

INDEPENDENT AUDITOR'S REPORT

To the Members of EMC Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of EMC Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



1) Valuation of Gratuity Obligation	Our Responses
<p>The Company has a defined benefit obligation towards gratuity for its employees, which is determined based on an actuarial valuation performed by an external actuary as at 31st March, 2025. The valuation involves significant judgment with respect to key assumptions such as discount rate, salary escalation, employee attrition, and mortality rates. These assumptions are forward-looking and subject to uncertainty. Even minor changes in assumptions can lead to material changes in the liability. The Company has also disclosed a sensitivity analysis showing the impact of changes in key assumptions.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> – Obtained and reviewed the actuarial valuation report for gratuity prepared by the external actuary. – Evaluated the appropriateness of key assumptions used, such as discount rate and salary escalation, by comparing them with current market data and past trends. – Verified the completeness and accuracy of employee data provided to the actuary by testing it against payroll records on a sample basis. – Assessed the adequacy of disclosures in the financial statements to ensure they appropriately reflect the potential impact of changes in assumptions.

2) Valuation of Property, Plant and Machinery	Our Responses
<p>The Company's property, plant and equipment (PPE) is carried at fair value based on an external valuation as at 31st March 2025, with the valuation report presented on 6th May 2025 for the purposes of the Independent Auditor's Report. The valuation relies on key assumptions, including:</p> <ol style="list-style-type: none"> 1. Existence of willing buyers for the assets at the stated values. 2. No pending litigation affecting the assets. <p>In addition, "special assumptions" reflect hypothetical changes (e.g., altered market conditions or legal outcomes) upon which the valuation conclusion is contingent. These assumptions are forward-looking and materially affect the estimated values.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> – Obtained and reviewed the external valuation report – Review of key assumptions, like useful life, residual value and depreciation method, used in the valuation. – Verified the accuracy and completeness of the data used in the valuation model. – Reviewed the financial statement disclosures relating to PPE to ensure completeness, accuracy, and transparency in line with the applicable reporting standards.



3) Provision for Expected Credit Loss (ECL) on Trade Receivables	Our Responses
<p>The Company has significant trade receivables outstanding as at the reporting date, primarily from Central and State Government Departments and Public Sector Undertakings (PSUs). Management has applied the simplified approach permitted under Ind AS 109 – <i>Financial Instruments</i>, and recognized a flat provision for Expected Credit Loss (ECL) at 0.5% of total trade receivables, considering the historically low default rates of customers. Additionally, the ECL approach adopted by the Company is in line with the policy followed by the Holding Company, ensuring consistency across the group.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> – Obtained an understanding of the Company's ECL policy, including its basis, assumptions, and approval by those charged with governance. – Compared the policy with the one adopted by the Holding Company for consistency in provisioning across the group. – Assessed the adequacy and completeness of disclosures made in the financial statements in accordance with Ind AS 109.

4) Valuation of Leave Encashment Obligation	Our Responses
<p>The Company's leave encashment liability for its employees is determined based on an actuarial valuation performed by an external actuary as at 31st March, 2025. The Company's leave encashment liability at 31st March 2025 is determined by projecting employees' accrued leave balances to the valuation date and discounting future cash flows using assumptions for salary escalation, discount rate, attrition and mortality. Management discloses a sensitivity analysis showing the effect of reasonable alternative assumptions. Because these forward-looking inputs are inherently uncertain and materially affect the obligation, the valuation involves significant judgement.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> – Obtained the leave-encashment actuarial report and assessed the valuation methodology for compliance with Ind AS 19/IAS 19. – Verified the completeness and accuracy of employee data provided to the actuary. – Reviewed the adequacy and presentation of the related disclosures, including the basis of valuation and sensitivity analysis.

Emphasis Of Matter

- Attention is invited to Note 19.2, certain liabilities in the form of old outstanding, amounting to ₹1716.80 lakhs, were carried forward in the books of accounts, considering uninterrupted continuity of the Company's business as a going concern, business necessity vis-a-vis upholding business ethics and goodwill. However, it is noted that these liabilities stood extinguished pursuant to the NCLT Order No. [IA(IBC)No. 4 (KB) 2025], dated 7th January 2025, followed by a corrigendum on 8th January 2025.
- Attention is invited to Note 11.1, Confirmation requests were sent to all the banks, but responses were received only from two banks in respect of two accounts with balances totaling ₹46.51 lakhs. In the absence of confirmations and due to prolonged inactivity, unconfirmed balances totaling ₹23.05 lakhs were written off and adjusted against the existing Capital Reserve during the reporting period.
- Attention is invited to Note 11.2, during the Fixed Deposit balance reconciliation, it was identified that book balances exceeded the bank balances by ₹695.12 lakhs based on the bank confirmations received. This arose due to banks appropriating fixed deposits and interest thereon against credit facilities post-CIRP. The resulting shortfall has been charged to the Capital Reserve, and all FD balances now reflect confirmed bank positions.



- Attention is invited to Note 41, during the previous financial year, the Company underwent liquidation proceedings. In the liquidation process, all those liabilities that were written off were transferred to the Capital Reserve, and assets were subjected to impairment testing. However, two prior period errors were subsequently identified in the Company's financial statements and have been rectified retrospectively in the current financial year in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The first relates to an overstatement of interest income, including accrued interest, amounting to ₹24.92 lakhs, which has been corrected by adjusting retained earnings and accrued interest. The second pertains to an overstatement of impairment loss by ₹8210.15 lakhs in connection with the company's liquidation proceedings, which has been rectified by adjusting the capital reserve and retained earnings. These adjustments have no impact on the profit or loss of the current year, and the comparative figures have not been restated as the corrections relate only to reserves and balance sheet classifications.

Our opinion is not modified in respect of these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the Financial Statements and Auditors' report thereon.
- Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal Control.
- Obtain an understanding of Internal Control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate Internal Financial Controls with reference to financial in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" – a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(c)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2 (iv)(i) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
 - (g) With respect to the adequacy of the Internal Financial Controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed in Note 31 to the Financial Statements that there are no pending litigations as at 31 March 2025 which would impact its financial position.



ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented to us that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

(c) Based on our audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph 2(h) (iv)(a) & (b) above, contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company. The Board of Directors of the Company has not proposed any dividend for the financial year 2024-2025.

vi. Based on our examination which included test checks and information given to us, the Company has used accounting software for maintaining its books of account, which did not have a feature of recording audit trail (edit log) facility throughout the year for all relevant transactions recorded in the respective software's.

The Company was under liquidation during the reporting period and was subsequently sold as a going concern under the Insolvency and Bankruptcy Code (IBC). As a result, audit trail functionality in the accounting system was not maintained by the erstwhile management. The new management, appointed post- resolution, has initiated steps to implement audit trail features to ensure compliance going forward.

For KASG & Co.

Chartered Accountants

Firm Registration No. 002228C



A handwritten signature in black ink, appearing to read 'Roshan Kumar Bajaj'.

Roshan Kumar Bajaj

Partner

Membership No. 068523

UDIN – 25068523BMIWMB9852

Place: Kolkata

Date: 14-05-2025

ANNEXURE 'A'

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company of even date)

In the respect of matters specified in clause (i) of paragraph 3 the Order:

(i) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. However, as disclosed in Note 5.2, allocation of the revalued amount to individual assets in the Property Plant and Equipment Register is pending due to the Company's liquidation and sale as a going concern under the Insolvency and Bankruptcy Code (IBC) The new management is in the process of completing this.

B) The Company did not hold any intangible assets during the year ended March 31st 2025. Accordingly, reporting under Clause 3(i)(a)(B) of the Order is not applicable.

b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, during the year, no physical verification of property, plant and equipment was carried out by the management, and as of the date of this report, no physical verification report has been provided to us.

c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 5 to the Financial Statements included in property, plant and equipment are held in the name of the Company.

d) The company has revalued its Property, Plant and Equipment during the year. The revaluation was carried out by a Registered Valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017. The amount of change due to revaluation is as follows:

Class of Asset	Carrying Amount (₹)	Revalued Amount (₹)	Increase / Decrease in Value (₹)	10% of Carrying Amount (₹)	Change >10%
Freehold Land	92,13,62,000.00	1,11,58,34,700.00	19,44,72,700.00	9,21,36,200.00	Yes
Freehold Buildings	15,16,03,137.83	9,66,14,517.00	(5,49,88,620.83)	1,51,60,313.78	Yes
Furniture - Fittings and Equipment	65,50,873.87	22,99,499.85	(42,51,374.02)	6,55,087.39	Yes
Plant and Machinery	39,20,80,930.15	54,13,16,768.52	14,92,35,838.37	3,92,08,093.02	Yes
Vehicles	15,32,450.08	4,64,333.73	(10,68,116.35)	1,53,245.01	Yes

e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its Financial Statements does not arise.



(ii) In the respect of matters specified in clause (ii) of paragraph 3 the Order:

(a) The Company did not hold any inventories during the year ended March 31st 2025. Accordingly, reporting under Clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company.

(iii) The Company has not, during the year, made investments in mutual fund schemes. Further, during the year, the Company has not provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.

(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest, based on the information and explanations provided by the Company.

(c) During the year, the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) to 3(iii)(f), is not applicable to the Company.

(iv) There are no loans, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable.

(vi) Maintenance of cost records has not been prescribed for the company by the central government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the company.

(vii) In the respect of matters specified in clause (vii) of paragraphs 3 the Order:

(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company. While there have been slight delays in a few cases, the delays were not serious, and no undisputed statutory dues were in arrears as at March 31, 2025, for a period exceeding six months from the date they became payable.

(b) According to the information and explanations given to us and based on our examination of the records of the company, there are no 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 at 31st March 2025.



(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961(43 of 1961) as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) According to the information and explanations given to us and based on the audit procedures performed, the company has not taken any loans or borrowings from any lender during the year. Accordingly, reporting under clause 3(ix)(a) to 3(ix)(f) of the Order is not applicable.

(x) In the respect of matters specified in clause (x) of paragraphs 3 the Order:

a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

b) The Company has made a preferential allotment/private placement of compulsorily convertible debentures during the year under audit and accordingly, the requirement to report under clause 3(x)(b) of the Order is applicable.

(xi) In the respect of matters specified in clause (xi) of paragraphs 3 the Order:

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the year.

b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/secretarial auditor or by using Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) In the respect of matters specified in clause (xii) of paragraphs 3 the Order: The Company is not a Nidhi Company and hence, reporting under clause (xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) In the respect of matters specified in clause (xiii) of paragraphs 3 the Order: According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the company is not required to appoint an internal auditor as per the provisions of Section 138 of the Companies Act, 2013. Hence, reporting under clause 3(xiv)(a) and 3(xiv)(b) of the Order is not applicable.

(xv) In the respect of matters specified in clause (xv) of paragraphs 3 the Order: According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.



(xvi) In the respect of matters specified in clause (xvi) of paragraphs 3 the Order:

- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the requirement to report under clause 3(xvi)(a) of the Order is not applicable to the Company.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) The Group does not have any CIC.

(xvii) In the respect of matters specified in clause (xvii) of paragraphs 3 the Order: The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) In the respect of matters specified in clause (xviii) of paragraphs 3 the Order: There has been no resignation of the statutory auditors during the year and accordingly, clause 3(xviii) of the Order is not applicable.

(xix) In the respect of matters specified in clause (xix) of paragraphs 3 the Order: According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In the respect of matters specified in clause (xx) of paragraphs 3 the Order:
a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) The Company is not required to prepare consolidated Financial Statements and accordingly requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For KASG & Co.

Chartered Accountants

Firm Registration No. 002228C



Roshan Kumar Bajaj

Partner

Membership No. 068523

UDIN – 25068523BMIWMB9852

Place: Kolkata

Date- 14-05-2025

ANNEXURE "B"

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).

We have audited the internal financial controls over financial reporting of EMC Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control with reference to Financial Statements criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system with reference to Financial Statements.



Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of Internal Financial Controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls with reference to Financial Statements to future periods are subject to the risk that the Internal Financial Controls with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion the company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KASG & Co.

Chartered Accountants

Firm Registration No. 002228C



Roshan Kumar Bajaj

Roshan Kumar Bajaj

Partner

Membership No. 068523

UDIN – 25068523BMIWMB9852

Place: Kolkata

Date- 14-05-2025

EMC Limited

CIN:U70100WB2010PLC151197

Standalone Balance Sheet as at 31st March 2025

(All amounts in ₹ lakhs, unless other wise stated)

	Note No	As at 31st March'2025	As at 31st March'2024
I. ASSETS			
1. Non-Current Assets			
a. Property, Plant and Equipment	5(a)	17,565.32	16,092.31
b. Goodwill	5(b)	-	-
c. Other Intangible Assets	5(c)	-	-
d. Financial Assets			
(i) Investments	6	-	60.00
(ii) Other Financial Assets	7(i)	-	-
Total Non-Current Assets		17,565.32	16,152.31
2. Current Assets			
a. Inventories	9	-	4.81
b. Financial Assets			
(i) Trade Receivables	10	2,788.24	4,262.30
(ii) Cash & Cash Equivalent	11 (a)	46.75	1,217.30
(iii) Other Bank Balances	11 (b)	2,972.55	3,342.88
(iv) Other Financial Assets	7(ii)	486.45	307.97
c. Other Current Assets	8(i)	3,233.04	3,508.31
Total Current Assets		9,527.02	12,643.56
TOTAL ASSETS		27,092.34	28,795.87
II. EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	12	7,800.00	5.00
b. Other Equity	13	15,111.77	6,448.62
Total Equity		22,911.77	6,453.62
2. Non-Current Liabilities			
a. Deferred Tax Liabilities (Net)	15	972.10	273.19
b. Provisions	16(i)	82.11	236.34
Total Non-Current Liabilities		1,054.22	509.54
3. Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	17	-	14,687.52
(ii) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	18	358.27	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		800.78	2,396.17
b. Provisions	16(ii)	3.95	-
c. Other Current Liabilities	19	1,963.37	4,749.02
Total Current Liabilities		3,126.36	21,832.72
TOTAL EQUITY AND LIABILITIES		27,092.34	28,795.87

Material Accounting Policies and Notes to Accounts

Notes forming part of Financial Statements

As per our report of even date attached.

1 to 4

5 to 41

For KASG & Co.

Chartered Accountants

Firm Registration No. 002228C

Roshan Kumar Bajaj
Partner

Membership No. 068523



For and on behalf of Board of Directors

EMC Limited

Bishnu Kumar Bajaj
Chief Executive Officer
Din No.03000684

Shalabh Agarwal
Director
Din No.00316155

Alok Kumar
Director
Din No.01474484

Manish Kumar Drolia
Chief Financial Officer
PAN No. AKLPD0063F

Date: 14th May, 2025

Place: Kolkata

EMC Limited

CIN:U70100WB2010PLC151197

Standalone Statement of Profit and Loss for the Year ended 31st March 2025

(All amounts in ₹ lakhs, unless other wise stated)

	Note No.	For the Year Ended 31st March'2025	For the Year Ended 31st March'2024
Income			
I. Revenue from Operations	20	1,913.28	2,164.75
II. Other Income	21	191.70	330.90
III. Total Income (I+II)		2,104.98	2,495.64
IV. Expenses			
Cost of Materials Consumed	22	542.39	1,071.56
Employee Benefit Expenses	23	540.80	885.76
Finance Cost	24	160.05	293.24
Depreciation and Amortization Expenses	25	719.44	1,037.48
Other Expenses	26	2,370.40	12,275.06
Total Expenses (IV)		4,333.08	15,563.11
V. Profit/(Loss) before exceptional items and tax (III-IV)		(2,228.10)	(13,067.46)
Exceptional Items	26.1	895.48	10,731.77
VI. Profit/(Loss) before Taxes		(3,123.58)	(23,799.23)
VII. Tax Expenses			
(a) Current Tax		-	-
(b) Deferred Tax ((Gain)/Loss)		-	-
Total Tax Expense (VI)		121.10	(21,994.31)
VIII. Profit/(Loss) for the year		(3,244.68)	(1,804.92)
IX. Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss :			
(a) Remeasurement of investments in equity shares carried at Fair Value through OCI		-	-
(b) Remeasurement of defined employee benefit plans		(40.72)	-
(c) Revaluation Surplus on Property, Plant & Equipment		3,437.09	-
(d) Income tax effect related to above mentioned items		(577.81)	-
Other comprehensive Income/(Loss) after tax		2,818.55	-
X. Total comprehensive Income/(Loss) for the year		(426.13)	(1,804.92)
XI. Earnings per equity share:			
(1) Basic	30	(135.24)	(0.09)
(2) Diluted	30	(135.24)	(0.09)
Material Accounting Policies and Notes to Accounts	1 to 4		
Notes forming part of Financial Statements	5 to 41		

As per our report of even date attached.

For KASG & Co.
Chartered Accountants
Firm Registration No. 002228C

Roshan Kumar Bajaj
Partner
Membership No. 068523



Date: 14th May, 2025
Place: Kolkata

For and on behalf of Board of Directors
EMC Limited

Bishnu Kumar Bajaj
Chief Executive Officer
Din No.03000684

Shalabh Agarwal
Director
Din No.00316155

Alok Kumar
Director
Din No.01474484

Manish Kumar Drolia
Chief Financial Officer
PAN No. AKLPD0063F

EMC Limited
CIN:U70100WB2010PLC151197
Standalone Statement of cash flows for the Year ended 31st March 2025
(All amounts in ₹ lakhs, unless other wise stated)

	For the Year Ended 31st March'2025	For the Year Ended 31st March'2024
A Cash Flow from Operating Activities		
Profit/(loss) before tax from continuing operations		
<u>Adjustment to reconcile profit before tax operating cash flows:</u>	(3,123.58)	(23,799.22)
Depreciation on Property, plant and equipment	719.44	1,032.87
Amortisation of intangible assets	-	4.61
Net foreign exchange differences	-	15.00
Finance income (including fair value change in financial instruments)	(144.09)	(339.70)
Capital gain on sale of shares	(12.00)	-
Loss on Sale of Fixed Assets	467.77	-
Inventory Written off	4.81	-
Finance costs (including fair value change in financial instruments)	160.05	11.88
Impairment of Investments	603.08	10,548.63
Operating profit/(loss) before working capital changes and other adjustments	<u>(1,324.53)</u>	<u>(12,525.95)</u>
Adjustments for changes in operating assets and liabilities:		
Decrease/(Increase) in Trade receivables	1,474.06	2,093.04
Decrease/(Increase) in Other Financial Assets	(178.48)	149.02
Decrease/(Increase) in Inventories	-	(0.23)
Decrease/(Increase) in Other Current Assets	275.27	6,166.65
(Decrease)/Increase in Trade Payables	(654.34)	(4,891.44)
(Decrease)/Increase in Other Financial Liability	-	95.86
(Decrease)/Increase in Other Current Liability	(2,277.74)	7,814.05
(Decrease)/Increase in Provisions	21.58	216.53
EMD E-Auction money received	-	1,000.00
Change in Deferred Tax Liability	-	-
Cash generated from / (used in) operating activities	<u>(2,664.18)</u>	<u>117.53</u>
Income tax paid (net of refunds)	-	-
Net cash generated from / (used in) operating activities (A)	<u>(2,664.18)</u>	<u>117.53</u>
B Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(1.19)	-
Sale of property, plant and equipment	174.97	-
Sale of Investment	72.00	-
Margin Money paid	(349.72)	0.36
Investment in Term Deposits	-	31.25
Interest received (Finance Income)	144.09	339.70
Net cash generated from / (used in) invested activities (B)	<u>40.16</u>	<u>371.31</u>
C Cash Flow from Financing Activities		
Proceeds from issue of equity shares	6,800.00	-
Proceeds from issue of Compulsory Convertible Debentures (Entirely Equity in nature)	10,000.00	-
Finance cost paid	(160.05)	(11.88)
Transfer of unclaimed dividends to IEPF	-	-
Repayment of Short Term Borrowings	(15,163.44)	-
Net cash (used in) / generated from financing activities (C)	<u>1,476.51</u>	<u>(11.88)</u>
Net increase in cash and cash equivalents (A+B+C)	<u>(1,147.50)</u>	<u>476.97</u>
Cash and cash equivalents at the beginning of the year	1,217.30	740.32
Cash and cash equivalents transferred (Refer Note 11.1)	(23.05)	-
Cash and cash equivalents at year end	<u>46.75</u>	<u>1,217.30</u>

Note:

The statement of cash flows has been prepared in accordance with indirect method as prescribed under Ind AS 7 "Statement of Cash Flows".

For KASG & Co.
Chartered Accountants
Firm Registration No. 002228C

Roshan Kumar Bajaj
Partner
Membership No. 068523



For and on behalf of Board of Directors
EMC Limited

Bishnu Kumar Bajaj
Chief Executive Officer
Din No.03000684

Shalabh Agarwal
Director
Din No.00316155

Alok Kumar
Director
Din No.01474484

Manish Kumar Drolia
Chief Financial Officer
PAN No. AKLPD0063F

Date: 14th May, 2025
Place: Kolkata

EMC Limited

CIN:U70100WB2010PLC151197

Standalone Statement of Changes in Equity for the Year ended 31st March, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity Share Capital

Balance at the beginning of the reporting period
 Changes in equity share capital during the period - Fresh Issue
 Changes in equity share capital during the period - forfeited
Balance at the end of the reporting period

	For the Year Ended 31st March 2025	For the Year Ended 31st March 2024
	5.00	5.00
	7,800.00	-
	(5.00)	-
Balance at the end of the reporting period	7,800.00	5.00

B. Instruments Entirely Equity in Nature

Balance at the beginning of the reporting period
 Fresh issue of compulsorily convertible debentures
 at 0.10%

	For the Year Ended 31st March 2025	For the Year Ended 31st March 2024
	-	-
	10,000.00	-
Balance at the end of the reporting period	10,000.00	-

C. Other Equity

Particulars	Reserves & Surplus			Other Comprehensive Income (OCI)			Non-refundable deposit received on auction	Total
	Retained earnings	Deferred Consideration	Capital Reserve	Fair Value of Equity Instruments through OCI	Remeasurement of Employee Benefit Obligations	Revaluation Surplus		
Balance at 31st March 2023	(6,72,156.56)	1,93,590.64	-	(9,614.35)	(7.68)	812.65	-	(4,87,375.29)
Loss for the period	(1,804.91)	-	-	-	-	-	-	(1,804.91)
Other comprehensive income net of tax	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-
Carrying value of Goodwill written off	-	(63,585.25)	-	-	-	-	-	-
Interse Movement	(7.68)	(1,30,005.39)	1,30,818.04	-	7.68	(812.65)	-	(63,585.25)
Restatement of amount payable to stakeholders basis estimated settlement	-	-	5,58,214.07	-	-	-	-	5,58,214.07
Other items	-	-	-	-	-	-	1,000.00	1,000.00
Balance at 31st March 2024	(6,73,969.15)	-	6,89,032.11	(9,614.35)	-	-	1,000.00	6,448.62
Loss for the period	(3,244.68)	-	-	-	-	-	-	(3,244.68)
Other comprehensive income net of tax	-	-	-	-	(40.72)	2,859.27	-	2,818.55
Total comprehensive income for the year	-	-	-	-	(40.72)	2,859.27	-	2,818.55
Carrying value of Goodwill written off	-	-	-	-	-	-	-	-
Interse Movement	8,422.75	-	(8,422.75)	-	-	-	-	-
Restatement of amount payable to stakeholders basis estimated settlement	-	-	114.20	-	-	-	-	114.20
Fair Value of Equity Instruments through OCI	(9,614.35)	-	-	9,614.35	-	-	-	-
Prior period items	(24.92)	-	-	-	-	-	-	(24.92)
Fresh issue of Equity shares	-	-	-	-	-	-	(1,000.00)	(1,000.00)
Fresh issue of compulsorily convertible debentures at 0.10%	-	-	-	-	-	-	-	-
Shares forfeited/brought back/cancelled	-	-	-	-	-	-	-	-
Balance at 31st March 2025	(6,78,430.34)	-	6,80,723.56	-	(40.72)	2,859.27	-	5,111.77

Note: A resolution was passed by Salsar Techno Engineering Limited on 14.02.2025 regarding the allotment of 7,80,00,000 equity share at Rs.10/- each and 10,00,00,000 compulsorily convertible debentures (CCDs) at an interest rate of 0.10% of "M/s EMC Limited" to "Salsar Techno Engineering Limited".

As per our report of even date attached.


For KASG & Co.
Chartered Accountants
Firm Registration No. 002228C


Roshan Kumar Bajaj
Partner
Membership No. 068523

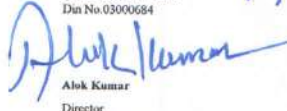


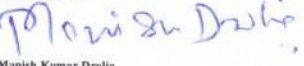
Date: 14th May, 2025
Place: Kolkata

For and on behalf of Board of Directors
EMC Limited


Bishnu Kumar Bajaj
Chief Executive Officer
Din No.03000684


Shalabh Agarwal
Director
Din No.00316155


Alok Kumar
Director
Din No.01474484


Manish Kumar Drolia
Chief Financial Officer
PAN No. AKLPD0063F

1) **Corporate and General Information**

EMC Limited, a public limited company incorporated on 12th July 2010 under the Companies Act, 1956, and having its registered office at 51, Canal East Road, Kolkata – 700085, West Bengal, India, is engaged in the business of Power Transmission, Power Distribution, Balance of Plant, and Railways Infrastructure.

The Company entered liquidation under the Insolvency and Bankruptcy Code, 2016, pursuant to an order passed by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench dated 21st November 2023. This followed the resignation of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and Company Secretary (CS), and the suspension of the Board of Directors (BOD) during the Corporate Insolvency Resolution Process (CIRP). The affairs of the Company were managed by the Resolution Professional (RP) until the commencement of liquidation, after which the Liquidator assumed control in accordance with Section 35 of the IBC.

During the financial year 2024–25, the Liquidator oversaw the finalization and closure of the liquidation process. In the absence of Key Managerial Personnel, the Liquidator facilitated the preparation and audit of the financial statements based on the records and information made available by the suspended directors, former officials of the Company, and the erstwhile Resolution Professional. The Liquidator relied upon the accuracy, completeness, and veracity of the information provided and did not independently verify the data. The financial statements have been signed by the Liquidator, who disclaims responsibility for the sufficiency or correctness of the underlying data and has prepared the accounts assuming the information to be in compliance with applicable laws and standards.

The Company was successfully sold as a going concern during the liquidation process to Salasar Techno Engineering Limited (CIN: L23201UP2001PLC209751) for a total consideration of ₹17,800 lakhs. Post balance sheet date of the previous year, the Sale Certificate was issued and operational control was transferred to the Successful Auction Purchaser. The purchaser sought certain reliefs, waivers, and concessions via I.A. (IB) No. 1140/KB/2024, which were partially granted by the Hon'ble NCLT, Kolkata Bench on 22nd October 2024, with remaining matters referred to appropriate governmental authorities for further consideration.

Subsequently, the Hon'ble NCLT, based on the final report of the Liquidator, passed an order dated 7th January 2025, with a corrigendum dated 8th January 2025, declaring the closure of the liquidation process on account of the going concern sale of the Corporate Debtor. Compliance was completed with the filing of Form INC-28 with the Registrar of Companies on 8th April 2025, thereby marking the formal closure of the liquidation. A new Board of Directors was constituted to manage the operations and ensure continuity of business under the new ownership structure.

The Company has filed an application for merger with its holding company, Salasar Techno Engineering Limited, on March 31, 2025, in accordance with the applicable provisions of the Companies Act, 2013. The application has been filed before the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench under Application No. CA (CAA) 62/KB OF 2025. The proposed scheme of merger is subject to necessary approvals from shareholders, creditors, regulatory authorities, and the Hon'ble National Company Law Tribunal (NCLT).

2) **Material Accounting Policies**

2.1 **Basis of Preparation**

The Management has continued with the same basis of preparation as adopted by the erstwhile management in the preparation of the annual financial statements on a Going Concern Basis, i.e., assets are measured at the lower of carrying amount and estimated net realizable value, and liabilities are stated at their estimated settlement amount in the financial statements for the Year ended 31st March 2025, while addressing any material departures based on current conditions and events occurring subsequent to the balance sheet date. All amounts are rounded off to the nearest lakhs, unless otherwise indicated.

(i) **Compliance with Ind AS**

As per Indian Accounting Standard (Ind AS) 36 which talks about impairment of assets, if the carrying amount of the asset is more than recoverable amount then asset needs to be impaired and as per Indian Accounting Standard 109 on financial instruments which also contains provisions for impairment of financial assets through expected credit loss method.

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) **Historical Cost Convention**

The financial statements have been prepared under the historical cost convention using the accrual method of accounting basis, except for the following:

- (a) Certain financial assets and liabilities that is measured at Fair Value;
- (b) Net Defined Obligations.
- (c) Certain property, plant and equipment & intangible assets that have been revalued.

(iii) **Current And Non-Current Classification**

All assets and liabilities have been classified as current and non-current as per the company's operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. The company has ascertained its operating cycle as 12 months for the purpose of current and non-current classifications except in the case of obligations payable under NCLT order which have been classified as current.

2.2 Property, Plant and Equipment, Intangible Assets and Capital Work-in-progress

(i) Recognition and Measurement

All items of property, plant and equipment are stated at cost less accumulated depreciation and less accumulated impairment losses, except for freehold land which are carried at Historical cost and not depreciated.

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

If material 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.

Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

(ii) Subsequent Measurement

Subsequent costs are included in the asset's carrying amount or recognized as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted as separate assets is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

Where the asset's carrying amount is increased as a result of a subsequent revaluation, the increase is recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Further where the asset's carrying amount is decreased as a result of a subsequent revaluation, the decrease is recognised in profit and loss after reducing any earlier accumulated balances in Revaluation Reserves.

(iii) Depreciation on Property, Plant and Equipments, Estimated Useful Lives and Residual Value

Depreciation on property, plant and equipment is calculated using the straight line method to allocate their cost, net of their residual values over their estimated useful lives. The useful lives of PPE is determined based on the technical evaluation done by the independent experts which are in line with the Schedule II to the Companies Act, 2013. Refer Note No. 35 for details of useful lives. Any assets whose aggregate actual cost does not exceed five thousands rupees are fully charged off in the year of addition.

The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed and adjusted for the changes if any at the end of each reporting period.

Depreciation on assets purchased/acquired during the year is charged from the date of purchase of the assets. Assets that are acquired during the year are depreciated on pro rata basis from the date of such addition or, as the case may be, up to the date on which such assets has been derecognized.

Useful lives are reviewed at each balance sheet date. Changes in expected useful lives are treated as change in Accounting Estimates.

(iv) Treatment of Intangible Assets : Recognitions and Measurements

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Amortisation Methods and Periods

Intangible Assets with finite useful lives are amortized on straight line basis over their estimated useful lives. The company's intangible assets mainly constitutes of Computer Software whose useful life is considered as 10 years.

2.3 Revenue Recognition

The Company recognises revenue as per the requirements of Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective transition method, applied to contracts.

The Company recognises revenue from the following major sources:

- a. Sale of Products.
- b. Other Operating Revenue.

The Company has adopted the following accounting policy for Revenue Recognition:

a) Sale of Products or Services - Time and Material Contracts

As per Ind AS 115, the Company is required to recognise revenue over time when performance obligations are satisfied progressively (e.g., long-term service contracts or construction-type contracts), typically using the percentage of completion method.

However, the Company recognises revenue only upon issuance of invoice to the customer, regardless of the stage of completion of the performance obligations. Revenue is therefore recognised at a point in time rather than over time, even in cases where control is transferred progressively.

The Company issues invoices based on milestones, agreed billing schedules, or upon delivery of goods/services. Revenue is measured at the invoiced amount, net of any applicable discounts or rebates. Control is deemed to be transferred when an invoice is raised, and the Company has an enforceable right to payment.

b) Nature, timing of satisfaction of performance obligation and transaction price (Fixed and Variable)

Revenue is recognised when an invoice is raised and delivered to the customer, provided control over goods or services is deemed transferred at that point.

Although certain contracts may involve performance obligations that are fulfilled over time, the Company recognises revenue only upon billing, based on contractual billing events.

At contract inception, the Company evaluates each promise to deliver goods or services and determines if it constitutes:

- A distinct good or service; or
- A series of substantially similar and repetitive goods/services transferred in the same pattern.

The transaction price is determined based on the consideration specified in the contract, excluding amounts collected on behalf of third parties such as taxes.

c) Contract Assets, Contract Liabilities and Trade Receivables

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues). A receivable is recognised by the Company when the control over the goods or services is transferred to the customer such as when goods are delivered or services are provided as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required

2.4 Inventories

Raw materials, Stores and spares, Semi-finished goods, traded and finished goods

Inventories are valued as under (wherever applicable)

(a) Raw materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

(b) Finished Goods and Semi - finished goods are valued at lower of cost and net realisable value. Cost includes cost of direct materials and direct labour and a proportion of manufacturing overhead based on the normal operating capacity. Cost is determined on weighted average basis.

(c) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value

Cost of raw materials and stores comprises cost of purchase. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate portion of variable and fixed expenditure. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

2.5 Financial Instruments

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

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument.

Financial Assets

(i) Trade Receivables

Trade Receivables are recognized initially at fair value and subsequently measured at amortized costs less of provisions for impairment.

(ii) Other Financial Assets

(a) Initial Recognition

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in profit or loss.

(b) Subsequent Measurement

There are three subsequent measurement categories into which the company classifies its debt instruments financial assets:

i. Measured at Amortised Cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

ii. Measured at Fair Value through Other Comprehensive Income

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

iii. Measured at Fair Value through Profit or Loss

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

(c) Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(d) Equity Instruments

An equity instruments is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities.

Equity instruments recognised at the proceeds received net off direct issue cost.

Investment in equity instruments of subsidiaries and joint ventures are carried at cost less allowance for impairment charges if any.

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

(e) Derecognition of Financial Assets

A financial Assets is Derecognised only when :

The company has transferred the rights to receive cash flows from the financial assets or retains the contractual rights to receive the

cash flows of the financial assets but assumes a contractual obligation to pay the cash flows to one or more recipients.

(f) Impairment of Financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

(g) Income from Financial Assets

Interests Income

Interests income from debt instruments is recognized using the effective interests rate method.

Dividends

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

Financial Liabilities

(a) Initial Recognition

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(b) Subsequent Measurement and Classification

If a financial instrument that was previously recognised as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

(c) Borrowings

- i. Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at estimated settlement basis. Any difference between the initial proceeds (net of transaction costs) and the subsequent settlement amount is recognized through Capital Reserve wholly in the previous financial year.
- ii. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in through capital reserve in the previous financial year.
- iii. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(d) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at estimated settlement basis. The company recognizes their trade and other payable related to ongoing projects only.

(e) Other Financial Liabilities

Financial liabilities are measured at estimated settlement basis. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Interest bearing loans and borrowings are subsequently measured at estimated settlement basis. Gain and losses are recognized through capital reserve when the liabilities are derecognized in the previous financial year.

(f) Offsetting of Financial Instruments

A financial asset and a financial liability is offset and the net amount presented in the balance sheet when, and only when, a company:

- (a) currently has a legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(g) Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.6 Employee Benefits

(i) Short-Term Employee Benefit Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

All Short term employee benefits such as salaries, incentives, special award, medical benefits which fall due within 12 months of the period in which the employee renders related services, which entitles him to avail such benefits and non accumulating compensated absences (like maternity leave and sick leave) are recognized on an undiscounted basis and charged to Statement of Profit and Loss.

(ii) Post-Employment Obligations

The company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, Leave Obligations and
- (b) defined contribution plans such as provident fund.

Provident Fund Obligations

Contribution to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner is charged to the Statement Profit and loss Statement on accrual basis.

Gratuity and Privilege Leave Obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less than fair value of plan assets. The defined benefit obligation is calculated annually and are accounted for.

The present value of the defined benefit obligations denominated in INR is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the term of related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are transferred to profit and loss account.

2.7 Income Tax

- (i) The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- (ii) Current income tax expense comprises taxes on income from operations in India and is determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) is paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability. The company offsets on a year on basis, the current tax assets and liabilities, where it intends to settle such assets and liabilities on a net basis. The current tax expense recognized in the financial statements is net off MAT credit utilized during the period.
- (iii) Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- (iv) Deferred tax assets 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. [Refer Note 36.1]
- (v) Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- (vi) Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.8 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.9 Borrowing Costs

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

2.10 Provisions, Contingent Liabilities and Contingent Assets

- (a) A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date.
- (b) Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
- (c) Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.
- (d) A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognised, but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset. For further details, refer to Note 31.1 of the financial statements.

2.11 Contributed Equity

a) Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognised in equity as a deduction from the proceeds, net of tax. The par value of equity shares is recorded as share capital, while any amount received in excess of the par value is recorded in the share premium account.

b) Convertible Instruments

The classification of financial instruments is determined in accordance with the substance of the contractual terms and the definitions under Indian Accounting Standard (Ind AS) 32 – Financial Instruments: Presentation.

An instrument is classified as a financial liability, equity instrument, or a compound financial instrument based on the rights and obligations it confers.

Compulsorily Convertible Debentures (CCDs) are evaluated based on whether they meet the conditions for classification as equity. In accordance with paragraph 16(b) of Ind AS 32, a financial instrument that will be settled by the issuer delivering a fixed number of its own equity instruments in exchange for a fixed amount of cash or another financial asset is classified as an equity instrument.

In line with the above and consistent with Ind AS 32 – Para 16(b), since the CCDs meet the criteria of a fixed-for-fixed conversion (i.e., fixed number of equity shares for a fixed amount), the CCDs have been classified as equity instruments in the financial statements.

Although the CCDs carry a nominal interest component, it is negligible in amount and not indicative of a substantive obligation to deliver cash or financial assets. Therefore, the instrument does not contain a separately identifiable liability component, and as such, is not classified as a compound financial instrument under Paragraph 28 of Ind AS 32.

2.12 Earning Per Share

a) Basic Earning Per Share

Basic Earning Per Share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial year.

b) Diluted Earning Per Share

Diluted Earning Per Share adjusts the figures used in the determination of the basic earning per share to take into account the after income tax effect of interests or other finance costs associated with the dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares. [Refer Note 30.1]

2.13 Segment Reporting

Ind AS 108 "Operating Segments" establishes principles for reporting financial and descriptive information about operating segments, products and services, and geographic areas. The Standard follows the "management approach," whereby operating segment disclosures reflect the internal reporting used by the Chief Executive Officer (CEO) for evaluating performance and allocating resources.

The Company is primarily engaged in the business of solar power generation and related services. The Chief Executive Officer monitors the performance of the Company as a whole and does not distinguish separate business components for internal decision-making purposes.

Since the entire operations of the Company relate to solar power activities and are managed as an integrated business, no separate business or geographic segment disclosures are required under Ind AS 108. The accounting policies consistently applied in the preparation of the financial statements are also followed for evaluating performance and recording revenue and expenditure for this activity.

2.14 Impairment of Non-Financial Assets

Non-financial Assets are tested for impairment whenever events or changes for in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is higher than the fair value less cost of disposal and value in use.

Irrespective of whether there is any indication of impairment, the company tests goodwill acquired in a business combination for impairment.

2.15 Reversal of Impairment Provision

The Company reassesses impairment provisions at each reporting date. If there is evidence that a previously recognized impairment loss has decreased or no longer exists, the recoverable amount is re-estimated. The impairment reversal is recorded in the Statement of Profit and Loss, except for revalued assets, where it is treated as a revaluation gain.

The reversal cannot exceed the original carrying amount (net of depreciation/amortization) had no impairment been recorded. Impairment losses on goodwill are not reversed.

3) Accounting Pronouncements:

3.1 Ind AS 103 - Business Combination

It specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

For example, costs the acquirer expects but is not obliged to incur in the future to effect its plan to exit an activity of an acquiree or to terminate the employment of or relocate an acquiree's employees are not liabilities at the acquisition date.

Therefore, the acquirer does not recognise those costs as part of applying the acquisition method and instead, the acquirer recognises those costs in its post combination financial statements in accordance with other Ind AS.

3.2 Ind AS 109 - Financial Instruments

It clarifies that while performing the '10 percent test' for derecognition of a financial liability, for computing the discounted present value of the cash flows under the new terms, for determining fees paid net of fees received, a borrower should include only fees paid or received between borrower and lender, including fees paid or received by either the borrower or lender on the each other's behalf.

3.3 Ind AS 16 - Property Plant and Equipment

It clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

3.4 Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

It specifies that the 'cost of fulfilling' a contract includes the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both, the incremental costs of fulfilling that contract (examples would be direct labour, materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

3.5 Ind AS 12 - Income Taxes

It specifies the recognition of Deferred Tax Assets (DTA) and Deferred Tax Liability (DTL) for certain transactions that previously did not necessitate for such recognition. This includes transaction involving leases, decommissioning, and restoration liabilities. Specifically, for assets like right-of-use assets or lease liabilities, should account for deferred tax.

4) Critical Estimates and Judgments:

(a) Use of Estimates :

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(b) Critical Accounting Estimates :

i) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

ii) Income Taxes :

The Company's major tax jurisdictions is India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

iii) Defined benefit obligation

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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 at each reporting date.

(c) Fair Value Measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

EMC Limited
CIN:U70100W B2010PLC151197
Notes to the Standalone Financial Statements
(All amounts in Lakhs, unless otherwise stated)
Note 5(a): Property, Plant and Equipment

	Free-hold Land	Free-hold Buildings	Furniture, Fittings and Equipment*	Plant and Machinery	Vehicles	Total
Gross Carrying Amount						
Estimated Useful Life (in years)(*)	NA	3 - 60	3-15	2 - 40	5 - 10	-
At 31st March, 2023	10,153.20	6,886.86	975.91	26,279.37	241.70	44,537.05
Additions during the period	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-
At 31st March 2024	10,153.20	6,886.86	975.91	26,279.37	241.70	44,537.05
Additions during the period	-	-	1.19	-	-	1.19
Disposals/Adjustments	-	-	-	(1,461.27)	-	(1,461.27)
At 31st March 2025	10,153.20	6,886.86	977.10	24,818.10	241.70	43,076.97
Accumulated Depreciation and Impairment						
At 31st March 2023	-	1,120.25	888.79	18,294.27	207.09	20,510.40
Depreciation charge for the period	-	108.87	12.16	900.94	10.90	1,032.87
Disposals/Adjustments	-	2,203.07 #	-	-	-	2,203.07
Impairment Loss	939.58	1,904.66	-	1,854.15	-	4,698.39
At 31st March 2024	939.58	5,336.85	900.95	21,849.37	217.99	28,444.74
Depreciation charge for the period	-	33.97	10.63	666.45	8.39	719.44
Add: Disposals/Adjustments	-	-	-	(818.53)	-	(818.53)
Impairment Loss	-	549.89	42.51	-	10.68	603.08
Revaluation	(1,944.73)	-	-	(1,492.36)	-	(3,437.09)
At 31st March 2025	(1,005.15)	5,920.71	954.09	19,404.93	237.06	25,511.64
Net Book Value as at 31st March, 2025	11,158.35	966.16	23.01	5,413.17	4.64	17,565.32
Net Book Value as at 31st March, 2024	9,213.62	1,550.01	74.96	5,230.00	23.71	16,092.30

Note 5.1: During the FY 24-25, the Company carried out a revaluation of its Property, Plant and Equipment (PPE) in accordance with Ind AS 16 - Property, Plant and Equipment. Pursuant to the revaluation, revaluation surplus of ₹3,437.09 lakhs (PY Nil) has been recognized and credited to the 'Revaluation Reserve' under 'Other Comprehensive Income'. Simultaneously, based on the assessment of recoverable amounts as per Ind AS 36 - Impairment of Assets, an impairment loss of ₹603.08 lakhs (PY ₹4,698.39 lakhs) has been recognized in the Statement of Profit and Loss.

Note 5.2: The company has obtained a valuation report for its Property, Plant, and Equipment (PPE). However, the allocation of the revalued amount to the individual assets in the Fixed Asset Register (FAR) has not been performed by the company as of the reporting date. This is due to the Company being under liquidation during the relevant period and subsequently sold as a going concern under the Insolvency and Bankruptcy Code (IBC). As a result, certain operational activities, including detailed asset-level adjustments, could not be carried out. The new management is in the process of completing this allocation.

Note 5.3: For FY 2023-24, Impairment loss has been provided to the following assets as their Carrying amount was greater than the recoverable value derived by the value appointed by the Liquidator.

Free-Hold Land - Carrying amount of Rs. 10,153.20 Lakhs, Recoverable amount of Rs. 9,213.62 Lakhs, resulting in an impairment of Rs. 939.58 Lakhs
Free-Hold Buildings (Other than Building at Godrej Genesis) - Carrying amount of Rs. 2,973.49 Lakhs, Recoverable amount of Rs. 1,550.01 Lakhs, resulting in an impairment of Rs. 1,904.66 Lakhs
Plant and Machinery - Carrying amount of Rs. 7,084.15 Lakhs, Recoverable amount of Rs. 5,230 Lakhs, resulting in an impairment of Rs. 1,854.15 Lakhs.

For the FY 2023-24, M/s Assets Care and Reconstruction Enterprise Ltd (ACRE) and LIC Housing Finance Ltd had not relinquished their respective rights during the liquidation process over the freehold building at Godrej Genesis, which remained under their specific charge. The ownership was distributed in proportion of their respective claims, with M/s ACRE holding 54.29% and LIC Housing Finance Ltd holding 45.71%. The Written Down Value (WDV) of the building stands at Rs. 2,203.07 lakhs, while the outstanding loan amounts, as per books, were Rs. 1,222.55 lakhs for M/s ACRE and Rs. 980.52 lakhs for LIC Housing Finance Ltd, respectively. The said building did not form part of liquidation estate and therefore the same had been excluded from the assets of the company. The carrying value of the said building had been taken as Rs. Nil and the differential amount had been considered accordingly and transferred to capital reserve.

* Furniture, Fittings and Equipment's includes Computers and Accessories.

* Refer Note No. 35 for details of useful lives.

EMC Limited
CIN:U70100WB2010PLC151197
Notes to the Standalone Financial Statements
(All amounts in ₹ lakhs, unless other wise stated)

Note 5(b): Goodwill

	As at 31st March'2025	As at 31st March'2024
Gross Carrying Amount		
Opening Balance	-	1,15,127.77
Additions/Adjustments during the period	-	-
Disposals during the period	-	(1,15,127.77)
Closing Balance	-	-
Accumulated Amortisation		
Opening Balance	-	51,542.52
Amortisation during the period	-	-
Disposals during the period	-	(51,542.52)
Closing Balance	-	-
Net Block	-	-

Note 1: Impairment test for goodwill

Goodwill of Rs.63,585.25 lakhs originated from an amalgamation in earlier years was adjusted against deferred consideration arising from the said business combination in the previous year.

The following table sets out summary of impairment testing:

Particulars	As at 31st March'2025	As at 31st March'2024
(a) Recoverable value as per independent valuer	-	-
(b) Carrying amount of goodwill	-	-
(c) Impairment amount allocable to goodwill		Refer Note - 1
(d) Recoverable value hierarchy	NA	Level -III

Note-5(c): Other Intangible Assets

	Computer Software	License	Total
Gross block			
Balance as at 31st March 2023	24.85	82.61	107.46
Additions	-	-	-
Disposals/adjustments	24.85	82.61	107.46
Balance as at 31st March 2024	-	-	-
Additions	-	-	-
Disposals/adjustments	-	-	-
Balance as at 31st March 2025	-	-	-
Accumulated amortisation			
Balance as at 31st March 2023	16.96	72.20	89.16
Amortisation for the year	2.92	1.69	4.61
Disposals/adjustments	19.88	73.89	93.77
Balance as at 31st March 2024	-	-	-
Amortisation for the year	-	-	-
Disposals/adjustments	-	-	-
Balance as at 31st March 2025	-	-	-
Net block			
Balance as at 31st March 2025	-	-	-
Balance as at 31st March 2024	-	-	-

EMC Limited
CIN:U70100WB2010PLC151197
Notes to the Standalone Financial Statements
(All amounts in ₹ lakhs, unless other wise stated)

Note 6: Investments

	As at 31st March'2025	As at 31st March'2024
(i) Non-Current Investments		
(I) Investment in Equity Instruments		
<i>(Refer Note 33 for disclosure regarding investments in related parties)</i>		
Quoted at FVTOCI		
(a) McNally Bharat Engineering Ltd. (1,01,37,689 Shares) Shares of ₹ 10/- each fully paid, 65,36,722 Shares out of total number of shares of 1,01,37,689 is pledged) [Refer note 6.1]	486.61	486.61
Less: Provision for impairment losses	(486.61)	(486.61)
Add: Reversal of Provision of impairment losses	486.61	-
Less: Investments in equity instruments written off	(486.61)	-
Total (I)	-	-
(II) Unquoted at Cost		
Indian Subsidiary/Joint Ventures		
(a) Quatro Rail Tech Solutions Pvt. Ltd. (6,00,000 Shares of Rs.10/- each fully paid-up) - [Refer note 6.4]	-	60.00
Sub-total (a)	-	60.00
(b) BCPL - EMC - JV (Investment in Joint Venture)	2.45	2.45
Less: Provision for impairment losses [Refer Note 6.3]	(2.45)	(2.45)
Add: Reversal of Provision of impairment losses	2.45	-
Less: Investments in equity instruments written off	(2.45)	-
Sub-total (b)	-	-
Total (II)	-	60.00
Foreign Subsidiary/Joint Ventures		
(a) Advanced Steel & Crane Inc. (4,900 shares)	1,105.85	1,105.85
Less: Provision for impairment losses [Refer Note 6.2]	(1,105.85)	(1,105.85)
Add: Reversal of Provision of impairment losses	1,105.85	-
Less: Investments in equity instruments written off	(1,105.85)	-
Sub-total (a)	-	-
Total (III)	-	-
Total Non-Current Investments (I+II+III)	-	60.00
Note:		
Carrying value of Category wise Investments:		
At Amortized Cost	-	60.00
At Fair Value through Profit & Loss (FVPL)	-	-
At Fair Value through Other Comprehensive Income (FVOCI)	-	-
Aggregate Cost of Category wise Investments:		
At Amortized Cost	-	60.00
At Fair Value through Profit & Loss (FVPL)	-	-
At Fair Value through Other Comprehensive Income (FVOCI)	-	-

Notes:

6.1) During the previous financial year ended 31st March 2024, the Corporate Insolvency Resolution Process (CIRP) for McNally Bharat Engineering Ltd. ("McNally") was initiated, and the resolution plan was approved by the Hon'ble NCLT, Kolkata Bench, vide order dated 19th December 2023. In accordance with the approved plan, the Company's shareholding in McNally was expected to be reduced upon implementation. Accordingly, a provision for impairment of the investment was created as a matter of prudence. In the current financial year ended 31st March 2025, the earlier provision has been reversed, and the investment has been fully written off.

6.2) The investee company, Advanced Steel & Crane Inc., went into liquidation on October 13, 2023. Consequently, the Company fully impaired this investment during the previous year ended March 31, 2024, in accordance with applicable accounting standards.

6.3) The Company de-recognized its investment in BCPL-EMC JV during the previous year ended March 31, 2024, in accordance with Ind AS 109 – Financial Instruments.

6.4) As of March 31st, 2024, the Company's investment in Quatro Rail Tech Solutions Pvt. Ltd. was initially measured at cost, as the fair value of the instrument could not be determined due to the unavailability of necessary information. During the Year ended March 31st, 2025, the Company sold its unquoted shares in Quatro Rail Tech Solutions Pvt. Ltd., and as a result, there is no outstanding investment in the entity as at March 31st, 2025.

Note 7: Other Financial Assets

	As at 31st March'2025	As at 31st March'2024
(i) Non-Current		
(a) Advances given to parties	717.63	717.63
Less: Provision for impairment losses	(717.63)	(717.63)
Add: Reversal of Provision of impairment losses	717.63	-
Less: Advances given to parties written off	(717.63)	-
Sub-Total (I)	-	-
(ii) Current		
(a) Advances given to parties	41,993.77	41,993.77
Less: Provision for impairment losses	(41,993.77)	(41,993.77)
Add: Reversal of Provision of impairment losses	41,993.77	-
Less: Advances given to parties written off	(41,993.77)	-
(b) Interest Accrued but not Received	10.98	281.91
(c) Advance to Employees	-	26.05
(d) Other Receivables [Refer Note 7.1]	72.00	-
(e) GST Advance [Refer Note 7.2]	403.46	-
Sub-Total (II)	486.45	307.97
Total (I+II)	486.45	307.97

Note 7.1: Other Receivables includes amounts receivable from sale of Investments.

Note 7.2: As per the Final Liquidator Order dated 22nd November 2024, all previous GST demands were waived. However, the GST department debited amounts on the following dates: ₹1,28,825 (Punjab) on 05-12-2024, ₹2,10,34,715 (Tamil Nadu) on 30-07-2024, ₹53,93,716 (Tamil Nadu) on 09-12-2024, and ₹1,37,89,049 (Tamil Nadu) on 16-12-2024. These debits have been classified under GST Advances (Pending Resolution), and a Writ Petition is being filed before the Hon'ble High Court at Madurai to challenge the debits, as they contradict the liquidation order. The amounts will remain under GST Advances (Pending Resolution) until the legal matter is resolved.

Note 8: Other Assets

	As at 31st March'2025	As at 31st March'2024
(i) Current		
Balance with Government Authorities (Net) [Refer Note 8.2]	3,206.14	3,483.12
Advance to Suppliers	38,222.45	38,204.15
Less: Provision for impairment losses	(38,204.15)	(38,204.15)
Add: Reversal of Provision of impairment losses	38,204.15	-
Less: Advances to suppliers written off	(38,204.15)	-
Earnest Deposits	556.96	556.96
Less: Provision for impairment losses	(556.96)	(556.96)
Add: Reversal of impairment losses	556.96	-
Less: Earnest Deposits written off	(556.96)	-
Prepaid Expenses	8.59	25.19
Security Deposits	1,716.91	1,716.91
Less: Provision for impairment losses	(1,716.91)	(1,716.91)
Add: Reversal of Provision of impairment losses	1,716.91	-
Less: Security Deposits written off	(1,716.91)	-
Sub-Total (II)	3,233.04	3,508.31
Total (I+II)	3,233.04	3,508.31

8.1) The Company had provided for loss allowances against advances to suppliers of terminated projects to the extent of ₹38,204.15 Lakhs in the FY 2023-24 as the Company had evaluated that credit risk to be significant.

8.2) Balance with Revenue authority includes TDS receivable amounting to ₹91.72 lakhs (PY 2023-24: ₹50.74 lakhs) and GST Input amounting to ₹3,114.99 lakhs (PY 2023-24: ₹3628.11 lakhs).

Note 9: Inventories

(Valued at cost or NRV, whichever is lower)

Stores, Loose Tools And Spares

Less: Impairment loss

Total

	As at 31st March'2025	As at 31st March'2024
	4.81	4.81
	(4.81)	-
	-	4.81

9.1) The inventories for the period ending March 31st, 2025 have been written off.

Note 10: Trade Receivables

Unsecured, Considered Doubtful

Less: Allowance for Credit Losses

Add: Reversal of Credit Impaired

Less: Trade Receivables written off

Total

	As at 31st March'2025	As at 31st March'2024
	2,07,664.26	2,09,124.31
	(2,04,876.02)	(2,04,862.01)
	2,04,862.01	-
	(2,04,862.01)	-
	2,788.24	4,262.30

Note 10.1: Expected credit loss allowances

Opening Balance

Movement in Allowance for expected credit loss

Written off during the year

Closing Balance

	As at 31st March'2025	As at 31st March'2024
	2,04,862.01	2,04,862.01
	14.01	-
	(2,04,862.01)	-
	14.01	2,04,862.01

10.2) No trade receivables or other receivables are due from directors or other officers of the company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

10.3) In accordance with Ind AS 109 – Financial Instruments, the Company has adopted the simplified approach for recognition of impairment loss on trade receivables, whereby lifetime expected credit losses are recognized.

Given that a significant portion of the Company's customers includes government departments, municipal bodies, and public sector undertakings—entities with low credit risk—the Company has applied a flat provisioning rate of 0.5% on total trade receivables outstanding as at the reporting date.

This provisioning rate is in line with:

- The Company's historical credit experience (low defaults),
- Delays being procedural rather than indicative of credit deterioration,
- Forward-looking macroeconomic considerations,
- And the policy adopted by the holding company, which also applies a 0.5% provision on its trade receivables under Ind AS 109.

The provision is reviewed annually or in the event of any material change in the credit risk profile.

10.4) Trade receivable ageing as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment (Rs. in Lakhs)					Total
	Less than 6 Months	6 months to 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	631.03	271.86	389.59	1,227.09	282.69	2,802.26
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	3.16	1.36	1.95	6.14	1.41	14.01
(iv) Disputed Trade receivables considered good	-	-	-	-	-	-
(v) Disputed Trade receivables considered doubtful	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

10.5) Trade receivable ageing as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment (Rs. in Lakhs)					Total
	Less than 6 Months	6 months to 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	124.36	621.49	1,022.15	1,409.22	1,085.09	4,262.30
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	7,479.56	-	-	1,97,382.45	2,04,862.01
(iv) Disputed Trade receivables considered good	-	-	-	-	-	-
(v) Disputed Trade receivables considered doubtful	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Note 11(a): Cash and Cash Equivalent

	As at 31st March'2025	As at 31st March'2024
Cash in Hand	0.23	1.65
Cash at Bank	46.51	1,215.65
Total	46.75	1,217.30

11.1) Confirmation requests were sent to multiple banks, but responses were received only for two accounts with balances totalling ₹46.51 lakhs. Due to the company's liquidation, some banks did not provide statements, and balances were adjusted by the banks against overdrawn accounts. In the absence of confirmations and due to prolonged inactivity, unconfirmed balances totalling ₹23.05 lakhs were written off and adjusted through the Capital Reserve during the reporting period.

Note 11(b): Other Bank Balances

	As at 31st March'2025	As at 31st March'2024
Margin money, guarantee and security with banks	2,972.55	3,342.88
Total	2,972.55	3,342.88

11.2) During FD balance reconciliation, a difference of ₹695.12 lakhs was identified between the book balances and bank confirmations. Following the liquidation, fixed deposits held as margin money were appropriated by banks post-CIRP, with some banks adjusting FD interest against cash credit accounts. The shortfall arising from such appropriations has been charged to the Capital Reserve. All FD balances now reflect confirmed bank positions as per bank statements.

EMC Limited
CIN:U70100WB2010PLC151197
Notes to the Standalone Financial Statements
(All amounts in ₹ lakhs, unless other wise stated)

Note 12: Equity Share Capital

Equity Share Capital

a) Authorised

102700000 Nos. of Equity shares of Rs. 10/- each
(P.Y: 102700000 Nos. of Equity shares of Rs. 10/- each)

b) Issued, Subscribed and Fully Paid Up:

78000000 Nos. of shares of Rs.10/- each (Refer note no. 12.1)
(P.Y: 50000 Nos. of shares of Rs.10/- each)

c) Reconciliation of number of equity shares are set out below:

Equity Shares

- (i) Shares outstanding at the beginning of the period
- (ii) Issued during the period
- (iii) Shares forfeited/brought back/cancelled during the period
- Shares outstanding at the end of the period

31st March'2025		31st March'2024	
Number of Shares	Amount	Number of Shares	Amount
50,000	5.00	50,000	5.00
7,80,00,000	7,800.00	-	-
(50,000.00)	(5.00)	-	-
7,80,00,000.00	7,800.00	50,000.00	5.00

d) Details of shareholders holding more than 5% of shares

Name of the Shareholders

Salasar Techno Engineering Limited (Including its Nominee)
MKN Investments Private Limited

No. of Shares	% of shareholding	No. of Shares	% of shareholding
7,80,00,000	100%	-	-
-	-	49,940	99.88%
7,80,00,000	100%	50,000.00	5.00

e) Details of shareholders holding pattern of promoters:

Name of the Promoter

- (i) Salasar Techno Engineering Limited (Including its Nominee)
- (ii) Mr. Alok Kumar
- (iii) Mr. Shashank Agarwal
- (iv) Mr. Shalabh Agarwal
- (v) Ms. Tripti Gupta
- (vi) Mr. Shikhar Gupta
- (vii) Mr. Raghav Agarwal
- (viii) MKN Investments Private Limited
- (ix) Mr. Manoj Toshniwal
- (x) Mr. Santosh Kumar Sharma
- (xi) Mr. Durga Prasad Sharma
- (xii) Mr. Rajeev Kumar Shah
- (xiii) Mr. Rakesh Kumar Sharma
- (xiv) Mr. Ramesh Chandra Bardia

No. of Shares	% of shareholding	No. of Shares	% of shareholding
7,79,99,994	100.00%	-	-
1	0.00%	-	-
1	0.00%	-	-
1	0.00%	-	-
1	0.00%	-	-
1	0.00%	-	-
1	0.00%	-	-
-	0.00%	49,940	99.88%
-	0.00%	10	0.02%
-	0.00%	10	0.02%
-	0.00%	10	0.02%
-	0.00%	10	0.02%
-	0.00%	10	0.02%
-	0.00%	10	0.02%

Note 12.1: The Company has a single class of equity shares with a par value of INR 10 each. Every equity shareholder is entitled to one vote per share, and all equity shares rank equally concerning dividend entitlement.

Pursuant to the liquidation process under the Insolvency and Bankruptcy Code, 2016, the National Company Law Tribunal (NCLT), through its order dated 07 January 2025 read with order dated 08 January 2025, approved the closure of the liquidation process, as the Company was sold as a going concern to Salasar Techno Engineering Limited (SRA).

Subsequently, on 14 February 2025, Salasar Techno Engineering Limited passed a resolution approving the allotment of:

-7,80,00,000 equity shares at ₹10 each, and

-10,00,00,000 Compulsorily Convertible Debentures (CCDs) at an interest rate of 0.10%, by M/s EMC Limited in favor of Salasar Techno Engineering Limited.

Note 12.2: For the period of five years immediately preceding the date at which the balance sheet is prepared, the company has not :-

- i. Issued class of shares allotted as fully paid up pursuant to contract without payment being received in cash.
- ii. Issued class of shares allotted as fully paid up by way of bonus shares; and
- iii. Bought back any shares.

Note 12.3: Salasar Techno Engineering Limited is the beneficial owner of the Company. The shares held in the names of other individuals are in the nature of nominee shareholders and do not represent any beneficial interest.

Note 12.4: 50,000 equity shares of ₹10 each, amounting to ₹5 lakhs, were cancelled during the reporting period in accordance with the Tribunal's order and Ind AS. The cancellation has been adjusted through the Capital Reserve.

Note 13: Other Equity

a. Compulsorily Convertible Debentures(CCDs)

- (i) Outstanding at the beginning of the period
- (ii) Issued during the period (Refer note no. 13.1)
- (iii) Converted during the period
- Outstanding at the end of the period

31st March'2025		31st March'2024	
Number of CCDS	Amount	Number of CCDS	Amount
-	-	-	-
10,00,00,000	10,000	-	-
-	-	-	-
10,00,00,000.00	10,000.00	-	-

Note 13.1: The company has allotted 1,000 Lakhs Compulsorily Convertible Debentures (CCDs) of Rs. 10/- each aggregating to Rs. 10,000.00 Lakhs. These CCDs will be compulsorily converted into Equity Shares of the Company within a period not exceeding 10 years from date of issue of such CCDs.

The Company, pursuant to the provisions of Section 48 and other applicable provisions of the Companies Act, 2013, the Articles of Association, and subject to the approval of the equity shareholders and Compulsorily Convertible Debenture (CCD) holders, approved a modification in the terms of conversion of CCDs issued by the Company. As per the revised terms, the conversion price of the CCDs was fixed at ₹10 per CCD. Accordingly, on conversion, the Company will issue one equity share of ₹10 each, fully paid-up, for every one CCD of ₹10 each. All other terms and conditions of the CCDs remain unchanged

b. Retained Earnings

Opening Balance

- Add: Rectification of prior period error: Transfer from Capital Reserve on account of overstatement of impairment loss in F.Y 2023-24 (Refer Note-41)
- Add: Transfer from other reserve
- Add: Transfer from Reserve for investments at Fair Value through OCI
- Add: Profit/(Loss) during the period

Total

(Retained earnings represents accumulated deficit in the statement of profit and loss)

	As at 31st March'2025	As at 31st March'2024
Opening Balance	(6,73,969.15)	(6,72,156.56)
Add: Rectification of prior period error: Transfer from Capital Reserve on account of overstatement of impairment loss in F.Y 2023-24 (Refer Note-41)	8,185.25	-
Add: Transfer from other reserve	212.58	(7.68)
Add: Transfer from Reserve for investments at Fair Value through OCI	(9,614.35)	-
Add: Profit/(Loss) during the period	(3,244.68)	(1,804.91)
Total	(6,78,430.33)	(6,73,969.15)

c. Deferred Consideration arising out of Business Combination

- 1,93,59,06,380 Nos. of potential equity shares of Rs 10/- each
(P.Y: 1,93,59,06,380 Nos. of potential equity shares of Rs 10/- each)
- Less: Goodwill Adjustment

- Add: Transfer to Capital Reserve*

Total

(Deferred consideration arising out of a business combination refers to a part of the purchase price for the acquired business that is not immediately paid at the acquisition date. Instead, it represents an obligation to transfer additional assets or equity interests to the former owners of the acquired business if certain conditions specified in the purchase agreement are met.)

	-	1,93,590.64
	-	(63,585.25)
	-	1,30,005.39
	-	(1,30,005.39)
	-	-

d. Revaluation Reserve

Opening Balance

- Add: Revaluation Surplus during the period
- Less: Deferred Tax on Revaluation

Total

(The revaluation reserve represents the accumulated changes in the fair value of certain assets that have been revalued.)

Opening Balance	-	812.65
Add: Revaluation Surplus during the period	3,437.09	(812.65)
Less: Deferred Tax on Revaluation	(577.81)	-
Total	2,859.27	-

e. Reserve for Remeasurement of Employee Benefits Obligation

Opening Balance

- Add: Remeasurement during the period net of Income Tax Effect

Total

(Reserve for remeasurement of employee benefits obligation represents the actuarial gains/(losses) arising on recognition of defined benefit plans)

Opening Balance	-	-
Add: Remeasurement during the period net of Income Tax Effect	(40.72)	-
Total	(40.72)	-

f. Reserve for investments at Fair Value through OCI

Opening Balance (Refer Note 14.1)

- Less: Transferred to Retained Earnings

Total

(Reserve for investments at fair value through OCI is the cumulative amount of unrealized gains and losses on investments held at fair value through OCI. It reflects the total changes in fair value that have not been realized because the investments are still held by the entity.)

Opening Balance (Refer Note 14.1)	(9,614.35)	(9,614.35)
Less: Transferred to Retained Earnings	9,614.35	-
Total	-	(9,614.35)

Note 13.2: For the current period, in line with appropriate accounting treatment and to reflect the final settlement of the investment, the negative balance earlier recognized under "Reserve for Investments at Fair Value through OCI" has been transferred to Retained Earnings. This adjustment ensures that the financial statements appropriately reflect the conclusion of the investment's value.

g. Non-refundable deposit received on auction			
EMD E-Auction money received		-	1,000.00
Total		-	1,000.00
h. Share application money pending allotment			
Opening Balance		-	-
Application money received during the period		16,800.00	-
Add: Adjustment of EMD E-Auction money		1,000.00	-
Less: Transfer to Equity Share Capital (Refer note no. 14.2)		(7,800.00)	-
Less: Transfer to Instruments Entirely Equity in Nature (Refer note no. 14.2)		(10,000.00)	-
Closing Balance		-	-
i. Capital Reserve			
Other Than Deferred Consideration arising out of Business Combination			
Opening Balance		6,89,032.10	-
Less: Transfer to other reserve		(212.58)	-
Less: Rectification of prior period error – Transfer to Retained Earnings on account of overstatement of impairment loss in previous year(Refer Note-41)		(8,210.16)	-
Add: Addition/(Reversal) during the period		114.20	5,59,026.72
Deferred Consideration arising out of Business Combination		-	1,30,005.39
		6,80,723.55	6,89,032.11
Grand Total			
		15,111.77	6,448.62

Note 14.1: Pursuant to the Liquidation Process under the Insolvency and Bankruptcy Code, 2016, the National Company Law Tribunal (NCLT) has passed an order on 07 January 2025 read with order dated 08 January 2025, for the Closure of the Liquidation Process as the Company has been sold as a going concern to Salasar Techno Engineering Limited (SRA). Since the Closure Order has material impact on the financial statement and going concern status of the Company, the following relevant adjustments, as mentioned below, are provided in the Closure Order and has been considered as adjusting event and factored in the financial statement of the Company for the reporting period ended 31st March, 2025 in order to reflect the true and fair view of the financial statements of the Company

Note 14.2: Capital Reduction of 50,000 equity shares of INR 10/- each held by previous shareholders has been done for the period ended 31st March 2025. The said amount has been transferred to capital reserve.

The Liquidator successfully concluded the e-auction process to sale the company as going concern at the price of Rs.17,800 Lakhs. The SRA has infused Rs. 17,800 Lakhs and acquired 7,80,00,000 equity shares of Rs. 10 each of the Company aggregating to Rs. 7,800 Lakhs. It has also subscribed to 10,00,00,000 Compulsory Convertible Debentures (CCDs) of 0.10% Per Annum having face value Rs. 10/- each aggregating to Rs. 10,000 Lakhs. The infusion of funds by the SRA and restructuring of capital structure of the Company has taken place before 31st March, 2025.

Note 15: Deferred Tax (Assets)/Liabilities (Net)

(a) On Property, Plant and Equipment

Total

*Refer Note 36.1 for Deferred Tax Workings

Note 16: Provisions

(i) Non-Current

Provision for Employee Gratuity Obligation*

Provision for Employee Earned Leave Obligation

(ii) Current

Provision for Employee Earned Leave Obligation

Total

*Refer Note 34 for Employee Benefit Obligations

	As at 31st March'2025	As at 31st March'2024
(a) On Property, Plant and Equipment	972.10	273.19
Total	972.10	273.19

	As at 31st March'2025	As at 31st March'2024
(i) Non-Current		
Provision for Employee Gratuity Obligation*	56.29	58.72
Provision for Employee Earned Leave Obligation	25.83	177.62
	82.11	236.34

	As at 31st March'2025	As at 31st March'2024
(ii) Current		
Provision for Employee Earned Leave Obligation	3.95	-
Total	3.95	-

Note 17: Borrowings

Loan Payable as per Liquidation Proceedings

Total

Note 17.1: For the year ended 31st March 2025, a payment of ₹15,163.43 lakhs has been made. Additionally, an excess amount of ₹475.91 lakhs, which had been transferred to the Capital Reserve in the previous financial year, has been adjusted by debiting it back from the Capital Reserve. In the previous financial year, the loan payable included Cash Credit of Rs. 12,675.81 Lakhs, Term Loan from Banks of Rs. 1,488.28 Lakhs, and Term Loan from Others of Rs. 523.43 Lakhs.

	As at 31st March'2025	As at 31st March'2024
Loan Payable as per Liquidation Proceedings	-	14,687.52
Total	-	14,687.52

Note 18: Trade Payables

(a) Total outstanding dues of micro enterprises and small enterprises; and

(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.

Total

	As at 31st March'2025	As at 31st March'2024
(a) Total outstanding dues of micro enterprises and small enterprises; and	358.27	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.	800.78	2,396.17
Total	1,159.04	2,396.17

18.1) Trade payable ageing as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment (Rs. in Lakhs)				Total
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) MSME	297.38	48.99	11.89	-	358.27
(ii) Others	191.43	50.27	388.09	170.99	800.78
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

18.2) Trade payable ageing as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment (Rs. in Lakhs)				Total
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	364.48	611.55	459.58	960.57	2,396.18
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

18.3) Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015

	As at 31st March'2025	As at 31st March'2024
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	359.68	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	1.41	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	1.41	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	1.41	-

*The above details has been determined to the extent such suppliers have been identified on the basis of information provided by the suppliers.

Note 19: Other Current Liabilities

	As at 31st March'2025	As at 31st March'2024
BG Commission payable	4.75	2,373.73
Advance from customers	5.99	-
Statutory Dues Payable	10.26	525.52
PF Payable	3.84	24.31
ESI Payable	0.08	0.09
Prof. Tax Payable	0.10	-
TDS Payable	6.24	501.12
Other Payables [Refer Note 19.1]	1,817.37	1,849.76
Security Deposit	125.00	-
Total	1,963.37	4,749.02

19.1) Other Payables includes outstanding salaries, LTA and wages payable to employees amounting to Rs. 1809.37 Lakhs (In PY 23-24 Rs. 1,843.76 Lakhs), and Audit Fees payable amounting to Rs. 8 Lakhs (In PY 23-24 Rs. 6 Lakhs).

19.2) Other Payable includes liabilities (Salaries, wages, LTA and Leave Encashment) amounting to ₹1,716.80 lakhs in the form of old outstanding that have been carried forward in the books of accounts considering uninterrupted continuity of Company's business as a going concern, business necessity vis-a-vis upholding business ethics and goodwill, with a further intent to discharge those liabilities using Company's available cash flow in future, as and when available.

EMC Limited
CIN:U70100WB2010PLC151197
Notes to the Standalone Financial Statements
(All amounts in ₹ lakhs, unless other wise stated)

Note 20: Revenue from Operations

	For the Year ended 31st March'2025	For the year ended 31st March'2024
Sale of Products	1,605.15	2,123.41
Less: Rebate	(15.62)	(15.98)
Other Operating Revenue - Hire Charges	323.75	57.32
Total	1,913.28	2,164.75

Refer to Note 39 for disclosures pursuant to Ind AS 115 - " Revenue from contract with customers"

Note 21: Other Income

	For the Year ended 31st March'2025	For the year ended 31st March'2024
Interest Income [Refer Note 21.1]	144.09	159.43
Insurance Claim Received [Refer Note 21.2]	35.61	-
Profit on sale of Investments	12.00	-
Prior Period Income	-	171.47
Total	191.70	330.90

Note 21.1: Interest income for the Year ended 31st March 2025 includes Interest on fixed deposits with bank amounting to INR 114.38 Lakhs (In PY 23-24 Rs.159.43 Lakhs).

Note 21.2: During the current financial year, the Company received an insurance claim amounting to ₹35.61 lakhs towards damages to project materials pertaining to the financial year ended March 31, 2024. As at March 31, 2024, the receipt of the claim was considered uncertain and did not meet the recognition criteria under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, and accordingly, no income was recognized in the previous financial year.

Note 22: Cost of Material Consumed

	For the Year ended 31st March'2025	For the year ended 31st March'2024
Material and components consumed		
Material Consumed	542.39	1,071.56
Total	542.39	1,071.56
Details of materials consumed		
Store Consumption	5.98	5.00
Erection Material	0.36	-
Project Materials	536.04	1,066.57
Total	542.39	1,071.56

Note 23: Employee Benefit Expenses

	For the Year ended 31st March'2025	For the year ended 31st March'2024
Salaries, Wages & Bonus	493.04	645.81
Add: Provision for Employee Earned leave Obligation	10.07	175.02
Add: Provision for Employee Gratuity Obligation	13.38	28.76
Contribution to Provident & other Funds	18.94	29.73
Staff Welfare	5.38	6.43
Total	540.80	885.76

Note 24: Finance Cost

	For the Year ended 31st March'2025	For the year ended 31st March'2024
Interest to Others*	1.10	11.88
Bank Commission and Charges	158.96	281.36
Total	160.05	293.24

*Interest to others includes interest on Compulsory Convertible Debentures (CCD)

Note 25: Depreciation and Amortisation Expenses

	For the Year ended 31st March'2025	For the year ended 31st March'2024
Depreciation on Property, plant and equipment's (Refer Note 5(a))	719.44	1,032.87
Amortisation of intangible assets (Refer Note 5(c))	-	4.61
Total	719.44	1,037.48

Note 26: Other Expenses

	For the Year ended 31st March'2025	For the year ended 31st March'2024
Processing / Job Charges	317.99	391.75
Loss on Sale of Property, Plant & Equipment	467.77	-
Insurance	63.80	76.17
Security Services	60.40	62.63
Professional Charges	52.84	57.72
Electricity Expense	22.49	30.60
Rent	22.44	12.91
Freight & Carriage Charges	20.34	31.72
Crop Compensation	11.35	112.71
Repairs & Maintenance	22.65	3.83
Travelling & Conveyance	11.09	11.12
Hire Charges	5.19	8.48
Audit Fees	12.50	6.00
Computer Expense	4.43	5.05
Office Maintenance	4.06	5.22
GST Expenses	41.25	-
General Charges	3.69	1.60
Debtors written off on account of Liquidated Damages	1,199.27	11,434.65
Foreign Exchange Loss	-	15.00
Power & Fuel Expense	2.46	-
Rates & Taxes	1.91	1.59
Late Filing Fess	-	2.47
Miscellaneous expenses	0.86	0.50
Provision for Doubtful debts	14.01	-
Legal Expense	0.48	0.84
Printing & Stationery	1.46	1.77
Communication Expenses	0.61	0.54
Testing Charges	0.25	0.20
Inventory Written off	4.81	-
Total	2,370.40	12,275.06

Note 26.1: Exceptional Items

CIRP Expenses	-	167.45
Impairment Loss	603.08	10,548.63
Liquidation Expense	292.40	15.69
Total	895.48	10,731.77

Note 26.2: Payment to Auditors

Statutory Audit Fees	8.00	6.00
As Reimbursement of expenses	-	-
Other Service Fees	3.50	-
Tax Audit Fees	1.00	-
Total	12.50	6.00

27 Fair value measurements

(i) Financial instruments by category:

Particulars	31st March'2025			31st March'2024		
	FVTPL	FVTOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Non Current						
Investments:						
Equity instruments (*)	-	-	-	-	-	60.00
Current						
Trade receivables	-	-	2,788.24	-	-	4,262.30
Cash and cash equivalents	-	-	46.75	-	-	1,217.30
Other bank balances	-	-	2,972.55	-	-	3,342.88
Others	-	-	486.45	-	-	1,029.63
Total financial assets	-	-	6,293.99	-	-	9,912.10
Financial liabilities						
Current						
Borrowings	-	-	-	-	-	14,687.52
Trade payables	-	-	1,159.04	-	-	2,396.17
Other financial liabilities	-	-	-	-	-	-
Total financial liabilities	-	-	1,159.04	-	-	17,082.70

*Includes investments in equity instrument accounted as per cost model as prescribed under paragraph 10 of Ind AS 27 "Separate Financial Statements".

(ii) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-

1. Trade Receivables
2. Cash and Cash Equivalent
3. Other Bank Balances
4. Interest Accrued on Deposits
5. Borrowings
6. Trade Payables
7. Capital Creditors
8. Other Payables

28 Financial risk management

The company's few portion of activities are exposed to variety of financial risks i.e. market risk, credit risk and liquidity 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 primary market risk to the company is foreign exchange risk. The company's financial instruments (excluding receivables from related parties) are influenced mainly by the individual characteristics of each customer. The company use derivative forward contracts to mitigate foreign exchange related risk exposures. The company's exposure to credit risk is concentration of risk from the top few customers and the demographics of the customers.

(a) Market Risk

For the period ended 31st March 2025, the Company does not operate globally and is no longer exposed to foreign exchange risk from sales, services, or purchases in foreign currencies. However, in the previous financial year, it was exposed to foreign exchange risk through its sales and services outside India, and purchases from overseas suppliers in various foreign currencies. The exchange rate between the rupee and foreign currencies had changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the company's operations were affected positively/ adversely despite the appreciation/ depreciation rupee against these currencies.

The company's exposure to foreign currency risk expressed in INR, is as follows:

Particulars	March 31st, 2025			March 31st, 2024		
	USD	Other currencies*	Total	USD	Other currencies*	Total
Financial assets						
Cash and cash equivalents	-	-	-	0.38	1.76	2.14
Financial liabilities						
Trade payables	-	-	-	1,157.52	1,135.82	2,293.34
Less - Impairment	-	-	-	(1,157.52)	(1,135.82)	(2,293.34)
Net assets/ (liabilities)	-	-	-	0.38	1.76	2.14

(b) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily trade receivables from customers other than government entities. These Trade receivables are typically unsecured and are derived from revenue earned from domestic and foreign customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess impairment loss or gain. the company uses a matrix to compute the expected credit loss allowance for trade receivable.

(ba) The movement of allowance for impairment loss on trade receivable based on simplified approach prescribed under Ind-AS 109 "Financial Instrument" is as below :

Particulars	March 31st, 2025	March 31st, 2024
Balance at the beginning of the period	2,04,862.01	2,04,862.01
Translation differences	-	-
Allowance for doubtful debt	14.01	-
Write-offs	-2,04,862.01	-
Balance at the end of the period	14.01	2,04,862

The company's credit period generally ranges from 90-150 days

Particulars	March 31st, 2025	March 31st, 2024
Average Trade receivables (net of impairment)	-	-
Days sales outstanding - DSO (Days)	-	-

(c) **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 has no exposure to the risk of changes in market interest rates during period ended 31st March 2025.

In previous financial year, the Company was exposed to interest rate fluctuations primarily due to borrowings with floating interest rates. However, with no outstanding debt as of the reporting date, the Company is not impacted by changes in market interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

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

Particulars	March 31st, 2025	March 31st, 2024
Fixed rate instruments		
Borrowings	-	-
Variable rate instruments		
Borrowings	-	14,687.52

Particulars	Profit or Loss		Equity (net of tax)	
	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024
Variable rate instruments - increase by 100 basis points (1%)	-	(146.88)	-	(109.91)
Variable rate instruments - decrease by 100 basis points (1%)	-	146.88	-	109.91

The sensitivity analysis above has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole period.

29 **Capital Management**

(a) **Risk management**

The company's objectives when managing capital are to:

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

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using gearing ratio, which is net debt divided by total Equity. Net debt comprises of long term and short term borrowings less cash and cash equivalent. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of reporting period was as follows:

Particulars	March 31st, 2025	March 31st, 2024
Net Debt	-	14,687.52
Total Equity	22,911.77	6,453.62
Net debt to Equity Ratio	-	2.28

Pursuant to the order of the Hon'ble NCLT, Kolkata Bench dated 21st November 2023, all debts have been fully extinguished. This is in line with the reliefs granted under the principle of a 'clean slate', which entails the extinguishment of all claims

Note 30: Earnings per Share (EPS)

	31st March 2025	31st March 2024
(i) Net Profit after tax as per Statement of Profit & Loss attributable to equity shareholders	(3,244.68)	(1,804.92)
(ii) Weighted Average number of ordinary equity shares for BEPS (Nos.)	23.99	19,359.56
(iii) Weighted Average number of equity shares including contingently issuable shares for DEPS (Nos.)	23.99	19,359.56
(iv) Face Value per Equity Share (INR)	10.00	10.00
(v) Basic Earnings Per Share (BEPS) (INR)	(135.24)	(0.09)
(vi) Diluted Earnings Per Share (DEPS) (INR)	(135.24)	(0.09)

Note 30.1: In accordance with paragraph 41 of Ind AS 33 – Earnings per Share, potential equity shares are considered dilutive only when their conversion into equity shares would result in a decrease in earnings per share or an increase in loss per share from continuing operations. For the financial year 2024–25, the potential equity shares are anti-dilutive and have not been considered in the computation of diluted earnings per share.

Note 31: Contingent Liability

Particulars	31st March 2025	31st March 2024
Claims against the Company not acknowledged as debts:		
a) Bank Guarantee	10,304.50	18,971.42
Total	10,304.50	18,971.42

Note 31.1: Pursuant to the reliefs, waivers, and concessions via I.A. (IB) No. 1140/KB/2024, which were partially granted by the Hon'ble NCLT, Kolkata Bench on 22nd October 2024, all contingent liabilities previously disclosed have been legally extinguished. The Company no longer has any obligations arising from the matters that gave rise to such contingent liabilities.

Note 32: Segment Reporting (as per Ind AS 108 – Operating Segments)

Ind AS 108 "Operating Segments" establishes principles for reporting financial and descriptive information about operating segments, products and services, and geographic areas. The Standard follows the "management approach," whereby operating segment disclosures reflect the internal reporting used by the Chief Executive Officer (CEO) for evaluating performance and allocating resources. The Company is primarily engaged in the business of solar power generation and related services. The Chief Executive Officer monitors the performance of the Company as a whole and does not distinguish separate business components for internal decision-making purposes. Since the entire operations of the Company relate to solar power activities and are managed as an integrated business, no separate business or geographic segment disclosures are required under Ind AS 108. The accounting policies consistently applied in the preparation of the financial statements are also followed for evaluating performance and recording revenue and expenditure for this activity.

(a) Information About Products and Services (The Company's revenue is derived primarily from the following product/service categories)

Product/ Service	31st March 2025	31st March 2024
Hire charges	323.75	57.32
Solar Power	785.91	803.31
Others	819.24	1,320.11
Total	1,928.90	2,180.73

(b) Geographical Information

Product/ Service	31st March 2025	31st March 2024
(i) Revenue from External Customers:		
India	1,928.90	2,180.73
Outside India	-	-
Total	1,928.90	2,180.73
(ii) Non-current Assets* (Excluding Financial Assets, Deferred Tax Assets, and Post-Employment Benefit Assets):		
India	17,565	16,092.31
Outside India	-	-
Total	17,565.32	16,092.31

(c) Information about major customers (Revenue from customers individually contributing more than 10% of the Company's total revenues, are as follows)

Name of Customer	31st March 2025	%
(i) Skipper Limited	287.50	15%
(ii) Transmission Corporation of Andhra Pradesh	228.02	12%
(iii) West Bengal State Electricity Transmission Company Limited	563.92	29%
(iv) NTPC Limited	785.91	41%

Note 33: Related Party Disclosure as per Ind AS 24

(I) List of Related parties:

(a) Holding Company

Sl. No.	Name	Country	Status as on 31st March, 2025	Status as on 31st March, 2024
i	Salasar Techno Engineering Limited	India	Active	
ii	MKN Investment Private Limited	India	-	Active

(b) Associates and Joint Ventures:

The company do not have any associates and Joint Ventures

Sl. No.	Name	Country	Acquired in Financial Year	Status as on 31st March, 2025	Status as on 31st March, 2024
i.	BCPL-EMC-JV	India	2016-17	-	Impaired

(c) Subsidiaries:

Sl. No.	Name	Country	Acquired in Financial Year	% of Holding	Status as on 31st March, 2025
i.	Quatro Rail Tech Solutions Pvt. Ltd.	India	2013-14	0%	-

(d) Name of Key Management Personnel (KMP):

Name	Relationship
Mr. Alok Kumar*	Director
Mr. Shalabh Agarwal*	Director
Ms. Tripti Gupta*	Director
Mr. Bharat Agarwal*	Director
Mr. Shikhar Gupta*	Director
Mr. Bishnu Kumar Bajaj*	Whole-time Director
Mr. Manish Kumar Drolia*	Chief Financial Officer

*Closure of Liquidation Process and Transfer of Ownership

Pursuant to the Liquidation Process under the Insolvency and Bankruptcy Code, 2016, the National Company Law Tribunal (NCLT), by its order dated 07 January 2025 read with order dated 08 January 2025, has approved the closure of the liquidation process. The Company has been successfully sold as a going concern to Salasar Techno Engineering Limited (SRA).

Following this acquisition, Salasar Techno Engineering Limited, through a board resolution dated 14 February 2025, has constituted a new board as presented. EMC Limited, through a board resolution dated 20th February approved it.

(II) Balances and Transactions with Related Parties:

Related Parties	Nature of Transactions	Transaction During the Year ended 31st March 2025	Transaction During the Year ended 31st March 2024
Mr. Bishnu Kumar Bajaj	Salary	34.49	-
Salasar Techno Engineering Limited	Sale of Goods	206.41	-

Name	Nature of Relationship	Impaired during the Year	Balances as at March 31st, 2025	Balances as at March 31, 2024
(a) Investments in: Quatro Rail Tech Solutions Pvt Ltd.	60% Subsidiary	-	-	60.00
(b) Remuneration Payable: Mr. Bishnu Kumar Bajaj	KMP	-	2.87	-
(c) Trade & Other Receivables: Salasar Techno Engineering Limited	Holding Company	-	160.26	-

Note 33.1:

a. Transactions were taken place on arm's length basis.

b. No amount in respect of debts pertaining to the related parties have been written off or written back during the period.

c. The Company had not made any payments to related parties since the initiation of the Corporate Insolvency Resolution Process (CIRP) on November 12, 2018, except for the salaries paid to two suspended working directors during the financial year 2023-24.

Note 34:

As per Ind AS 19 "Employee benefits", the disclosures as defined in the Indian accounting standard are given below :

Defined Benefit Plan

The employees' gratuity fund scheme managed by a trust is a defined benefit plan. For the period ended, the Company has measured its obligation towards gratuity liability of continuing employees as well as employees left by applying assumptions as given below.

Particulars	Gratuity		Leave Encashment	
	March 31st, 2025	March 31, 2024	March 31st, 2025	March 31, 2024
a. Change in Defined Benefit Obligation :				
Defined Benefit Obligation at the beginning of the period/year	170.46	197.08	32.83	-
Interest Cost	10.98	-	2.29	-
Current Service Cost	10.78	7.13	2.00	32.83
Past Service Cost	-	-	-	-
Benefits Paid	(11.03)	(33.75)	-	-
Actuarial Gain/(Loss) on Obligation (Opening balance difference)	(7.38)	-	35.81	-
Actuarial Gain / (Loss) on Obligation	18.66	-	-7.35	-
Present Value of obligation as at the end of the period	192.47	170.46	65.59	32.83
b. Change in Fair Value of the Asset				
Fair Value of the plan assets at the beginning of the year	111.73	136.69	-	-
Investment Income/(Expenses) (net of any expenses deducted)	8.38	8.80	-	-
Contributions	28.08	-	-	-
Benefits paid	(11.03)	(33.75)	-	-
Return on plan assets, excluding amount recognised in Net Interest Expenses	-	-	-	-
Actuarial Gain / (Loss) on Revaluation of Plan Asset	(0.98)	-	-	-
Fair Value of Plan assets at the end of the period	136.19	111.73	-	-
c. Net Asset/(Liability) recognised in the Balance Sheet				
Fair Value of the Plan Assets	136.19	111.73	-	-
Present Value of the obligation as at the end of the year	192.47	170.46	65.59	32.83
Amount recognized in Balance Sheet	-56.28	-58.72	-65.59	-32.83
Current Liabilities (Net)	-	-	-	-
Non-Current Liabilities (Net)	-56.28	-58.72	-65.59	-32.83
d. Expenses recognised in the Income Statement (under the head contribution to provident fund and other funds)				
Current Service Cost	10.78	7.13	2.00	-
Past Service Cost	-	-	-	-
Net Interest Income/(cost) on the Net Defined Benefit liability	2.60	-	2.29	-
Expenses recognised in the statement of Profit and Loss	13.38	7.13	4.29	-
e. Other Comprehensive Income (OCI)				
Expected Return from Plan Asset	-	-	-	-
Net Actuarial Gain/(Loss) recognised in the year	12.26	-	28.46	-
Components of defined benefit costs recognised in OCI	12.26	-	28.46	-

Note 34.1:

(a) Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2012-14) Ultimate.

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

(c) Discount rate for this valuation is based on yield to maturity (YTM) available on government bonds having term similar to estimated term of liabilities as per Para 83 of Ind AS 19. The discount rate used is as per Clearing Corporation of India Limited as of 28-Mar-24.

(d) In the previous financial year, the gratuity provision was based on data provided by the Insurer-based estimation (SBI Life Insurance Fund). For the current financial year, an independent actuarial valuation has been conducted. Consequently, the difference in the opening gratuity payable amount, amounting to a decrease of ₹7.38 lakhs, has been routed through the actuarial gain/loss account and has been grouped under Other Comprehensive Income.

The key assumptions used in the calculations are as follows

Particulars	31-03-2025	31-03-2024
Discount Rate	6.49% p.a	6.97% p.a
Rate of increase in salaries	6.00% p.a	6.00% p.a
Mortality	-	-

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

- Interest Rate Risk :** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- Liquidity Risk :** This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
- Salary Escalation Risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- Demographic Risk :** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- Regulatory Risk :** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs.

Note 35: Useful Life of Property, Plant and Equipments

Classification as per Schedule-II of Companies Act 2013	Useful life estimated by management (in years)	Useful Lives Estimation Base
Free-hold Buildings	3-60	Schedule-II of Companies Act, 2013
Furniture, Fittings and Equipment	3-15	Schedule-II of Companies Act, 2013
Plant and Machinery	2-40	Technical Evaluation of Management (#)
Vehicles	5-10	Schedule-II of Companies Act, 2013

Based on the technical evaluation, the management believes that the useful lives as given above best represents the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part-C of Schedule-II of the Companies Act, 2013.

EMC Limited

CIN:U70100WB2010PLC151197

Notes to the Standalone Financial Statements

(All amounts in ₹ lakhs, unless other wise stated)

Note 36: Income Tax Expenses

This note provides an analysis of the company's income tax expenses, show amounts that are recognised directly in equity and how the tax expenses is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax position.

	For the Period Ended 31st March, 2025	For the Year Ended 31st March, 2024
(a) Income Tax Expenses		
Current Tax :		
Current Tax on profits for the period/year	-	-
Adjustments for deferred tax of prior periods	-	-
Total Current Tax Expenses	-	-
Deferred Tax :		
Decrease/(Increase) in deferred tax assets	-	-
(Decrease)/Increase in deferred tax liabilities	698.91	(21,994.31)
Adjustments for deferred tax of prior periods	-	-
Total Deferred tax expenses/(benefits)	698.91	(21,994.31)
Total Income Tax Expenses	698.91	(21,994.31)
Income Tax Expenses is attributable to :		
Current Tax	-	-
Deferred Tax	121.10	(21,994.31)
Total Tax Expenses Charged to Statement of Profit & Loss	121.10	(21,994.31)
Total Tax Expenses/(Deferred Tax Benefits) Charged against OCI	577.81	-
Total Tax Expenses/(Deferred Tax Benefits)	698.91	(21,994.31)
(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate :		
During current period and previous year the company has incurred tax losses, hence there is no current tax required to be payable under Income Tax Act,1961. Accordingly, reconciliation of tax expenses is not presented.		
(c) Amount recognised directly in equity	31st March, 2025	31st March, 2024
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited/ (credited) to equity:		
Current tax: share issue transaction cost	-	-
Deferred tax: Convertible bonds	-	-
Total	-	-
(d) Tax losses	31st March, 2025	31st March, 2024
Unused tax losses for which no deferred tax has been recognised	6,39,489.18	6,37,085.03
Potential tax benefits @ 29.12%	1,86,219.25	1,98,770.53
(e) Unrecognised temporary differences	31st March, 2025	31st March, 2024
Difference relating to Investment for which deferred tax assets have not been recognised:		
Unrecognized deferred tax assets @ 29.12%	-	-

Note 36.1: In accordance with Ind AS 12 – Income Taxes, the Company has not recognised any deferred tax assets in the current financial year, as there is no reasonable certainty supported by convincing evidence that sufficient future taxable profits will be available against which such deferred tax assets can be utilised.

EMC Limited
CIN:U70100WB2010PLC151197
Notes to the Standalone Financial Statements
(All amounts in ₹ lakhs, unless other wise stated)

Note 37: Disclosure in terms of IND-AS 115: Revenue from Contract with customers

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
Revenue from operations:		
• Sale of Products	1,589.53	2,107.43
• Other operating revenue	323.75	57.32
	1,913.28	2,164.75
• ECL for debtors related to terminated contracts	-	-
	-	-

Disaggregation of Revenue

The table below presents disaggregated revenues from contracts with customers by geography/ offerings/ contract-type /contract duration /market or customer type / timing of recognition. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Revenue based on geography:

• India	1,913.28	2,164.75
• Outside India	-	-
	1,913.28	2,164.75

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particulars	31st March, 2025	31st March, 2024
Trade receivables - current	2,788.24	4,262.30

The Company receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional. Contract assets includes amounts related to our contractual right to consideration for completed performance objectives not yet invoiced and deferred contract acquisition costs, which are amortized along with the associated revenue.

Significant judgements and estimates - timing of satisfaction of performance obligation, transaction price and its allocation

The performance obligation is satisfied usually on delivery of goods or services provided. There are no significant judgement and estimates on transaction price and its allocation. The obligations for returns, refunds and similar obligations are minimal. There are no warranties or related obligations in terms of the existing contract.

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	31st March, 2025	31st March, 2024
Revenue from contracts with customers (as per Statement of Profit and Loss)	1,913.28	2,164.75
Add: Discounts, rebates, refunds, credits, price concessions	15.62	15.98
Less: Incentives, performance bonuses	-	-
Contracted price with the customers	1,928.90	2,180.73

Note 38: Schedule III additional disclosure requirements

(A) Title Deed of Immovable Property not held in name of the Company:

As at 31st March 2025

Relevant line item in the Balance sheet	Description of item of property	Gross Carrying Value	Title deed held in the name of the company	Whether title deed holder is a promoter, director or relative of promoter* /director or employee of promoter /director	Property held since which date	Reason for not being held in the name of the company
---	---------------------------------	----------------------	--	--	--------------------------------	--

* All title deeds of the Immovable property are in the name of the Company.

As at 31st March 2024

Relevant line item in the Balance sheet	Description of item of property	Gross Carrying Value	Title deed held in the name of the company	Whether title deed holder is a promoter, director or relative of promoter* /director or employee of promoter /director	Property held since which date	Reason for not being held in the name of the company
---	---------------------------------	----------------------	--	--	--------------------------------	--

* All title deeds of the Immovable property are in the name of the Company, though these have been mortgaged with lenders against loans taken by it.

(B) Relationship with struck off company

As at 31st March 2025

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at current period	Relationship with the struck off company, if any, to be disclosed	Balance outstanding as at previous period	Relationship with the struck off company, if any to be disclosed
--------------------------------	--	--	---	---	--

*No transaction have been carried out with any struck off company during the period ended 31st March 2025.

As at 31st March 2024

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at current period	Relationship with the struck off company, if any, to be disclosed	Balance outstanding as at previous period	Relationship with the struck off company, if any to be disclosed
--------------------------------	--	--	---	---	--

*No transaction have been carried out with any struck off company during the period ended 31st March 2024.

(C) Key Financial Ratios

Ratio	31.03.2025	31.03.2024	% Change	Reasons for change
(i) Current Ratio	3.05	0.58	426.21%	Elimination of borrowings and lower liabilities significantly improved liquidity.
(ii) Debt-Equity Ratio	-	2.28	-100.00%	Company became debt-free in 2025; borrowings fully repaid.
(iii) Debt Service Coverage Ratio *	-	-	0.00%	N/A
(iv) Return on Equity Ratio	(0.142)	(0.280)	49.36%	Major equity infusion improved ROE further.
(v) Inventory Turnover Ratio	225.72	209.99	7.49%	N/A
(vi) Trade Receivables Turnover Ratio	0.39	0.51	-23.42%	N/A
(vii) Trade Payable Turnover Ratio	1.05	0.666	58.07%	Decrease in payables resulted in faster turnover.
(viii) Net Capital Turnover Ratio	0.30	(0.24)	226.89%	Improved asset utilization in 2025 despite negative equity in 2024
(ix) Net Profit Ratio	(1.70)	(0.83)	-103.40%	Net losses deepened, likely due to increased expenses or lower revenue.
(x) Return on Capital Employed	(0.136)	(1.126)	87.89%	Negative but less severe, as capital employed improved due to equity infusion.
(xi) Return on Investment	(0.14)	(0.09)	-65.88%	Higher losses caused return on investments to decline further.

* Since the Company has been under insolvency proceedings since 12 November 2018, the National Company Law Tribunal (NCLT) issued a closure order on 07 January 2025 read with order dated 08 January 2025, marking the conclusion of the process.

- Current ratio = Current assets ÷ Current liabilities
- Debt-Equity ratio = Total debt ÷ Shareholders funds
- Debt service coverage ratio = Earnings available for debt service ÷ Debt service
Where, Earnings for debt service = Net profit before tax + Non cash operating expenses like depreciation + Interest + Other adjustments like loss on sale of fixed assets
- Return on Equity ratio = Net profit ÷ shareholders funds
- Inventory Turnover ratio = COGS ÷ average Inventory
- Trade receivables turnover ratio = Net credit sales ÷ average receivables
- Trade payables turnover ratio = Net credit purchases ÷ average payables
- Net capital turnover ratio = Total turnover ÷ Average working capital
- Net profit ratio = Net profit ÷ Total revenue
- Return on capital employed = EBIT ÷ (Shareholders funds + total borrowings)
- Return on Investment = Net profit ÷ (shareholders funds + total borrowings)

EMC Limited

CIN:U70100WB2010PLC151197

Notes to the Standalone Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

Note 39(a): Sale as Going Concern – Capital Reserve & Closure of Liquidation

Pursuant to the order of the Hon'ble NCLT, Kolkata Bench dated 21st November 2023, Mr. Raj Singhania (IBBI/PA-001/IP-P00188/2017-18/10367) was appointed as the Liquidator of the Company and liquidation proceedings commenced accordingly.

Under the powers conferred by Section 35(1)(f) of the IBC and relevant IBBI regulations, the Liquidator issued a sale notice dated 16th February 2024 for the sale of the Company on an 'As is where is', 'As is what is', 'Whatever is there is', and 'No recourse' basis as a going concern. Following an e-auction conducted on 14th March 2024, M/s Salasar Techno Engineering Limited (CIN: L23201UP2001PLC209751) emerged as the Successful Bidder with a bid of ₹17,800 lakhs. A Sale Certificate was issued on 15th May 2024, and operational control of the Company was transferred on 1st July 2024.

The financial statements for the year ended 31st March 2024 have been prepared on a liquidation basis, with assets measured at the lower of carrying amount and estimated net realizable value, and liabilities at estimated settlement amounts. The net impact of the restatement and gain on sale aggregating to ₹6,80,723.51 lakhs has been transferred to the Capital Reserve.

The Successful Auction Purchaser filed an application (I.A. (IB) No. 1140/KB/2024) before the Hon'ble NCLT seeking certain reliefs, waivers, and concessions. Vide order dated 22nd October 2024, the Hon'ble NCLT granted such reliefs as were within its jurisdiction under the IBC and the Companies Act, 2013. Matters falling outside its jurisdiction are to be dealt with by appropriate government authorities.

Based on the Liquidator's final report, the Hon'ble NCLT passed an order on 7th January 2025, followed by a corrigendum on 8th January 2025, declaring the closure of the liquidation process considering the sale of the corporate debtor as a going concern. Form INC-28 was duly filed with the Registrar of Companies on 8th April 2025.

A new Board of Directors was constituted on 20th February 2025 to oversee the Company's future operations. The revival of the Company is considered feasible based on the views of the Liquidator and the Stakeholders' Consultation Committee, and the new promoter is committed to preserving the corporate debtor's value while continuing operations as a going concern.

Particulars	Amount credited to Capital Reserve (Rs. In Lakhs) FY 23-24	Amount credited to Capital Reserve (Rs. In Lakhs) FY 24-25	Total Amount credited to Capital Reserve (Rs. In Lakhs)
Assets			
Other Bank Balances	-	(695.12)	(695.12)
Cash & Cash Equivalent	-	(23.05)	(23.05)
Liabilities			
Other Equity	1,30,818.04	5.00	1,30,823.04
Non-Current Provisions	212.58	-	212.58
Other Current Liabilities	6,122.66	507.91	6,630.57
Other Financial Liabilities	1,594.46	-	1,594.46
Trade Payable	17,342.17	582.79	17,924.95
Short Term Borrowings	5,24,732.03	(475.91)	5,24,256.11
Total:	6,80,821.94	(98.38)	6,80,723.55

Note 39(b): Going Concern

The ability of the Company to continue as a going concern depends on multiple factors. Based on the opinion of the Liquidator and the Stakeholders Consultation Committee, the revival of the Company is considered feasible in the foreseeable future. The New Investor/ Promoter is committed to making all necessary efforts to protect and preserve the value of the Corporate Debtor's assets while managing its operations as a going concern.

Following the issuance of the Sale Certificate on May 15, 2024, the Company was acquired as a going concern by M/s Salasar Techno Engineering Limited (CIN: L23201UP2001PLC209751), the successful auction purchaser. The operational control and management of the Company were officially transferred to M/s Salasar Techno Engineering Limited on July 1, 2024.

The Liquidator has filed the closure report for the Liquidation Process. The Hon'ble NCLT pronounced its order for closure on January 7, 2025, followed by a corrigendum order on January 8, 2025. The final closure of the liquidation process is subject to the Hon'ble NCLT's decision on the relief application filed by the successful auction purchaser.

Furthermore, a new Board of Directors was constituted on February 14, 2025, to oversee the management and future direction of the Company.

(Refer to Note 1 for details regarding the preparation of financial statements.)

Note 40: Information with regard to other matters, as required under Schedule III to the act is disclosed to the extent applicable to the Company for the period ended 31st March 2025

i. Pursuant to the Liquidation Process under the Insolvency and Bankruptcy Code, 2016, the National Company Law Tribunal (NCLT) on 08 January 2025 (Order date), has passed an order for the Closure of the Liquidation Process as the Company has been sold as a going concern to Salasar Techno Engineering Limited (SRA).

ii. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current period's classification/disclosure.

iii. The Company has prepared the financial statements by applying the specified rounding off requirements of Division II to the Schedule III of the Companies Act, 2013.

Note 41: Prior Period Error – Impairment Loss Adjustment

During the financial year 2023–24, two prior period errors were identified in the Company's financial statements and have been rectified retrospectively in the current financial year in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

1. Overstatement of Interest Income

In the financial year 2023–24, excess interest income, including accrued interest, amounting to ₹24,92,213 was erroneously recognized in the books of accounts. This resulted in: Overstatement of Retained Earnings, and Overstatement of Accrued Interest by ₹24,92,213.

In the current financial year, this error has been rectified by adjusting retained earnings and accrued interest by ₹24,92,213. The adjustment has no impact on the profit or loss of the current year.

2. Overstatement of Impairment Loss

Also in the financial year 2023–24, the Company underwent liquidation proceedings under the "Going Concern" assumption as per the order of the Hon'ble Tribunal. As per the Tribunal's directive, all liabilities were transferred to the Capital Reserve, and assets were subjected to impairment testing.

However, an error was identified in the computation of impairment loss, which was overstated by ₹82,10,17,473.03. The overstated amount had been presented under exceptional items in the Statement of Profit and Loss for that year, leading to:

Understatement of Retained Earnings, and Overstatement of Capital Reserve by ₹82,10,17,473.03.

This error has been rectified in the current financial year by adjusting the Capital Reserve and Retained Earnings by ₹82,10,17,473.03. This adjustment also has no impact on the profit or loss of the current year.

In both cases, comparative figures have not been restated, as the adjustments pertain solely to reserves and balance sheet classifications and do not affect the previously reported profit or loss or total equity.

For KASG & Co.

Chartered Accountants

Firm Registration No. 002228C


Roshan Kumar Bajaj
Partner

Membership No. 068523




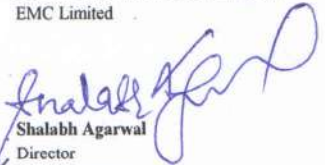
Date: 14/05/2025


Place: Kolkata


For and on behalf of EMC Limited

EMC Limited


Bishnu Kumar Bajaj
Chief Executive Officer
Din No.03000684


Shalabi Agarwal
Director
Din No.00316155


Alok Kumar
Director
Din No.01474484


Manish Kumar Drolia
Chief Financial Officer
PAN No. AKLPD0063F