
	No. of Shares	Amount (Rs. lakhs)
Net Assets/(Liabilities) Taken Over by Transferee Company at fair value (A)		13,703.45
As per the approved Scheme, shares were issued as under:		
Equity shares of Rs. 10/- each (B)	64,45,053	644.50
1% Optionally Convertible Redeemable Preference Shares of Rs. 10/- each (C)	93,500	9.35
Capital Reserve (D=A-B-C)		13,049.60
Less: Adjustment with retained earnings (as aforesaid) (E)		8,293.20
Adjusted Capital Reserve (F=D-E)		4,756.40



48 First Time adoption of Ind AS

These financial statements, for the year ended 31st March 2026, is the first time the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2025, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2026, together with the comparative period data as at and for the year ended 31st March 2025, as described in the summary of material accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2023, the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2023 and the financial statements as at and for the year ended 31st March 2024 and 31st March 2025. In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2023 and the financial statements as at and for the year ended 31st March, 2024 and 31st March, 2025.

Exemptions availed

1. Optional exemptions

a. Property, Plant and Equipment and Intangible Assets

The company has elected to measure its Property, Plant and Equipment and Intangible Assets at carrying value as at the date of transition except Trademarks which has been measured at fair value and considered as deemed cost of such assets on that date.

b. Compound Financial Instrument

Under previous GAAP, the Optionally Convertible Redeemable Preference Shares were classified entirely as current liability. On transition to Ind AS, based on the contractual terms of the instrument and the requirements of Ind AS 32, the instrument was identified as having a liability component representing the contractual obligation to repay the amount.

Accordingly, the liability component was recognised separately under Ind AS, resulting in a corresponding adjustment to equity/retained earnings in the Ind AS transition

2. Mandatory exemptions

a) Estimates

The estimates made by the Company under Previous GAAP at the date of transition to Ind AS and at subsequent reporting dates are consistent with those made for the same dates under Previous GAAP. The Company has concluded that there is no objective evidence that such estimates were in error and accordingly, no retrospective revision of estimates has been made. However, on transition to Ind AS, the Company reassessed the useful lives and pattern of consumption of future economic benefits of certain property, plant and equipment and consequently revised the depreciation method and useful lives of such assets prospectively from the date of transition. Further, estimates required under Ind AS but not required under Previous GAAP have been made based on the facts and circumstances existing as at the relevant reporting dates.

b) Classification and measurement of financial instruments

The classification of financial assets or financial liability to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

c) Leases

The company has applied Ind AS 116 Leases as on the transition date. Also the company has elected not to apply lease accounting to leases for which the lease term ends within 12 months of the date of transition to Ind AS. Instead they are accounted as short term leases.

d) Business Combination

In accordance with IND AS 101, First-time Adoption of Indian Accounting Standards, a Company is required to apply the provisions of IND AS 103, Business Combinations to the business combinations occurring after the date of transition to IND AS, i.e., April 1, 2023.

However, where the Financial Statements are prepared for the purpose of inclusion in the Offer Documents, the Company has applied the guidance prescribed by the Institute of Chartered Accountants of India (ICAI) in its Guidance Note on Reports in Company Prospectuses (Revised 2019) related to business combinations which states that the issuer company should continue to account for such transaction in the special purpose/ restated financial information as accounted for in the annual statutory financial statements.

Accordingly, the business combination undertaken during the FY 2023-24 has been accounted for by the Company in accordance with the applicable requirements for such Financial Statements and the Company has not retrospectively applied IND AS 103, to the extent permitted by the aforesaid Guidance Note.



Note 48 Continued

Reconciliation between Indian GAAP and IND AS

IND AS 101 'First time adoption of IND AS' requires an entity to reconcile equity, total comprehensive income and cash flows for prior years. The following table presents the reconciliation from Indian GAAP to IND AS:

Balance Sheet as at April 1, 2023

Particulars	Descriptive Notes	IGAAP as at 31st March, 2023	Reclassification	IND AS Adjustment	IND AS as at 31st March, 2023
I. ASSETS					
1. Non-current assets					
(a) Property, plant and equipment	a	0.03	-	-	0.03
(b) Other Intangible Assets	a	4,998.15	-	-	4,998.15
(c) Financial Assets					
(i) Other Financial assets	d	-	0.29	-	0.29
(d) Deferred Tax Assets (Net)	e	0.01	0.49	312.97	313.47
(e) Other Non-Current Assets	a	0.29	(0.29)	-	-0.0
Total Non-current assets		4,998.48	0.49	312.97	5,311.94
2. Current Assets					
(a) Financial assets					
(i) Trade Receivables	d	-	-	-	-
(ii) Cash and Cash Equivalents	a	7.53	-	-	7.53
(b) Current Tax Assets (Net)	a	-	53.29	-	53.29
(c) Short Term Loans and Advances	a	58.90	(58.90)	-	-
(d) Other Current Assets	a	-	7.15	-	7.15
Total current assets		66.43	1.54	-	67.97
Total Assets		5,064.91	2.03	312.97	5,379.91

II. EQUITY AND LIABILITIES

Equity

(a) Equity Share capital		59.72	-	-	59.72
(b) Other Equity		541.21	-	312.97	854.18
Total equity		600.93	-	312.97	913.90

LIABILITIES

1. Non-Current Liabilities

(a) Financial Liabilities					
(i) Borrowings	f	-	2,600.67	-	2,600.67
Total non-current liabilities		-	2,600.67	-	2,600.67

2. Current Liabilities

(a) Financial Liabilities					
(i) Borrowings	f	2,632.11	(2,600.67)	-	31.44
(ii) Trade Payables					
- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		15.03	(15.03)	-	-
(iii) Other Financial Liabilities	a	-	1,761.34	-	1,761.34
(b) Other Current Liabilities	a	1,816.84	(1,744.28)	-	72.56
Total current liabilities		4,463.98	(2,598.64)	-	1,865.34

Total Equity and Liabilities

5,064.91	2.03	312.97	5,379.91
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Balance Sheet as at March 31, 2024

Particulars	Descriptive Notes	IGAAP as at 31st March, 2024	Reclassification	IND AS Adjustment	IND AS as at 31st March, 2024
I. ASSETS					
1. Non-current assets					
(a) Property, plant and equipment	a	341.05	-	-	341.05
(b) Right-of-use assets	a,b	-	-	230.14	230.14
(c) Other Intangible Assets	a	26,567.66	-	733.48	27,301.14
(d) Intangible Assets Under Development		115.66	-	-	115.66
(e) Financial Assets					
(i) Other Financial assets	d	-	243.67	(120.59)	123.08
(f) Deferred Tax Assets (Net)	e	107.21	-	470.25	577.46
(g) Long Term Loans and Advances	a	42.13	(42.13)	-	0.00
(h) Other Non-Current Assets	a	172.47	(101.47)	-	71.00
Total Non-current assets		27,346.18	100.07	1,313.28	28,759.52



Particulars	Descriptive Notes	IGAAP as at 31st March, 2024	Reclassification	IND AS Adjustment	IND AS as at 31st March, 2024
2. Current Assets					
(a) Inventories		3,673.08	-	-	3,673.08
(b) Financial assets					
(i) Trade Receivables	d	19,237.48	-	-	19,237.48
(ii) Cash and Cash Equivalents	a	975.99	(863.01)	-	112.98
(iii) Bank balances other than (ii) above	a	-	762.09	-	762.09
(iv) Other Financial Assets	a	-	773.37	112.99	886.36
(c) Current Tax Assets (Net)	a	-	286.57	-	286.57
(d) Short Term Loans and Advances	a	1,102.52	(1,102.52)	-	-
(e) Other Current Assets	a	111.25	(60.36)	-	50.89
Total current assets		25,100.32	(203.88)	112.99	25,009.45
Total Assets		52,446.50	(103.81)	1,426.27	53,768.97

II. EQUITY AND LIABILITIES

Equity					
(a) Equity Share capital		59.72	-	-	59.72
(b) Other Equity	a	9,079.81	653.62	1,192.32	10,925.75
(c) Share Capital Suspense	a	653.86	(653.86)	-	-
Total equity		9,793.39	(0.24)	1,192.32	10,985.47

LIABILITIES

1. Non-Current Liabilities

(a) Financial Liabilities					
(i) Borrowings	f	14,582.33	-	3.28	14,585.61
(ia) Lease Liabilities	b	-	-	178.35	178.35
(ii) Other Financial Liabilities	a	-	171.91	(12.84)	159.07
(b) Provisions	a,h	168.10	-	-	168.10
(c) Other Non Current Liabilities		171.96	(171.96)	-	0.00
Total non-current liabilities		14,922.39	(0.05)	168.79	15,091.13

2. Current Liabilities

(a) Financial Liabilities					
(i) Borrowings	f	7,290.31	(2,353.80)	1.06	4,937.57
(ia) Lease Liabilities	b	-	-	52.39	52.39
(ii) Trade Payables					
- Total outstanding dues of micro enterprises and small enterprises		349.84	(211.66)	-	138.18
- Total outstanding dues of creditors other than micro enterprises and small enterprises		18,769.14	1,287.63	-	20,056.77
(iii) Other Financial Liabilities	a	-	1,795.07	11.67	1,806.74
(b) Other Current Liabilities	a	1,298.64	(620.74)	-	677.90
(c) Provisions	a,h	22.82	-	-	22.82
Total current liabilities		27,730.75	(103.50)	65.12	27,692.37

Total Equity and Liabilities		52,446.53	(103.78)	1,426.23	53,768.97
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Balance Sheet as at March 31, 2025

Particulars	Descriptive Notes	IGAAP as at 31st March, 2025	Reclassification	IND AS Adjustment	IND AS as at 31st March, 2025
I. ASSETS					
1. Non-current assets					
(a) Property, plant and equipment	a	337.36	-	(60.00)	277.36
(b) Right-of-use assets	a,b	-	-	185.26	185.26
(c) Other Intangible Assets	a	23,909.48	-	4,493.42	28,402.90
(d) Financial Assets					
(i) Other Financial assets	d	-	130.83	(6.43)	124.40
(e) Deferred Tax Assets (Net)	e	118.31	-	1,799.24	1,917.55
(f) Long Term Loans and Advances	a	46.44	(46.44)	-	-
(g) Other Non-Current Assets	a	193.80	(118.49)	-	75.31
Total Non-current assets		24,605.39	(34.10)	6,411.49	30,982.78
2. Current Assets					
(a) Inventories		12,187.11	-	-	12,187.11
(b) Financial assets					
(i) Trade Receivables	d	25,368.99	-	-	25,368.99
(ii) Cash and Cash Equivalents	a	847.82	(819.04)	-	28.78
(iii) Bank balances other than (ii) above	a	-	716.62	-	716.62
(iv) Other Financial Assets	a	-	1,057.16	-	1,057.16
(c) Current Tax Assets (Net)	a	2,001.63	(2,001.63)	-	0.00
(d) Short Term Loans and Advances	a	-	355.50	-	355.50
(e) Other Current Assets	a	144.41	541.52	-	685.93
Total current assets		40,549.96	(149.87)	-	40,400.09
Total Assets		65,155.35	(183.97)	6,411.49	71,382.87



Particulars	Descriptive Notes	IGAAP as at 31st March, 2025	Reclassification	IND AS Adjustment	IND AS as at 31st March, 2025
II. EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital		1,459.23	(9.35)	-	1,449.88
(b) Other Equity		13,139.19	(8.45)	12,578.05	25,708.79
Total equity		14,598.42	(17.80)	12,578.05	27,158.67
LIABILITIES					
1. Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	f	12,343.76	(140.10)	(6,229.48)	5,974.18
(ia) Lease Liabilities	b	-	-	144.96	144.96
(ii) Other Financial Liabilities		-	266.47	(17.22)	249.25
(b) Provisions	a,h	195.81	-	-	195.81
(c) Other Non-Current Liabilities		267.07	(267.07)	-	-
Total Non-current liabilities		12,806.64	(140.70)	(6,101.74)	6,564.20
2. Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	f	13,549.01	(7,663.23)	(135.66)	5,750.12
(ia) Lease Liabilities	b	-	-	54.68	54.68
(ii) Trade Payables					
- Total outstanding dues of micro enterprises and small enterprises		664.13	(302.20)	-	361.93
- Total outstanding dues of creditors other than micro enterprises and small enterprises		20,628.43	7,819.87	-	28,448.30
(iii) Other Financial Liabilities	a	-	2,453.25	16.15	2,469.40
(b) Other Current Liabilities	a	2,878.22	(2,333.17)	-	545.05
(c) Provisions	a,h	30.52	-	-	30.52
Total current liabilities		37,750.31	(25.48)	(64.83)	37,660.00
Total Equity and Liabilities		65,155.37	(183.98)	6,411.48	71,382.87

Effects of IND AS adoption on Total Equity

Particulars	April 1, 2023	March 31, 2024	March 31, 2025
Equity Share Capital as per Indian GAAP	59.72	59.72	1,449.88
Add: IND AS adjustments	-	-	-
Equity Share Capital as per IND AS	59.72	59.72	1,449.88
Other Equity as per previous GAAP (Indian GAAP)	541.21	9,733.67	13,139.19
Deferred Tax	312.97	470.26	1,799.23
Effect of Change in Estimates	-	1,395.06	4,117.35
Effect of Lease Accounting	-	(8.20)	(20.80)
Effect of Financial Liabilities	-	(3.17)	0.47
Revaluation of Other Intangible Assets	-	(661.87)	307.65
Equity component of compound financial instruments	-	-	6,365.70
Other Equity as per IND AS	854.18	10,925.75	25,708.79
Total Equity as per IND AS	913.91	10,985.48	27,158.67

Effects of IND AS adoption on Statement of Profit and Loss

Under previous GAAP, there was no concept of 'Other Comprehensive Income' (OCI). Under IND AS, certain items of income and expenses need to be recognised under the Other Comprehensive Income, such as remeasurement of gains/losses of financial assets designated through OCI, etc.

A reconciliation of the profit or loss as per previous GAAP to profit or loss as per IND AS has been presented below:

Reconciliation of profit		
Particulars	March 31, 2024	March 31, 2025
Net Profit as per previous GAAP (Indian GAAP)	487.15	(2,651.49)
Effect of Change in Estimates	1,395.06	2,722.29
Effect of Lease Accounting	(8.20)	(12.60)
Effect of Financial Liabilities	(3.17)	3.64
Revaluation of Other Intangible Assets	(661.87)	661.87
Re-measurement of Defined Benefit Plans	7.46	(6.01)
Deferred Tax	155.12	1,330.72
Net Profit for the period as per Ind AS (A)	1,371.55	2,048.42
Other Comprehensive Income		
Revaluation of Other Intangible Assets	-	307.65
Re-measurement of Defined Benefit Plans	(7.46)	6.01
Tax Effect on Re-measurement of Defined Benefit Plans	2.17	(1.75)
Other Comprehensive Income for the period under Ind AS (B)	(5.29)	311.91
Total Comprehensive Income for the period under Ind AS (C) = (A+B)	1,366.26	2,360.33



Effects of IND AS adoption on Statement of Cash Flows
March 31, 2024

Particulars	Previous GAAP	IND AS Adjustments	IND AS
Net Cash Flow from operating activities	3,407.07	(3,750.61)	(343.54)
Net Cash Flow from investing activities	(661.59)	(352.27)	(1,013.86)
Net Cash Flow from financing activities	(3,644.76)	3,865.38	220.62
Net increase/(decrease) in Cash and Cash Equivalents	(899.28)	(237.49)	(1,136.77)
Cash and Cash Equivalents at the beginning of the year	7.53	(0.00)	7.53
Add: Received on account of Amalgamation (Refer Note 47)	1,004.73	237.49	1,242.22
Cash and Cash Equivalents at the end of the year	112.98	0.00	112.98

March 31, 2025

Particulars	Previous GAAP	IND AS Adjustments	IND AS
Net Cash Flow from operating activities	(8,589.57)	5,308.44	(3,281.13)
Net Cash Flow from investing activities	(9.65)	(7.63)	(17.28)
Net Cash Flow from financing activities	8,516.40	(5,302.19)	3,214.21
Net increase/(decrease) in Cash and Cash Equivalents	(82.82)	(1.38)	(84.20)
Cash and Cash Equivalents at the beginning of the year	112.98	(0.00)	112.98
Cash and Cash Equivalents at the end of the year	30.16	(1.39)	28.77

Notes to reconciliation

a) Reclassification under IND AS

In addition to the recognition and measurement adjustments arising on transition from Previous GAAP to Ind AS, certain items have been reclassified in the financial statements to comply with the presentation and classification requirements of Ind AS and format prescribed under Division II to the Companies Act, 2013.

Such reclassifications do not have an impact on the total equity or total comprehensive income of the Company and primarily represent changes in the manner in which certain assets, liabilities, income and expenses are presented and classified in the financial statements.

b) Leases

Under Previous GAAP, lease arrangements classified as operating leases were generally accounted for by recognising lease payments as an expense over the lease term. On transition to Ind AS, the Company has applied the recognition and measurement requirements of Ind AS 116, Leases, and has recognised right-of-use assets and corresponding lease liabilities for leases within the scope of the standard, subject to the exemptions and practical expedients applied by the Company.

The resulting adjustment has been recognised in the opening equity at the date of transition, as applicable, with subsequent depreciation of right-of-use assets and finance costs on lease liabilities recognised in the Statement of Profit and Loss.

c) Financial Assets

Security deposits are recognised as financial assets in accordance with Ind AS 109, Financial Instruments. Security deposits which are interest-free or carry a below-market rate of interest are initially recognised at fair value. The difference between the amount of the deposit and its fair value is recognised based on the substance of the underlying transaction.

Subsequent to initial recognition, security deposits are measured at amortised cost using the effective interest method. The difference arising from the unwinding of the initial discount is recognised as finance income over the period of the deposit.

Further, the Company has recognised impairment allowances on financial assets based on the expected credit loss ("ECL") model prescribed under Ind AS 109. The resultant impact has been recognised in retained earnings at the date of transition, with subsequent changes recognised in the Statement of Profit and Loss, as applicable.

d) Deferred Tax

Deferred tax has been recognised in accordance with Ind AS 12, Income Taxes, based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases.

Accordingly, deferred tax adjustments have been recognised for the tax effects arising from the various transition adjustments, including adjustments relating to property, plant and equipment, financial instruments, leases and other applicable Ind AS adjustments. The resulting impact has been recognised in equity at the date of transition and subsequently in the Statement of Profit and Loss / Other Comprehensive Income, corresponding to the underlying transaction.

e) Compound Financial Instrument

Under previous GAAP, the Optionally Convertible Redeemable Preference Shares were classified entirely as equity. On transition to Ind AS, based on the contractual terms of the instrument and the requirements of Ind AS 32, the instrument was identified as having a liability component representing the contractual obligation to repay the amount.

Accordingly, the liability component was recognised separately under Ind AS, resulting in a corresponding adjustment to equity/retained earnings in the Ind AS transition reconciliation. As the preference shares were subsequently fully repaid, the liability was extinguished and no such liability remains outstanding as at the reporting date.

f) Borrowings

Borrowings have been measured in accordance with Ind AS 109 using the effective interest method, where applicable. Transaction costs and other directly attributable costs relating to borrowings, which were charged off to the statement of profit and loss under previous GAAP, have been adjusted against the carrying amount of the related financial liability and are recognised as part of finance costs over the expected tenure of the borrowing using the effective interest rate.

The transition adjustment primarily represents the difference between the carrying amount of borrowings under Previous GAAP and their measurement under Ind AS.

g) Employee Benefits

Employee benefit obligations have been measured in accordance with Ind AS 19, Employee Benefits. The transition adjustment primarily arises from differences in the measurement and recognition of defined benefit obligations and the treatment of actuarial gains and losses.

Actuarial gains and losses arising on defined benefit plans are recognised in Other Comprehensive Income in accordance with Ind AS 19 and are not subsequently reclassified to the Statement of Profit and Loss. The corresponding transition impact has been recognised in equity, as applicable.

h) Provisions and Contingent Liabilities

Provisions have been reassessed in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets. The recognition and measurement of provisions under Ind AS are based on the present obligation arising from past events, the probability of an outflow of resources and the best estimate of the expenditure required to settle the obligation.

The transition adjustment, where applicable, represents the difference between provisions recognised under Previous GAAP and those required to be recognised under Ind AS.

i) Expected Credit Loss

As on the transition date, the Group has applied expected credit loss on trade receivables using the simplified approach as suggested under Ind AS 109.



49 Part A : Statement of Adjustments to Audited Special Purpose Financial Statements and Audited Financial Statements

Reconciliation of Total Equity		March 31, 2026	March 31, 2025	March 31, 2024
Sl. No.	Particulars			
A.	Total Equity as per Audited Financial Statements	28,760.87	27,171.26	10,990.15
B.	Adjustments:			
	(i) Audit qualifications:	-	-	-
	(ii) Adjustments due to prior period items/other adjustment net of tax:	346.27	(8.55)	-
	(iii) Change in accounting policies:	(2.21)	(4.04)	(4.68)
		544.06	(12.59)	(4.68)
C.	Total equity as per Special Purpose Financial Statements (A+B)	29,304.92	27,158.67	10,985.47

Reconciliation of Statement of Profit or Loss :		March 31, 2026	March 31, 2025
Sl. No.	Particulars		
A.	Profit/(Loss) after tax as per Audited Financial Statements	1,044.33	1,394.45
B.	Adjustments:		
	(i) Audit qualifications:	-	-
	(ii) Adjustments due to prior period items/other adjustment net of tax:	555.73	(8.55)
	(iii) Change in accounting policies:	(0.90)	662.52
		556.63	653.97
C.	Profit/(Loss) after tax as per Special Purpose Financial Statements (A+B)	1,600.96	2,048.42

Part B: Non Adjusting items

- i. Emphasis of Matters not requiring adjustments to Special Purpose Financial Statements are reproduced below in respect of the Audited Financial Statement for the year ended March 31, 2026, 2025 and 2024:

March 31, 2024:

(a) Note-38(e) of the financial statements which states that the value of marketing rights has been determined at Rs. 27,907.00 Lakhs as per the report on Purchase Price Allocation of the registered valuer dated 30th December, 2024, pursuant to the Scheme approved by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide Order dated 24th October, 2024.

(b) Note 5 of the financial statements states that the Securities Premium has been utilized to fully amortize the unamortized value of the Brand "POLAR," amounting to Rs. 4,998.15 lakhs. Additionally, the debit balance in retained earnings has been offset against the capital reserve arising from the amalgamation, in accordance with the scheme approved by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide order dated October 24, 2024.

March 31, 2025: No emphasis of matter relating to the operations of the Company.

Our opinion is not modified in respect of this matter.

- i. There are no audit qualification in auditor's report for the year ended March 31, 2026, March 31, 2025 and March 31, 2024.

- ii. Additional disclosures under Schedule III to the Companies Act, 2013

Reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)

March 31, 2024: In respect of the amalgamating company, the audit trail feature was not enabled due to technical limitations, including system performance issues arising from a large number of branches, software-related disruptions, and challenges in report generation. Consequently, the Company decided to migrate to an alternative accounting software, which was implemented with effect from June 2024.

- iii. Statement / comments included in the Companies (Auditor's Report) Order, 2020 (CARO 2020), which do not require any adjustments in the Audited Special Purpose Financial Statements: As at March 31, 2024

Clause (ii)(b) of the CARO 2020 order: As per the scheme approved by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide order dated October 24, 2024, Vishva Electrotech Limited ("the amalgamating company") has been amalgamated with the Company, with an appointed date of October 1, 2023. Pursuant to the scheme, the assets and liabilities of the amalgamating company were transferred to the Company at their fair values determined by a registered valuer vide his report dated December 30, 2024 and after making provisions/adjustments as considered appropriate. The amalgamating company had submitted quarterly statements to banks for the period from October 1, 2023, to March 31, 2024, which are not comparable with the values recorded in the books of the Company.

Clause (vii)(a) of the CARO 2020 order: According to the information and explanations given to us, there are dues of Income Tax, Goods & Service Tax, Value added Tax, Entry Tax, Service Tax, Custom duty, Excise Duty and Employees State Insurance which have not been deposited with the appropriate authorities on account of any dispute as mentioned below:

Nature of Dues	Amount (in lakhs)	Forum where dispute is pending
ESI (FY 2009-10)	1.64	ESIC Tribunal, Kolkata
Income Tax (AY 2007-08 & AY 2008-09)	74.27	Commissioner (Appeals), Kolkata
Income Tax (AY 2012-13)	0.19	Commissioner (Appeals), Kolkata
Income Tax (AY 2013-14)	2.54	Commissioner (Appeals), Kolkata
Income Tax (AY 2015-16)	27.11	Commissioner (Appeals), Kolkata
Income Tax (AY 2016-17)	37.39	Commissioner (Appeals), Kolkata
Income Tax (AY 2017-18)	10.38	Commissioner (Appeals), Kolkata
Entry Tax	21.84	Hon'ble High Court, Kolkata
Value Added Tax (FY 2015-16)	41.53	The Commissioner of Taxes, Assam
Goods & Services Tax (FY 2017-18)	111.60	GST Appellate Authority, Goods & Services Tax, Punjab
Goods & Services Tax (FY 2017-18)	8.31	GST Appellate Authority, Goods & Services Tax, Kerala
Goods & Services Tax (FY 2017-18)	14.77	GST Appellate Authority, Goods & Services Tax, Jaipur
Goods & Services Tax (FY 2018-19)	1.95	GST Appellate Authority, Goods & Services Tax, Kolkata
Goods & Services Tax (FY 2019-20)*	96.73	Assistant Commissioner, Goods & Services Tax, Andhra Pradesh
Goods & Services Tax (FY 2019-20)*	1.15	Assistant Commissioner, Goods & Services Tax, Telangana
Central Excise (FY 2009-10)	13.08	Commissioner (Appeals) Central Excise, Kolkata
CST Demand (FY 2015-16)	1326.31	Hon'ble High Court, Punjab
PF (Apr 2010 to Jan 2023)	3.55	EPF Organization, Kolkata
VAT/CST demand for FY 2012-13	4.19	Excise and Taxation Officer, Chandigarh
VAT/CST demand for FY 2013-14	2.85	Excise and Taxation Officer, Chandigarh
VAT/CST demand for FY 2014-15	5.42	Excise and Taxation Officer, Chandigarh
VAT/CST demand for FY 2015-16	11.93	Excise and Taxation Officer, Chandigarh
VAT/CST demand for FY 2016-17	5.56	Excise and Taxation Officer, Chandigarh
VAT/CST demand for FY 2017-18	8.73	Excise and Taxation Officer, Chandigarh

*The GST demands in the form of SCNs for FY 2019-20, amounting to 96.73 lakhs (Vijayawada, Andhra Pradesh), which were at the hearing stage during the current year, have been disposed of during FY



As at March 31, 2025

Clause (ii)(b) of the CARO 2020 order: The Company has been sanctioned working capital facilities from banks in excess of 5 crores on the basis of security of book debts and other assets/ collaterals. The Company has filed returns/ statements with such banks which are not consistent with figures reported in the books of account. Refer table below for summary of discrepancies

Nature of current assets offered as security	Quarter	Amount as per statement (in Lakhs)	Amount as per books of account (in Lakhs)	Difference (in Lakhs)	Reasons for differences if > 10%
Trade Receivable	Q1	13,378.26	13,373.92	4.33	NA
Stock	Q1	7,216.56	7,216.56	-	NA
Trade Receivable	Q2	10,876.29	10,886.26	(9.98)	NA
Stock	Q2	8,289.10	8,289.10	-	NA
Trade Receivable	Q3	12,080.33	12,063.22	17.11	NA
Stock	Q3	10,294.45	10,294.45	-	NA
Trade Receivable	Q4	23,152.84	22,681.29	471.55	NA
Stock	Q4	11,256.34	12,179.79	(923.45)	NA

Clause (vii)(a) of the CARO Order: In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including Income Tax, Goods and Services Tax, Provident Fund, Employees' State Insurance, and other material statutory dues applicable to it with the appropriate authorities. There have been a few cases of delay however, the delays in deposit were not significant, and there were no undisputed statutory dues outstanding as at March 31, 2025, for a period exceeding six months from the date they became

Clause (vii)(b) of the CARO Order: According to the information and explanations given to us and based on our examination of the records of the company, there are dues of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of customs, Duty of excise, Value Added Tax or Cess or any other statutory dues which have not been deposited on account of any dispute as mentioned below:

Nature of Dues	Amount (in lakhs)	Period to which it relates	Forum where dispute is pending
Income Tax Demand	74.27	AY 2007-08 & 2009-10	Commissioner of Income Tax (Appeals)
Excise Duty Demand	13.08	FY 2009-10	Commissioner (Appeals) Central Excise, Kolkata
ESIC Demand	1.64	FY 2009-10	ESIC Tribunal, Kolkata
GST Demand (West Bengal) - Paid under protest	15.94	FY 2009-10	Appellate Authority
Value Added Tax	46.15	FY 2015-16	The Commissioner of Taxes, Assam
Income Tax Demand	0.19	AY 2012-13	Commissioner (Appeals), Kolkata
Income Tax Demand	2.54	AY 2013-14	Commissioner (Appeals), Kolkata
Income Tax Demand	27.11	AY 2015-16	Commissioner (Appeals), Kolkata
Income Tax Demand	37.39	AY 2016-17	Commissioner (Appeals), Kolkata
Income Tax Demand	10.38	AY 2017-18	Commissioner (Appeals), Kolkata
Entry Tax Demand	21.84	FY 2014-18	Hon'ble High Court, Kolkata
Punjab GST Demand	124.07	FY 2017-18	GST Appellate Authority, Goods & Services Tax, Punjab
Cochin GST Demand	8.88	FY 2017-18	GST Appellate Authority, Goods & Services Tax, Kerala
Jaipur GST Demand	15.47	FY 2017-18	GST Appellate Authority, Goods & Services Tax, Jaipur
Kolkata GST Demand	2.03	FY 2018-19	GST Appellate Authority, Goods & Services Tax, Kolkata
Hyderabad GST Demand	1.15	FY 2019-20	Assistant Commissioner, Goods & Services Tax, Telangana
CST Demand	1,326.31	FY 2015-16	Hon'ble High Court, Punjab
VAT/CST Demand	4.19	FY 2012-13	Excise and Taxation Officer, Chandigarh
VAT/CST Demand	2.85	FY 2013-14	Excise and Taxation Officer, Chandigarh
VAT/CST Demand	5.42	FY 2014-15	Excise and Taxation Officer, Chandigarh
VAT/CST Demand	11.95	AY 2015-16	Excise and Taxation Officer, Chandigarh
VAT/CST Demand	5.56	AY 2016-17	Excise and Taxation Officer, Chandigarh
VAT/CST Demand	8.73	AY 2017-18	Excise and Taxation Officer, Chandigarh
Vijayawada GST Demand	0.85	FY 2020-21	Appellate Authority

March 31, 2026

Clause i (a)(d) of the CARO 2020 order: The Company has revalued its intangible asset, namely Trademark, during the year. (Refer Note 5 & 4 to the Ind AS financial statements)

Clause ii (b) of the CARO 2020 order: In respect of matters specified in clause (ii) of paragraph 3 the Order. The Company has been sanctioned working capital limits from banks in excess of 5 crores on the basis of security of book debts and current assets/ collaterals. The quarterly returns/statements filed by the Company with such banks are not in agreement with figures reported in the books of account. The details of such discrepancies are given below:-

Nature of current assets offered as security	Quarter	Amount as per statement submitted to Bank (Rs. in Lakhs)	Amount as per books of account (Rs. in Lakhs)	Difference (Rs. in Lakhs)	Excess (Short) Reported to Bank	Reasons for Difference (if >10%)
Trade Receivable	Q1	16,906.82	18,352.15	(1,445.33)	Short	NA
Stock	Q1	12,692.81	12,697.54	(4.73)	Short	NA
Trade Receivable	Q2	13,951.73	14,012.32	(60.59)	Short	NA
Stock	Q2	13,148.19	13,157.45	(9.26)	Short	NA
Trade Receivable	Q3	18,892.83	18,907.08	(14.25)	Short	NA
Stock	Q3	10,850.62	11,199.22	(348.60)	Short	NA
Trade Receivable	Q4	26,554.19	27,019.82	(465.63)	Short	NA
Stock	Q4	7,117.08	7,824.13	(707.05)	Short	NA

Clause viii(b) of the CARO 2020 order: According to the information and explanations given to us and based on our examination of the records of the company, there are dues of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of customs, Duty of excise, Value Added Tax or Cess or any other statutory dues which have not been deposited on account of any dispute as mentioned below:

A. Description	As at 31st March 2026 (Rs. in lakhs)
Claims against the company not acknowledged as Debts:	
a) Income Tax Matters	410.27
b) Goods and Service Tax matters	158.46
c) Entry Tax Matters	21.84
d) Value Added Tax/ Central Sales Tax Matters	100.77
e) Excise Duty Matters	13.08
f) Employee State Insurance Corporation Matters	1.64

Notes:

- Contingent Liabilities includes Rs. 704.21 lakhs (PY Rs. 2,030.52 lakhs) representing legal proceedings pending against Vishva Electrotech Limited (amalgamated with Polar Elektrik Limited w.e.f. October 1, 2023).
- The Company has filed Special Leave Petition titled as Polar Elektrik Limited (Petitioner) Vs. State of West Bengal & Ors (Respondents) vide Filing no ECSCIN01328652025 dated 30-07-2025 with Diary Number 42105 of 2025, before The Supreme Court of India (Civil Appellate Jurisdiction) under Article 136 of the Constitution of India against the impugned judgement and final order dated 30th January, 2025 passed by the Hon'ble High Court at Calcutta in W.P.T.T. No. 6 of 2023 in relation to the West Bengal Entry Tax matter.
- The CST demands for the state of Punjab for FY 2015-16, amounting to Rs. 1,326.31 lakhs, against which writ was filed in Punjab and Haryana Court has been disposed of vide order dated 10th April 2024.
- The contingent liability includes Rs. 5,850 Lakhs relating to trade receivables discounted under channel financing arrangements as on 31st March 2026. The dealers/distributors are the primary borrowers under these arrangements and bear the primary repayment obligation towards the financiers. Any recourse to the Company would arise only in the event of default by the dealers/distributors, against whom the Company has corresponding recovery rights. Based on past experience and current assessments, the management does not expect any material liability to arise in this regard.

B. The Company had challenged an application for it's implement in an execution petition which was pending before the Hon'ble High Court at Delhi, New Delhi. In the FY 2025-2026 an order in favour of the Company has been passed by the said Hon'ble court. The said order has been appealed by the Appellant, against which replies have been preferred by the Company.



50 Additional regulatory information pursuant to the requirement of Schedule III to the Companies Act 2013

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii) The Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) and other intangible assets except for trade mark. (Refer Note 5).
- iv) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period.
- v) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- vi) The Company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other persons(s) or entity(ies), including foreign entities (Intermediaries) with the understanding whether recorded in writing or otherwise, that the Intermediary shall:
 - (a) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- viii) The Company has not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income tax Act, 1961.
- ix) The company has borrowings from banks and financial institutions on the basis of security of current assets. The monthly returns or statements of current assets filed by the company with banks and financial institutions have immaterial difference as compared with the books of accounts (Refer Note 48 - Part B).
- x) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- xi) The company has not entered into any scheme of arrangement which has an accounting impact on FY 2025-26 or FY 2024-25 except for in FY 2023-24 (Refer Note 47).
- xii) The company has complied with the number of layers of companies prescribed under clause (87) of the Section 2 of the Act read with Companies (Restriction of number of Layers) Rules, 2017.
- xiii) The company has used SAP accounting software (computerised) for maintaining its books of accounts, which has a feature of recording audit trail (edit log) facility, except that audit trail was not enabled at the database level in the software to log any direct data changes. Audit trail feature is enabled at application level only, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. The audit trail has been preserved by the Company as per the Statutory requirements for record retention.

As per our report of even date attached

For V. Singhi & Associates

Chartered Accountants

(Firm's Registration No. 311017E)



Vinod Kumar Singhi

Partner

(Membership No.: 050051)

Place: Kolkata

Date: 24th September, 2026



For and on behalf of the Board of Directors of

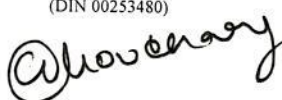
Polar Elektrik Limited



Ashok Goyal

Director

(DIN 00253480)



Gourav Choudhary

Chief Financial Officer



Kanishk Goyal

Managing Director

(DIN 03385366)



Sunita Shah

Company Secretary