L&T- MHI POWER BOILERS PRIVATE LIMITED

ANNUAL REPORT FY 25-26

BOARD REPORT

Dear Members,

Your Directors have pleasure in presenting their Twentieth (20th) Annual Report and Audited Financial Statements of L&T - MHI Power Boilers Private Limited for the year ended March 31, 2026.

1. **FINANCIAL RESULTS/FINANCIAL HIGHLIGHTS:**

Particulars	2025-26	2024-25
	₹ crores	₹ crores
Total Income /Revenue	1,411.09	956.02
Profit / (Loss) Before Depreciation, exceptional items & Tax	(408.65)	(18.36)
Less: Depreciation, amortization, impairment and obsolescence	(28.76)	(30.11)
Profit / (Loss) before exceptional items and tax	(437.41)	(48.47)
Add / (Less): Exceptional Items	(11.64)	-
Profit / (Loss) before tax	(449.05)	(48.47)
Add / (Less): Provision for tax	110.90	11.28
Profit / (Loss) for the period carried to the Balance Sheet	(338.15)	(37.19)
Add: Balance brought forward from previous year	1,254.25	1291.44
Balance available for disposal & carried to Balance Sheet	**916.10**	**1254.25**

The Company has not transferred any amount from profit and loss to general reserve during the current financial year.

2. **PERFORMANCE OF THE COMPANY:**

The revenue from operations and other income for the financial year under review is ₹ 1,411.09 crore as against ₹ 956.02 crore for the previous financial year registering an increase of 47.60%. The profit / (loss) before tax from continuing operations including extraordinary and exceptional items was ₹ (449.05) crore and the profit / (loss) after tax was ₹ (338.15) crore for the financial year under review as against ₹ (48.47) crore and ₹ (37.19) crore respectively for the previous financial year, registering an increase in loss of >100 % due to provisions for liquidity damage on delay for NUPPL, Ghatampur project and UP Vat demand.

3. CAPITAL EXPENDITURE:

As at March 31, 2026, the gross value of property, plant and equipment, investment property and other intangible assets including leased assets, are ₹ 718.91 crore and the net value of property, plant and equipment, investment property and other intangible assets, including leased assets, are ₹ 174.81 crore. Capital Expenditure (Including capital work in progress) during FY 2025-26 is ₹ 17.73 crore.

4. DEPOSITORY SYSTEM:

As on March 31, 2026, 100% of the Company's total paid up share capital representing 23,41,00,000 shares stands dematerialized. Pursuant to Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 every unlisted public company, is required to issue the securities only in dematerialized form and facilitate dematerialization of all its securities. The said rules further prohibit physical transfer of securities in physical mode and issuance of any further securities or buyback unless the entire shareholding of promoters, directors and key managerial personnel, are dematerialized.

5. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the related party transactions entered into during FY2025-26 were in the ordinary course of business and at arm's length. The Board has approved the related party transactions for the FY2025-26 and the estimated related party transactions for the FY2026-27. There are no related party transactions that have conflict of interest with the Company.

A statement containing details of all material transactions/ contracts/ arrangements is attached as **Annexure 'D'** to this report. There are no related party transactions that have conflict of interest with the Company.

6. **DIVIDEND:**

Considering the capital requirement for the ongoing business expansion, the Board of Directors do not recommend any dividend for the financial year under review.

7. **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:**

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

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

Information as required to be given under Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in **Annexure 'B'** forming part of this Report.

9. **DETAILS OF CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Mr. Suresh Kumar Narang, Ms. K. Bhavani, Mr. Dharmendra Kumar Shrivastava, Mr. Tatsuo Shibahara, Mr. Kazuhiro Domoto and Mr. Takeshi Umeda are the present Directors of the Company.

During the year under review, Mr. Derek Michael Shah (DIN: 06526950) resigned as a Director with effect from May 15, 2025 and Mr. Satish N. Palekar (DIN: 07152099) was appointed as an Additional Director of the Company with effect from May 27, 2025.

Mr. Satish N. Palekar (DIN: 07152099) subsequently resigned from the Board with effect from April 7, 2026 due to his superannuation from parent company i.e. Larsen & Toubro Limited. Consequent to the above, Mr. Suresh Kumar Narang (DIN: 02185687) is appointed as to fill the causal vacancy so caused of the Company with effect from April 22, 2026.

The Board of Directors places on record its sincere appreciation for the valuable contributions rendered by Mr. Derek Michael Shah and Mr. Satish Narayan Palekar during their tenure as Directors of the Company.

Mr. Takeshi Umeda and Ms. Bhavani Koneru retire by rotation at the forthcoming Annual General Meeting and being eligible, have offered themselves for re-appointment.

The appointment of Mr. Suresh Kumar Narang will be regularized in the forthcoming Annual General Meeting.

Proposal for the appointment/re-appointment of Directors form a part of the Notice of the General Meeting.

Ms. Ankita Mahesh Nanavare is the Company Secretary and Mr. Manish Mehta is the Chief Financial Officer of the Company.

10. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS/ ANNUAL GENERAL MEETINGS:

The meetings of the Board are held at regular intervals to discuss the pertinent matters with a formal schedule. During the year under review, Four (4) meetings were held on April 23, 2025, July 24, 2025, October 16, 2025 and January 20, 2026.

The Agenda of the meeting is circulated to the Directors in advance. Minutes of the meetings of the Board of Directors are circulated amongst the directors for their perusal.

During the year one Annual General Meeting was held on July 4, 2025 and an Extra Ordinary General Meeting on December 3, 2025.

11. CORPORATE SOCIAL RESPONSIBILITY:

The Corporate Social Responsibility (CSR) Committee comprises Mr. Takeshi Umeda, Mr. Tatsuo Shibahara and Mr. Dharmendra Kumar Shrivastava. The members elect one member as the Chairperson of the Committee.

During the year under review, Two (2) meetings of the CSR Committee were held on April 17, 2025 and October 16, 2025.

The disclosures required to be given under Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) are given as **Annexure 'C'** forming part of this report.

The Chief Financial Officer of the Company has certified that CSR funds disbursed for the projects have been utilized for the purposes and in the manner as approved by the Board.

The Corporate Social Responsibility Policy is disclosed on the Company's website at https://www.lntmhipower.com/investors/.

12. RISK MANAGEMENT POLICY:

The Company has formulated a risk management policy / adopted risk management policy of its Holding Company, Larsen & Toubro Limited and has in place a mechanism to inform the Board Members about risk assessment and minimization initiatives undertaken. It also periodically reviews the risk to ensure that executive management controls risk by means of a properly designed framework.

13. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

In accordance with the requirements of the Companies Act 2013, the Company has established a vigil mechanism framework for directors and employees to report genuine concerns.

This policy provides for adequate safeguards against victimization of persons who complain under the mechanism. The Board of the Company oversees the functioning of the Vigil Mechanism Framework. There are no cases reported for FY 2025-26.

14. COMPANY POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company has formulated a policy on director's appointment and remuneration including recommendation of remuneration of the key managerial personnel and senior management personnel and the criteria for determining qualifications, positive attributes and independence of a director. The Nomination and Remuneration Policy is disclosed on the Company's website at https://www.lntmhipower.com/investors/.

15. PERFORMANCE EVALUATION:

The Board has laid down the manner in which formal annual evaluation of the performance of the Board, Committee, Chairman/ Chairperson and individual directors has to be made.

The evaluation process includes circulation of a comprehensive questionnaire to all Directors for evaluation of the Board and its Committee, Board composition and its structure, Board effectiveness, Board functioning, information availability, adequate discussions, etc. This questionnaire also includes specific criteria and the grounds on which all directors in their individual capacity would be evaluated. The Chairperson of Board analyses the responses to the questionnaire to arrive at an unbiased assessment and the identified actionable areas are discussed and acted upon.

During the year under the review, the Company has completed the performance evaluation of the Board, its committee, Chairman and Directors and the summary of the evaluation has been shared with the members of the Board.

16. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2026, the Board is of the opinion that the Company has robust IFC, commensurate with the nature and size of its business operations and operating effectively without any material weaknesses. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

17. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms that:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the Annual Accounts on a going concern basis; and

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

18. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with Secretarial Standards on issued by the Institute of Company Secretaries of India on Board and General Meetings.

19. PROTECTION OF WOMEN AT WORKPLACE:

The Company is committed to providing a safe and respectful work environment and enforces a zero-tolerance approach towards any conduct which can be considered as sexual harassment. The Company treats every employee with dignity and respect, fosters to create a workplace which is safe and free from any act of sexual harassment.

The parent company Larsen & Toubro Limited (L&T) has formulated a policy on 'Protection of Women's Rights at Workplace as per the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which is applicable to all group companies across the globe. This policy has been widely disseminated.

The policy encompasses the following objectives:

- To define Sexual Harassment;
- To lay down the guidelines for reporting acts of sexual harassment at the workplace; and
- To provide the procedure for the resolution and redressal of Complaints of Sexual Harassment.

The Company has complied with the requirement of constitution of an Internal Committee as stipulated under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 consisting of appropriate balance of members.

There were 0 complaints received during the FY 2025-26 specified under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Awareness workshops / training programs are conducted across the Company, specific programs have been created on the digital platform to sensitize employees to uphold the dignity of their colleagues at workplace and create awareness on prevention of sexual harassment.

- **MATERNITY BENEFIT ACT:**

The Company has a total of 1314 employees of which 36 are women employees. The Company complies with the provisions of the Maternity Benefit Act, 1961, and provides maternity benefits to eligible women employees as per the Act. Adequate facilities and support are provided in line with statutory requirements.

20. AUDITORS REPORT:

The Auditors' report for the FY 2025-26 to the shareholders does not contain any qualification, observation or comment or adverse remark(s). The Auditor's report is enclosed with the Financial Statements forming part of this Annual Report.

21. **STATUTORY AUDITORS:**

The Statutory Auditors, M/s Sharp & Tannan, (Firm registration number: 109982W) were appointed as Statutory Auditors for a period of five continuous years in FY 2022-23 till FY 2026-27 i.e from the conclusion of 16th Annual General Meeting till the conclusion of 21st Annual General Meeting.

The Board reviews the independence and objectivity of the Auditors and the effectiveness of the Audit process.

The Certificate from M/s Sharp & Tannan, Chartered Accountants, has been received to the effect that they satisfy the criteria provided in Section 141 of the Companies Act, 2013 and that their appointment is within the limits prescribed under Section 141(3)(g) of the Act.

22. **SECRETARIAL AUDIT REPORT:**

The Secretarial Audit Report issued by M/s. Bhumika & Co., Practicing Company Secretary is attached as **Annexure 'E'** to the Annual Report.

The Secretarial Auditors' report to the shareholders does not contain any qualification, reservation or comment which has any material adverse effect on the functioning of the Company.

23. **COST AUDITORS:**

The provisions of section 148(1) of the Companies Act, 2013 are applicable to the Company and accordingly the Company has maintained cost accounts and records in respect of the applicable products for the year ended March 31, 2026.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and as per the Companies (Cost Records and Audit) Rules, 2014 (the Rules), and amendments thereof, the Board of Directors, at its meeting held on April 22, 2026, has approved the re-appointment of M/s. Smit Manubhai & Associates, Cost Accountants as Cost Auditors of the Company for audit of cost accounting records for FY 2026-27 at a remuneration of ₹ 82,500/-plus applicable taxes and out of pocket expenses. They have confirmed their independent status and that they are free from any disqualifications under section 141 of the Companies Act, 2013.

A proposal for ratification of remuneration payable to the Cost Auditor for the FY2026-27 is placed before the shareholders.

The Report of the Cost Auditors for the financial year ended March 31, 2026, is under finalization and shall be filed with the Ministry of Corporate Affairs within the timelines prescribed under the Companies Act, 2013.

24. INTERNAL AUDIT:

The Internal Auditor monitors and evaluates the efficacy and adequacy of the internal control system of the Company, its compliances with operating systems and accounting procedures and policies of the Company. The observations and corrective measures are presented to the Board.

M/s Mahajan & Aibara, are appointed as the Internal Auditors of the Company.

25. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

26. ANNUAL RETURN:

As per the provisions of section 92(3) of the Companies Act, 2013, the Annual Return of the Company for the FY 2025-26 is available on our website https://www.lntmhipower.com/investors/.

27. DESIGNATED PERSON FOR FURNISHING INFORMATION AND EXTENDING CO-OPERATION TO ROC IN RESPECT OF BENEFICIAL INTEREST IN SHARES OF THE COMPANY:

The Company has appointed Mr. Manish Mehta (CFO), as designated person, for furnishing information and extending co-operation to ROC in respect of beneficial interest in shares of the Company to ensure compliance with MCA notification on this matter.

28. OTHER DISCLOSURES:

- **Management Discussion and Analysis:** A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Annual Report. Please refer **Annexure 'A'** of this report.

- The Company complies with the requirement of submitting half yearly returns to the Ministry of Corporate Affairs within the prescribed timelines.

- **Reporting of Frauds:** The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under section 143(12) of the Companies Act, 2013;

- **MSME:** The Company has registered itself on Trade Receivables Discounting System Platform through one of the service providers. The Company has been complying with the requirement of submitting a half yearly return to the Ministry of Corporate Affairs within the prescribed timelines;

- The Company has not made any one-time settlement, therefore, the same is not applicable.

- **Corporate Insolvency Resolution Process Initiated Under The Insolvency And Bankruptcy Code, 2016 (IBC):** Neither any application was received nor any proceeding has been admitted against the Company under the Insolvency and Bankruptcy Code, 2016, during FY 2025-26.

29. ACKNOWLEDGEMENT:

Your Directors take this opportunity to thank the Members, Customers, Supply Chain Partners, Employees, Financial Institutions, Banks, Central and State Government Authorities, Regulatory authorities and various stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the continued co-operation and support received from the Joint Venture partners and Associates.

For and on behalf of the Board

Dharmendra Kumar Shrivastava	Tatsuo Shibahara
Whole Time Director	Whole Time Director
DIN: 10211377	DIN: 09766635
Place: Mumbai	Place: Mumbai
Date:- 22nd April, 2026	Date:- 22nd April, 2026

MANAGEMENT DISCUSSION & ANALYSIS

FY26 began on a positive note with the Company receiving order for Two (2) sets of Ultra-supercritical Steam Generators and its associated auxiliaries for NTPC Gadarwara Super Thermal Power Project, Stage-II (2x800 MW). This was followed by order from L&T for Adani Projects (8x800 MW), which is the largest order received by the Company.

During the year, our projects under execution have completed important milestones by ensuring safety and quality compliance. Commercial Operation Declaration (COD) of Unit#2 at Khurja Super Thermal Power Plant was achieved on 22nd September 2025.COD of Unit-2 at Ghatampur Thermal Power Plant was achieved on 9th December 2025. Boiler Light Up of Unit 3 of Ghatampur Thermal Power Plant was achieved on 25th December 2025.

Business Development & Outlook

The momentum received in FY25 for coal based thermal power projects continued in FY26 with increased tenders from Central Utilities and IPPs. This trend is likely to continue in FY27 as well. LMB will continue to explore opportunities in domestic spares market. The Company will also achieve closure of older projects which are in advance stages of execution. Execution of new projects will gain momentum in FY27 improving the topline.

Annexure 'B' to the Board Report

[A] Conservation of Energy:

(a) Energy Conservation measures taken:

1) Improving energy effectiveness/efficiency of equipment and systems-

- Upgraded the conventional blower motor in the Admin HVAC system to a high-efficiency electronically commutated (EC) motor, resulting in improved energy efficiency and reduced power consumption

- Installed Blue e+ energy-efficient panel air conditioners across all machine control panels, ensuring optimized cooling performance while conserving energy and reducing overall operational power consumption

- Installed a solar water heating system in the canteen, delivering energy conservation through renewable energy use and reduced dependence on conventional heating.

- Installed a 200-kW rooftop solar power system, enabling the use of renewable energy, reducing grid electricity consumption, and supporting long-term energy conservation initiatives.

- Installed energy-efficient air conditioners and BLDC fans in office spaces to enhance overall energy conservation.

2) Improving energy effectiveness / efficiency of Manufacturing Processes

- Energy-saving modifications were implemented on the HBM-2 hydrostatic motor pump and VTL lubrication pump systems, improving efficiency and lowering energy usage.

- Implemented a real-time dashboard for monitoring Argon (Ar) and CO_2 consumption, enabling better visibility, control, and measurable gas savings.

(b) Additional investments and proposals, if any, being implemented for the reduction of consumption of energy:

Not Applicable

(c) **Impact of measures at (a) and (b) above for reduction of energy consumption and the consequent impact on the cost of production of goods:**

- All the above energy-saving measures have resulted in annual savings of ₹ 50.88 Lacs.
- This has also reduced LMB Hazira's carbon footprint by about 300 MT of carbon dioxide equivalent.

[B] Technology Absorption

- Developed and deployed 15 RPA bots across EHS, Planning, Maintenance, Logistics, Quality, Finance, and Digital functions. These automations have eliminated high-volume manual SAP and other system activities, improving accuracy, speed, and governance. These bots are enabling faster decision-making, better compliance, and scalable operations across the organization.

- Successfully implemented a strategic .NET-based Integrated Manufacturing System (IMS) enabling real-time inspection stage monitoring across quality and production. IMS integrates seamlessly with SAP and standardizes inspection workflows across MHS, QAP, NDE, Joint & DU level inspection stages, ensuring end-to-end digital traceability. The solution has driven paperless operations, faster inspections, and improved compliance, while enhancing transparency and customer confidence.

[Other Initiatives]

- LMB remains firmly committed to the conservation of the natural resource water, guided by the 3R principle – Reduce, Reuse, and Recycle. During the year, the Company achieved **85% water neutrality** through the following key initiatives:
  a) A comprehensive **rainwater harvesting system** was implemented on the **A-Shop roof** with robust storage and channelization mechanisms to ensure optimal water utilization. During **FY 2025–26**, a total of **4,788 KL of rainwater** was harvested from the **Administrative Building, Canteen, and A-Shop roofs**, significantly supporting water conservation efforts.
  b) The Company ensured 100% utilization of STP-treated water for gardening and toilet flushing purposes, thereby significantly reducing the dependence on fresh water.

- LMB enhanced ecological resilience by establishing a **Miyawaki forest with 2,699 native saplings**, promoting dense native vegetation, improved biodiversity, and sustainable environmental development.

- LMB adopted circular resource utilization practices by **reusing wooden crates and boxes** received with incoming materials for the dispatch of finished goods, thereby reducing the consumption of virgin wood. During **FY 2025–26**, a total of **1,554 cubic feet (CFT) of wood was reused**, equivalent to saving approximately **12.43 trees**, demonstrating the Company's strong commitment to **resource conservation and sustainable packaging practices**.

- During **FY 2025-26**, LMB achieved a production of **11,291 MT** with **Zero lost time and Zero reportable incidents**, reflecting a strong safety culture and effective operational controls.

- LMB was awarded the **Gold Award** at the **8th CII IQ National Safety Practice Competition**, recognizing excellence in safety systems and practices

[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ crores)

Particulars	**2025-26**	**2024-25**
Earnings: Foreign exchange earned/Deemed exports	18.08	63.07
Outgo: Foreign exchange used	394.30	69.08

ANNEXURE C
ANNUAL REPORT ON CSR ACTIVITIES
FOR THE FINANCIAL YEAR 2025-26

1. **Brief outline on CSR Policy of the Company:**

The Company's CSR Policy framework details the mechanisms for undertaking various programmes in accordance with Section 135 of the Companies Act 2013 for the benefit of the community.

The Company will primarily focus on the following verticals as a part of its CSR programme viz.

Water – may include but not limited to programmes making clean drinking water available, conservation and purification of water.

Education - may include but not limited to promoting education, including special education and employment-enhancing vocational skills especially among children, woman, elderly and the differently abled and livelihood enhancing projects, monetary contribution or education infrastructure support to academic institutions with the objective of assisting students in their studies.

Health - may include but not limited to community health centres, mobile medical vans, dialysis centres, general and specialized health camps and outreach programmes, centres for elderly / disabled, support to HIV / AIDS programme.

Environmental Sustainability - may include but not limited to ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining the quality of soil, air and water.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Dharmendra Kumar Shrivastava	Chief Executive and Whole-time Director	2	2
2.	Mr. Tatsuo Shibahara	Chief Operating Officer and Whole-time Director	2	2
3.	Mr. Takeshi Umeda	Non – Executive Director	2	2

Ms. Ankita Gawankar as the Secretary of the Committee. The Committee elects one amongst them as the Chairman.

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.	***https://www.lntmhipower.com/investors/***
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	**NOT APPLICABLE**
5.	**(a) Average net profit of the company as per sub-section (5) of section 135**	**NOT APPLICABLE**
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135	**NOT APPLICABLE**
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	**NOT APPLICABLE**
	(d) Amount required to be set off for the financial year, if any	**NOT APPLICABLE**
	(e) Total CSR Obligation for the financial year [(b)+(c)-(d)]	**NOT APPLICABLE**
6.	**a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)**	**51,25,736.00**
	b) Amount spent in Administrative Overheads	**NOT APPLICABLE**
	c) Amount spent on Impact Assessment, if applicable	**NOT APPLICABLE**
	d) Total amount spent for the Financial Year [(a)+(b)+(c)]	**51,25,736.00**
	e) CSR amount spent or unspent for the Financial Year	**Refer to below table**

Total Amount Spent	Amount Unspent (in ₹)

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
51,25,736.00	NA	NA	PM Cares Fund	15,899	09th April 2026

f) Excess amount for set-off, if any: NOT APPLICABLE

Sl. No.	Particular	Amount (in ₹ crores)
(i)	Two percent of average net profit of the company as per sub-section (5) of section135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previousFinancial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2022-2023	3,40,63,637	-	Swachh Bharat Kosh	3,30,992	19th April 2024	-
2.	2023-2024	1,20,09,733	-	Swachh Bharat Kosh	2,301	29th April 2025	-
			44,25,402	PM Cares Fund	15,899	09th April 2026	-
3.	2024-2025	7,00,334	7,00,334	NA	0	NA	-
	TOTAL	4,67,73,704	51,25,736	-	3,49,192	-	-

8. Whether any capital assets have been created or acquired through Corporate

Social Responsibility amount spent in the Financial Year:

○ ~~Yes~~ ✓ No

If Yes, enter the number of Capital assets created/ acquired | NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property orasset(s) [including complete address and location of the property]	Pincode ofthe property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135.

For the year 2025-26, the total budget of the Company for the CSR activities was NIL. The Company spends amount on CSR projects keeping in mind sustainability, impact on the desired recipients, and efficacy of implementing agencies. During the year the Company was not required to incur any spend on CSR in view of the losses. Towards the end of the financial year, the CSR ongoing projects for the FY 24 and FY 25 at Ambheta Village, Surat with a CSR budget of ₹ 44.41 lakh and ₹ 7.01 lakh respectively of which ₹ 51.26 lakh were spent and ₹ 0.16 lakh deposited in fund specified under Schedule VII as per section 135(6).

Takeshi Umeda	**Dharmendra Kumar Shrivastava**
Chairman of the Meeting	**Whole Time Director**
DIN: 09766635	**DIN: 10211377**

Date: 22nd April 2026

Annexure D

FORM AOC-2

Pursuant to Clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Part A

Details of contracts or arrangements or transactions not at arm's length basis : NIL

Part B

Details of Material contracts or arrangements or transactions at arm's length basis :

<table>
<tr><th>Name of Related Party</th><th>Nature of Relationship</th><th>Nature of the transaction/contract / arrangement</th><th>Duration</th><th>Salient terms</th><th>Value (₹)</th></tr>
<tr><td colspan="6">Company has entered into various transactions for purchase, sales, services and reimbursements with related parties details of which are given in Note No. 42 attached with the Annual Accounts for the period from April'25 to March'26. These transactions are executed as per the terms of the contract with these parties.</td></tr>
</table>

CS BHUMIKA & CO.
Company Secretaries

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Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
L&T-MHI POWER BOILERS PRIVATE LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **L&T-MHI POWER BOILERS PRIVATE LIMITED (CIN: U29119MH2006PTC165102)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliance and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms, and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and authorized representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions: as applicable:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996, and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
(v) The following Regulations and Guidelines are prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'),
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **presently, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;**
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **presently the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;**
   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **presently the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;**

CS BHUMIKA & CO.
Company Secretaries

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e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013, **presently together read as Securities and Exchange Board of India (Issue and Listing of Non – convertible Securities) Regulations, 2021;**
f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with clients;
g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, **presently the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021**;
h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **presently the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.**

(vi) Other specific business/industry-related laws applicable to the Company–
- ➢ **Gas Cylinders (Amendment) Rules, 2022**
- ➢ **The Static and Mobile Pressure Vessels (Unfired) Rules, 2021**
- ➢ **Indian Boilers Regulations, 1950, read with the latest amendments**

I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards on Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
ii. **The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time,** and the Listing Agreements entered into by the Company with Stock Exchange(s)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors, and Women Directors. The changes in the composition of the Board of Directors or Committees thereof that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on the agenda were sent at least **fifteen** days in advance and at times shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The minutes of the Board meetings and Committee Meetings have not identified any dissent by members of the Board /Committee of the Board, respectively, hence we have no reason to believe that the decisions by the Board were not approved by all the directors/members present.

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I further report that based on a review of the compliance mechanism established by the Company and the Compliance Certificates taken on record by the Board of Directors at their meetings there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the following events/actions have taken place, which have a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc., like -

(i) Public/Right/Preferential issue of shares/ debentures/ sweat equity, etc--NA
(ii) Redemption/buy-back of securities--NA
(iii) Major decisions taken by the members in pursuance of section 180 of the Companies Act, 2013--NA
(iv) Merger/amalgamation/reconstruction, etc--NA
(v) Foreign technical collaborations--NA
(vi) Other Events

a. The Company has approved a contribution to Charitable Funds for providing relief to the victims of floods in Punjab, Himachal Pradesh, Uttarakhand and Assam, which exceeds 5% of the average net profits of the Company during the three immediately preceding financial years.

For Bhumika & Co
Practising Company Secretaries

BHUMIKA JIGNESH SHAH
Digitally signed by BHUMIKA JIGNESH SHAH
Date: 2026.04.14 17:28:12 +05'30'

Bhumika Shah
Membership No: A37321
Certificate of Practice No. 19635
Peer Review No: 1272/2021
UDIN: A037321H000096314

Place: Mumbai
Date: 14 April 2026

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

CS BHUMIKA & CO.
Company Secretaries

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Annexure A

To,
The Members
L&T- MHI POWER BOILERS PRIVATE LIMITED

Our report of even date is to be read along with this letter.

1) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and the happening of events, etc.

5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.

6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Bhumika & Co
Practising Company Secretaries

BHUMIKA JIGNESH SHAH
Digitally signed by BHUMIKA JIGNESH SHAH
Date: 2026.04.14 17:28:28 +05'30'

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SHARP & TANNAN
chartered accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of L&T-MHI Power Boilers Private Limited

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of L&T-MHI Power Boilers Private Limited ('the Company'), which comprise the balance sheet as at March 31, 2026, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information ('the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the 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, 2026, the loss and total comprehensive loss, changes in equity and its cash flows 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) specified under section 143(10) of the Companies Act, 2013 ('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 ('ICAI') together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current financial year. 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.

Key audit matter	How the matter was addressed in our audit
Revenue recognition The Company is engaged in the business of design, engineering, manufacturing, selling, maintenance and servicing of supercritical Boilers, Pulverisers and related products. Revenue from long-term construction contracts is recognised in accordance with Ind AS 115, Revenue from Contracts with Customers, generally based on the extent of progress towards performance obligation. Recognition of the Company's revenue is complex as its core business activity of long-term manufacturing requires management to make assessments that significantly determine the quantum of revenue and margins recognised during a financial year. These assessments include assessing completion of contractually determined obligations, estimating total costs to complete the contract and identification of any possible delays and consequential penalties that may affect the revenue recognised. Revenues, total contract costs and profits could deviate from earlier estimates over the contract tenure depending on several factors. For the year ended March 31, 2026 revenue from operations was Rs. 1358.40 crore - refer note 20 to the financial statements.	Our audit approach was a combination of test of internal controls and substantive procedures which included the following: We tested the relevant internal controls to ensure completeness, accuracy and timing of revenue recognised, including contract assets or contract liabilities. We have assessed whether the revenue recognition methodology was relevant and consistent with Indian accounting standards, and had been applied consistently. We selected a sample of contracts with customers and performed the following procedures: a) Obtained and read contract documents for each selection, change orders, and other documents that were part of the agreement. b) Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations; (ii) changes to costs to complete as work progresses and as a consequence of change orders; (iii) the impact of change orders on the transaction price; and (iv) the evaluation of the adjustment to the transaction price on account of variable consideration. c) Compared costs incurred to date with the Company's estimates of costs to complete to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract and also obtained confirmation from the project team for cost to complete. d) We performed inquiries of management teams to understand reasons for cost variations and to understand management's assessment of potential contract risks. Based on the procedures performed we consider the revenue recognised to be fairly stated.

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the board's report including annexures thereto and management discussion and analysis but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 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 scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal financial controls 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 system 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 the aggregate, make 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 misstatement 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.

SHARP & TANNAN
chartered accountants

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 Companies Act, 2013, we give in the 'Annexure 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, based on our audit 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;

(c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the statement of cash flow dealt with by this report are in agreement with the relevant books of account;

(d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

(g) With respect to the matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act (as amended), in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year; and

(h) With respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (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 the impact of pending litigations on its financial position in its financial statements – refer note 43 to the financial statements;

ii The Company has disclosed foreseeable losses in respect to long-term contracts including derivative contracts for which there were any material foreseeable losses - refer note 36 to the financial statements; and

iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company– refer note 31 to the financial statements.

iv (a) Management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries– refer note 51 to the financial statements;

(b) Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries– refer note 51 to the financial statements;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v The Company has not declared or paid dividend during the year.– refer note 45(b) to the financial statements.

vi Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the accounting period for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of an audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Sharp & Tannan
Chartered Accountants
Firm's registration no.109982W

Firdosh D. Buchia
Partner
Membership no. 038332
UDIN: 26038332NGALIL8016

Mumbai, April 22, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of 'Report on other legal and regulatory requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets;

(B) The Company has maintained proper records showing full particulars of intangible assets;

(b) The Company has a program of physical verification of its property, plant and equipment to cover all the items of property, plant and equipment 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 nature of its property, plant and equipment. According to the information and explanations given to us, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification;

(c) According to the information and explanations given to us with respect to the leasehold land on which manufacturing facilities are constructed by the Company, based on examination of the registered lease deeds provided to us, we report that the lease agreements are in the name of the Company as at the balance sheet date where the Company is the lessee in the agreement.

(d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable to the Company; and

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) According to the information and explanations given to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on such verification, which were not material, have been properly dealt with in the books of account; and

(b) According to the information and explanations given to us, Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks during the year on the basis of security of current assets and quarterly returns or statements filed by the Company with such bank are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us, the Company has not made any investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties. Accordingly, paragraphs 3(iii)(a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of sections 185 and 186 of the Act are applicable. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account and records maintained by the Company specified by the central government for the maintenance of cost records under section 148(1) of the Act with respect to its manufacturing activities and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, the contents of these accounts and records have not been examined by us.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess were in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, the particulars of goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess, which have not been deposited with the appropriate authorities on account of any dispute as at March 31, 2026 are as under.

Name of the statue	Nature of the disputed dues	Amount (Rs. in crore)*	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act and Local Sales Tax Act, Gujarat	Dispute of input tax reversal on capital goods and ITC mismatch	0.15	2010-2011	Deputy Commissioner Commercial Tax, Gujarat
Central Sales tax Act and Local Sales tax Act, Gujarat	Dispute of input tax credit mismatch	0.14	2012-2013	Gujarat VAT Tribunal -Ahmedabad
Goods and Service Tax Act, Gujarat	Dispute of input tax credit mismatch	18.56	2017-2018, 2018-2019, 2020-2021, 2021-2022	Deputy Commissioner (Appeals)
Central Sales tax Act and Local Sales Tax Act, Maharashtra	Disallowance of sales in transit and high sea sales	270.39	2012-2013, 2013-2014, 2014-2015, 2015-2016 and 2016-2017	Appeal filed with Appellate Authority of Commercial Tax, Maharashtra.

Central Sales Tax Act and Local Sales Tax Act, Uttar Pradesh	Disallowance of sales in transit	54.75	2015-2016, 2016-2017 and 2017-18	Commercial Taxes Tribunal, Lucknow U.P.
Central Sales Tax Act and Local Sales tax Act, MP	Disallowance of sales in transit, entry tax	0.70	2016-17	Appellate Authority of Commercial Tax, Bhopal

*Net of amounts paid including under protest.

(viii) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961).

(ix) a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not borrowed any funds from any lender. Accordingly, paragraph 3(ix) (a) of the Order is not applicable to the Company;

b) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable;

d) According to the information and explanations given to us and on the basis of our examination of records of the Company, the funds raised on a short-term basis have not been utilised for long- term purposes; and

e) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates or joint ventures.

f) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) (a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company; and

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.

(xi) (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central government; and

(c) According to the information and explanations given to us, no complaints were received as part of the whistle blower mechanism during the year. Accordingly, paragraph 3(xi)(c) of the Order is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

(xiv) (a) In our opinion the Company has an internal audit system commensurate with the size and nature of its business; and

(b) We have considered the reports of the internal auditor for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable to the Company. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company;

(c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC') as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) and (d) of the Order is not applicable to the Company; and

(d) According to the information and explanations given to us, the Group does not have any CIC.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has incurred a cash loss of Rs. 420.29 crore in the current financial year and Rs. 18.37 crore in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable to the Company.

(xix) 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 and our knowledge of the Board of Directors and Management plans, 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) a) According to the information and explanations given to us and based on our examination of the records of the Company, there are no unspent amounts towards corporate social responsibility ('CSR') on other than on-going projects requiring a transfer to a Fund specified in schedule VII to the Act in compliance with second proviso to subsection (5) of section 135 of the Act.; and

b) In respect of ongoing projects, the Company has transferred the unspent CSR amount as at balance sheet date out of the amounts that was required to be spent during the year, to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(xxi) According to the information and explanations given to us, the Company is not required to prepare consolidated financial statements. Accordingly, paragraph 3(xxi) of the Order is not applicable to the Company.

For Sharp & Tannan
Chartered Accountants
Firm's registration no.109982W

Firdosh D. Buchia
Partner
Membership no. 038332
UDIN: 26038332NGALIL8016

Mumbai, April 22, 2026

SHARP & TANNAN
chartered accountants

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(f) of our report 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 L&T-MHI Power Boilers Private Limited ('the Company') as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('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 Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note, and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, 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 ICAI.

For Sharp & Tannan
Chartered Accountants
Firm's registration no.109982W

Firdosh D. Buchia
Partner
Membership no. 038332
UDIN: 26038332NGALIL8016

Mumbai, April 22, 2026

L&T | MHI POWER

L&T - MHI Power Boilers Private Limited

BALANCE SHEET as at March 31, 2026

₹ crores

Particulars	Note	As at 31-03-2026		As at 31-03-2025	
ASSETS					
Non-current assets					
Property, plant and equipment	1	149.13		161.88	
Capital work-in-progress	34	1.20		-	
Intangible assets	2	1.05		0.65	
Right-of-use assets	3	24.63		24.67	
Financial assets - non current					
Trade receivables	4	-		-	
Loans & Advances	5	0.06		1.15	
Other financial assets	6	26.99		3.10	
Deferred tax assets (net)	35	183.16		84.35	
Other non-current assets	7	79.24		72.95	
			465.46		348.75
Current assets					
Inventories	8	279.45		64.29	
Financial assets - current					
Investments	9	190.51		85.12	
Trade receivables	10	576.31		273.74	
Cash and cash equivalents	11	109.48		7.93	
Other bank balances	12	649.22		412.87	
Others financial assets	13	69.45		5.19	
Other current assets	14	1,934.44		1,125.67	
			3,808.86		1,974.81
TOTAL ASSETS			**4,274.32**		**2,323.56**
EQUITY AND LIABILITIES					
Equity:					
Equity share capital	15	234.10		234.10	
Other equity		949.69		1,251.88	
			1,183.79		1,485.98
Liabilities:					
Non-current liabilities					
Lease liability- non current		1.03		0.63	
			1.03		0.63
Current liabilities					
Financial liabilities					
Lease liability- current		0.27		0.32	
Trade payables - current	16				
- Due to micro and small enterprises		36.20		23.83	
- Due to others		565.76		372.75	
Other financial liabilities	17	338.26		170.33	
Other current liabilities	18	1,949.15		241.44	
Provisions	19	199.86		28.28	
			3,089.50		836.95
TOTAL EQUITY AND LIABILITIES			**4,274.32**		**2,323.56**
Material accounting policies	26				
Notes forming parts of financial statements	27-51				

For Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W
By the hand of

Firdosh D. Buchia
Partner
Membership no. 038332

Place : Mumbai
Date : 22.04.2026

For and on behalf of the Board

Manish Mehta	**Dharmendra Kumar Shrivastava**	**Tatsuo Shibahara**	**Suresh Kumar Narang**
Chief Financial Officer	Whole Time Director DIN: 10211377	Whole Time Director DIN: 09766635	Chairman DIN: 02185687

Ankita Nanavare
Company Secratery
Membership No. 28834

L&T - MHI POWER BOILERS PRIVATE LIMITED

L&T - MHI Power Boilers Private Limited

Statement of profit and loss for the year ended March 31, 2026

₹ crores

Particulars	Note	FY 2025-26		FY 2024-25	
INCOME					
Revenue from operations	20		1,358.40		920.00
Other income	21		52.69		36.02
TOTAL INCOME			**1,411.09**		**956.02**
EXPENSES					
Manufacturing, construction and operating expenses	22				
Cost of raw materials and components consumed		1,032.44		420.65	
Stores, spares and tools		11.59		3.30	
Sub-contracting charges		328.37		322.67	
Change in inventories of finished goods & work in progress		3.73		(4.17)	
Other manufacturing, construction and operating expenses		125.32		68.42	
			1,501.45		810.87
Employee benefit expenses	23		159.14		151.67
Sales, administration and other expenses	24		158.63		11.53
Finance costs	25		0.52		0.31
Depreciation and amortisation expense	1 to 3		28.76		30.11
TOTAL EXPENSES			**1,848.50**		**1,004.49**
Profit before exceptional items and taxes			(437.41)		(48.47)
Exceptional Items	50		(11.64)		-
Profit before tax			(449.05)		(48.47)
Tax expense:	35				
Current tax		-		-	
Deferred tax		(107.97)		(11.28)	
Provision for Deferred Tax on Exceptional Items		(2.93)		-	
			(110.90)		(11.28)
Profit after tax			**(338.15)**		**(37.19)**
Other comprehensive income (OCI)					
a. Items that will not be reclassified to profit or loss					
- Remeasurements of the net defined benefit plans		0.83		(1.81)	
- Income tax on above		(0.21)		0.46	
			0.62		(1.35)
b. Items that will be reclassified to profit or loss					
-Change in fair value of hedging instruments		47.24		5.43	
- Income tax on above		(11.89)		(1.37)	
			35.35		4.06
Total comprehensive income			**(302.18)**		**(34.48)**
Basic earnings per equity shares ₹	45		(14.44)		(1.59)
Diluted earnings per equity shares ₹	45		(14.44)		(1.59)
Face value per equity shares ₹			10.00		10.00
Material accounting policies	26				
Notes forming parts of financial statements	27-51				

As per our report attached.
For Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W

By the hand of

Firdosh D. Buchia
Partner
Membership no. 038332
Place : Mumbai
Date : 22.04.2026

For and on behalf of the Board

Manish Mehta
Chief Financial Officer

Dharmendra Kumar Shrivastava
Whole Time Director
DIN: 10211377

Tatsuo Shibahara
Whole Time Director
DIN: 09766635

Suresh Kumar Narang
Chairman
DIN: 02185687

Ankita Nanavare
Company Secretary
Membership No. 28834

L&T - MHI POWER BOILERS PRIVATE LIMITED

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Statement of cash flows for the year ended March 31, 2026

₹ crores

Particulars	As at 31-03-2026	As at 31-03-2025
A. Cash flow from operating activities:		
Profit / (loss) before tax	**(449.05)**	**(48.47)**
Adjustments for :		
Depreciation and amortisation expense	28.76	30.11
Allowance for doubtful debts	9.46	3.09
Exchange difference in trade receivables and payables	3.02	10.26
Finance costs	0.52	0.31
Interest income	(38.70)	(26.46)
(Profit) / loss on sale of fixed assets (net)	(0.43)	(0.34)
(Gain) / loss on investments	(12.63)	(6.46)
Operating profit / (loss) before changes in operating assets and liabilities	**(459.05)**	**(37.96)**
Adjustments for change in operating assets and liabilities:		
(Increase) / decrease in inventories	(215.16)	(23.52)
(Increase) / decrease in trade and other receivables	(304.91)	164.38
(Increase) / decrease in other assets	(883.03)	72.24
Increase / (decrease) in trade payables	198.85	(128.58)
Increase / (decrease) in other liabilities	2,091.65	(8.48)
Cash generated from operations	**428.35**	**38.08**
Direct taxes refund / (paid) - net	(8.71)	(9.92)
Net cash (used in) / from operating activities	**419.64**	**28.16**
B. Cash flow from investing activities:		
Purchase of fixed assets	(17.73)	(4.41)
Sale of fixed assets	0.60	2.85
Change in other cash and bank balance not available for immediate use	(0.97)	(8.45)
(Purchase) / sale of investments (net)	(92.76)	2.21
Interest received	38.70	26.46
Net cash from investing activities	**(72.16)**	**18.66**
C. Cash flow from financing activities:		
Proceeds / (repayment) of lease liabilities	0.35	0.44
Finance costs paid	(0.52)	(0.31)
Net cash used in financing activities	**(0.17)**	**0.13**
Net (decrease) / increase in cash and cash equivalents (A + B + C)	347.31	46.95
Cash and cash equivalents at beginning of the year	408.95	362.00
Cash and cash equivalents at end of the year	**756.26**	**408.95**

Notes :

1. Cash and cash equivalents included in cash flow statement comprise the following:-

	As at 31-03-2026	As at 31-03-2025
(a) Cash and cash equivalents disclosed under non-current Assets (Note 6)	10.37	-
(a) Cash and cash equivalents disclosed under current assets (Note 11)	109.48	7.93
(b) Other bank balances disclosed under current assets (Note 12)	649.22	412.87
Total cash and cash equivalents as per balance sheet	**769.07**	**420.80**
Less : Other bank balances disclosed under current assets (not available for immediate use) (Note 12)	(12.30)	(11.32)
Less : Unspent CSR Bank Balances (Note 12)	(0.51)	(0.53)
Total cash and cash equivalent as per statement of cash flows	**756.26**	**408.95**

2. Statement of cash flow has been prepared under indirect method as set out in the Indian Accounting Standard (Ind-AS) 7: Statement of Cash Flows.
3. Fixed assets represents property, plant and equipment, intangible assets and right of use assets adjusted for movement of capital work-in-progress.
4. Cash and cash equivalents includes unrealised exchange gain of ₹ 0.01 crores [previous year loss ₹ 0.01 crores].
5. Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report attached.

For Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W
By the hand of

Firdosh D. Buchia
Partner
Membership no. 038332

Place : Mumbai
Date : 22.04.2026

For and on behalf of the Board

Manish Mehta
Chief Financial Officer

Dharmendra Kumar Shrivastava
Whole Time Director
DIN: 10211377

Tatsuo Shibahara
Whole Time Director
DIN: 09766635

Suresh Kumar Narang
Chairman
DIN: 02185687

Ankita Nanavare
Company Secretary
Membership No. 28834

L&T - MHI POWER BOILERS PRIVATE LIMITED

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Statement of changes in equity for the year ended March 31, 2026

₹ crores

Particulars	Equity share capital	Other equity				
		Retained earnings	Items of other comprehensive income	Hedge reserve	Equity component financial instruments	Total other equity
Balance as at 1 April 2025 (A)	234.10	1,254.25	(2.12)	(4.65)	4.39	1,251.87
Profit/(loss) for the year		(338.15)				(338.15)
Other comprehensive income (loss) for the year						
- Remeasurement gains (loss) on defined benefit plans			0.62			0.62
- Change in fair value of hedging instruments				35.35		35.35
Total comprehensive income (loss) for the year (B)	-	(338.15)	0.62	35.35	-	(302.18)
Other change in equity						
- Dividend distributed during the year		-				-
Total other change in equity (C)	-	-	-	-	-	-
Balance as at 31 March 2026 (A + B + C)	234.10	916.10	(1.50)	30.70	4.39	949.69

Particulars	Equity share capital	Other equity				
		Retained earning	Items of other comprehensive income	Hedge reserve	Equity component - financial instruments	Total other equity
Balance as at 1 April 2024 (A)	234.10	1,291.44	(0.77)	(8.71)	4.39	1,286.35
Profit for the year		(37.19)				(37.19)
Other comprehensive income (loss) for the year						
- Remeasurement gains (loss) on defined benefit plans			(1.35)			(1.35)
- Change in fair value of hedging instruments				4.06		4.06
Total comprehensive income (loss) for the year (B)	-	(37.19)	(1.35)	4.06	-	(34.48)
Other change in equity						
- Dividend distributed during the year		-				-
Total other change in equity (C)	-	-	-	-	-	-
Balance as at 31 March 2025 (A + B + C)	234.10	1,254.25	(2.12)	(4.65)	4.39	1,251.88

As per our report attached.

For Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W
By the hand of

Firdosh D. Buchia
Partner
Membership no. 038332

Place : Mumbai
Date : 22.04.2026

For and on behalf of the Board

Manish Mehta
Chief Financial Officer

Dharmendra Kumar Shrivastava
Whole Time Director
DIN: 10211377

Tatsuo Shibahara
Whole Time Director
DIN: 09766635

Suresh Kumar Narang
Chairman
DIN: 02185687

Ankita Nanavare
Company Secretary
Membership No. 28834

L&T - MHI POWER BOILERS PRIVATE LIMITED

Notes forming part of the financial statements for the period ended March 31, 2026

₹ crores

1 Property, plant and equipment

Class of assets	Cost				Depreciation				Book value	
	As at 01.04.2025	Additions	Deductions	As at 31.03.2026	As at 01.04.2025	For the year	Deductions	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
Building	225.35	0.20	0.04	225.51	101.38	8.94	0.03	110.29	115.22	123.97
Plant and machinery	386.98	9.70	3.22	393.46	354.41	15.87	3.20	367.08	26.38	32.57
Computers	7.17	3.80	2.58	8.39	5.68	1.04	2.54	4.18	4.21	1.50
Office equipment	11.25	0.28	2.02	9.51	8.74	1.39	2.02	8.11	1.40	2.51
Furniture and fixtures	14.96	1.05	0.22	15.79	14.04	0.37	0.21	14.20	1.59	0.91
Vehicles	2.70	-	-	2.70	2.28	0.09	-	2.37	0.33	0.42
Total	**648.41**	**15.03**	**8.08**	**655.36**	**486.53**	**27.70**	**8.00**	**506.23**	**149.13**	**161.88**

Class of assets	Cost				Depreciation				Book value	
	As at 01.04.2024	Additions	Deductions	As at 31.03.2025	As at 01.04.2024	For the year	Deductions	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
Building	225.27	0.08	-	225.35	92.03	9.35	-	101.38	123.97	133.24
Plant and machinery	388.95	1.98	3.95	386.98	338.96	17.03	1.58	354.41	32.57	50.00
Computers	6.71	0.94	0.48	7.17	5.34	0.76	0.43	5.68	1.50	1.37
Office equipment	10.39	0.87	0.01	11.25	7.31	1.49	0.06	8.74	2.52	3.08
Furniture and fixtures	14.95	0.18	0.17	14.96	13.80	0.42	0.17	14.05	0.91	1.15
Vehicles	2.86	-	0.16	2.70	2.21	0.10	0.03	2.28	0.43	0.66
Total	**649.12**	**4.06**	**4.79**	**648.41**	**459.65**	**29.15**	**2.27**	**486.53**	**161.88**	**189.48**

2 Intangible assets

Class of assets	Cost				Amortisation				Book value	
	As at 01.04.2025	Additions	Deductions	As at 31.03.2026	As at 01.04.2025	For the year	Deductions	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
Specialised softwares	9.54	0.68	0.26	9.96	8.89	0.28	0.26	8.91	1.05	0.65
Lumpsum fees for technical knowhow	24.69	-	-	24.69	24.69	-	-	24.69	-	-
Total	**34.23**	**0.68**	**0.26**	**34.65**	**33.58**	**0.28**	**0.26**	**33.60**	**1.05**	**0.65**

Class of assets	Cost				Amortisation				Book value	
	As at 01.04.2024	Additions	Deductions	As at 31.03.2025	As at 01.04.2024	For the year	Deductions	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
Specialised softwares	9.50	0.04	-	9.54	8.61	0.28	-	8.89	0.65	0.89
Lumpsum fees for technical knowhow	24.69	-	-	24.69	24.69	-		24.69	-	0.00
Total	**34.19**	**0.04**	**-**	**34.23**	**33.30**	**0.28**	**-**	**33.58**	**0.65**	**0.89**

L&T - MHI POWER BOILERS PRIVATE LIMITED

Notes forming part of the financial statements for the period ended March 31, 2026

₹ crores

3 Right-of-use assets

Particulars	Cost				Depreciation				Book value	
	As at 01.04.2025	Additions	Deductions	As at 31.03.2026	As at 01.04.2025	For the year	Deductions	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
Leasehold Land	26.40	-	-	26.40	2.71	0.30	-	3.01	23.39	23.69
Leasehold Building	-	-	-	-	-	-	-	-	-	-
Office equipments	0.96	-	-	0.96	0.72	0.24	-	0.96	-	0.24
Leasehold Vehicles	0.84	0.82	0.12	1.54	0.10	0.24	0.04	0.30	1.24	0.74
Total	**28.20**	**0.82**	**0.12**	**28.90**	**3.53**	**0.78**	**0.04**	**4.27**	**24.63**	**24.67**

Right-of-use assets

Particulars	Cost				Depreciation				Book value	
	As at 01.04.2024	Additions	Deductions	As at 31.03.2025	As at 01.04.2024	For the year	Deductions	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
Leasehold land	26.40	-	-	26.40	2.43	0.28	-	2.71	23.69	23.97
Building	-	-	-	-	-	-	-	-	-	-
Office equipments	0.96	-	-	0.96	0.40	0.32	-	0.72	0.24	0.56
Leasehold Vehicles	-	0.84	-	0.84	-	0.10	-	0.10	0.74	-
Total	**27.36**	**0.84**	**-**	**28.20**	**2.83**	**0.70**	**-**	**3.53**	**24.67**	**24.53**

L&T - MHI POWER BOILERS PRIVATE LIMITED *

Notes forming part of the financial statements for the period ended March 31, 2026 ₹ crores

4 **Trade receivables - non-current**

Particulars	As at 31-03-2026		As at 31-03-2025	
Unsecured:				
Considered good [note 33]	28.88		29.92	
Less: Allowance for expected credit loss	(28.88)		(29.92)	
		-		-
		-		-

5 **Loans & Advances assets - non current**

Particulars	As at 31-03-2026		As at 31-03-2025	
Considered good :				
Loan & Advances to employees		0.06		1.15
		0.06		**1.15**

6 **Other financial assets - non current**

Particulars	As at 31-03-2026		As at 31-03-2025	
Fixed deposit with banks (maturity > 12 months)		10.37		-
Embedded derivative receivable		15.23		-
Security deposits - unsecured		1.39		3.10
		26.99		**3.10**

7 **Other non-current assets**

Particulars	As at 31-03-2026		As at 31-03-2025	
Unsecured, considered good, unless otherwise stated				
Balance with revenue authorities		3.05		5.47
Deposits		36.70		36.70
Income tax receivable (net of provision)		39.49		30.78
		79.24		**72.95**

8 **Current assets - inventories**

Particulars	As at 31-03-2026		As at 31-03-2025	
Raw materials	232.85		35.68	
Add: Goods-in-transit	-		-	
		232.85		35.68
Components	24.75		20.05	
Add: Goods-in-transit	17.15		1.42	
		41.90		21.48
Stores spares parts	2.38		1.09	
Add: Goods-in-transit	-		-	
		2.38		1.09
Work-in-progress - manufacturing		2.32		6.05
		279.45		**64.29**

9 **Current financial assets - investments**

Particulars	As at 31-03-2026		As at 31-03-2025	
Unquoted investments				
Mutual funds at fair value through profit and loss		190.51		85.12
		190.51		**85.12**

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Notes forming part of the financial statements for the period ended March 31, 2026 ₹ crores

Detail of current investments - mutual fund (unquoted)

Particulars	As at 31-03-2026		As at 31-03-2025	
	No. of units	Amount	No. of units	Amount
ICICI Prudential Saving Fund- Direct Plan Growth	1,74,552	10.08		
Kotak Low Duration Fund direct Growth	23,588	9.00		
SBI Saving Funds Direct Plan Growth	54,19,352	25.20		
Axis Money Market Fund Direct Growth	50,417	7.62		
L&T Mutual Fund	45,819	12.58		
ICICI Short Term Plan Instutional	30,11,922	20.62		
ICICI Prudential Mutual Fund	9,16,021	37.34		
Kotak Mutual Fund	39,470	21.97		
Axis liquid fund	71,749	21.99	1,15,007	33.16
Aditya Birla Sun Life Liquid Fund	2,53,360	11.28	6,93,404	29.03
SBI liquid fund	29,790	12.83	28,276	11.47
HSBC liquid fund	-	-	44,306	11.45
		190.51		**85.12**

10 **Current financial assets - trade receivables**

Particulars	As at 31-03-2026		As at 31-03-2025	
Unsecured:				
Considered good [note 33]	603.70		290.64	
Less: Allowance for expected credit loss	(27.39)		(16.90)	
		576.31		273.74
		576.31		**273.74**

11 **Current financial assets - cash and cash equivalents**

Particulars	As at 31-03-2026		As at 31-03-2025	
Cash and cash equivalents:				
Balances with banks		0.99		2.93
Cash on hand		-		-
Fixed deposits with banks (maturity <= 3 months)		108.49		5.00
		109.48		**7.93**

12 **Current financial assets - other bank balances**

Particulars	As at 31-03-2026		As at 31-03-2025	
Fixed deposit with banks (maturity > 3 months and <=12 months)		636.41		401.02
Unspent CSR bank balance		0.51		0.53
Bank balance not available for immediate use*		12.30		11.32
		649.22		**412.87**

Bank balance not available for immediate use relates to margin money in the nature of security offered for banking facility.

13 **Current financial assets - others**

Particulars	As at 31-03-2026		As at 31-03-2025	
Advances to employees		1.60		1.54
Forward contract receivable		2.58		2.14
Other receivables		2.24		1.30
Embedded derivative receivable		62.90		-
Security deposits - unsecured		0.13		0.21
		69.45		**5.19**

14 **Other current assets**

Particulars	As at 31-03-2026		As at 31-03-2025	
Contract assets:				
Due from customers (project related activity)	643.79		25.37	
Retention money	915.99		954.94	
		1,559.78		980.31
Balance with revenue authorities		200.18		85.98
Advances to suppliers		171.48		53.05
Prepaid expenses		3.00		6.33
		1,934.44		**1,125.67**

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Notes forming part of the financial statements for the period ended March 31, 2026 ₹ crores

15 **Equity share capital**

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity share capital of ₹ 10/- each	23,50,00,000	235.00	23,50,00,000	235.00
Issued, subscribed and paid-up share capital:				
Equity share capital of ₹ 10/- each	23,41,00,000	234.10	23,41,00,000	234.10

15(a) **Reconciliation of number of shares outstanding at the beginning and at the end of the year**

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Balance at the beginning of the year	23,50,00,000	235.00	23,50,00,000	235.00
Add / (less): Change during the year	-	-	-	-
Balance at the end of the year	**23,50,00,000**	**235.00**	**23,50,00,000**	**235.00**
Issued, subscribed and paid up share capital				
Balance at the beginning of the year	23,41,00,000	234.10	23,41,00,000	234.10
Add / (less): Change during the year	-	-	-	-
Balance at the end of the year	**23,41,00,000**	**234.10**	**23,41,00,000**	**234.10**

15(b) **Terms / rights attached to equity shares**

The Company has only one class of share capital i.e. equity shares having face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

15(c) **Shareholders holding more than 5% of equity shares as at the end of the year**

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number of shares	Shareholding %	Number of shares	Shareholding %
Larsen & Toubro Limited, India	11,93,91,000	51%	11,93,91,000	51%
Mitsubishi Heavy Industries, Ltd., Japan	11,47,09,000	49%	11,47,09,000	49%
	23,41,00,000	**100%**	**23,41,00,000**	**100%**

15(d) **Shares held by promoters at the end of the year**

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number of shares	Shareholding %	Number of shares	Shareholding %
Larsen & Toubro Limited, India	11,93,91,000	51%	11,93,91,000	51%
Mitsubishi Heavy Industries, Ltd., Japan	11,47,09,000	49%	11,47,09,000	49%
	23,41,00,000	**100%**	**23,41,00,000**	**100%**

15(e) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2026 are Nil (previous year - Nil).

15(f) The aggregate number of equity shares issued pursuant to contract without payment being received in cash in immediately preceding five years ended March 31, 2026 are Nil (previous year - Nil).

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Notes forming part of the financial statements for the period ended March 31, 2026

₹ crores

16 Current - trade payables*

Particulars	As at 31-03-2026		As at 31-03-2025	
Due to related parties:				
Larsen & Toubro Limited and its' group companies	79.23		88.75	
Mitsubishi Heavy Industries, Ltd. and its' group companies	0.18		4.91	
		79.41		93.66
Due to micro and small enterprises		36.20		23.83
Due to others		486.35		279.09
		601.96		**396.58**

[* refer note 32 - classification and ageing]

17 Current - other financial liabilities

Particulars	As at 31-03-2026		As at 31-03-2025	
Embedded derivative payable		8.54		42.47
Due to others		313.83		127.41
Forward contract payable		15.89		0.45
		338.26		**170.33**

18 Other current liabilities

Particulars	As at 31-03-2026		As at 31-03-2025	
Contract liabilities:				
Due to customers (project related activity)	406.98		156.68	
Advance from customers	1,498.27		66.91	
		1,905.25		223.59
Other payables		43.90		17.85
		1,949.15		**241.44**

19 Current - provisions

Particulars	As at 31-03-2026		As at 31-03-2025	
Employee benefits - compensated absences		14.63		14.00
Other provisions (Ind AS 37 related)		42.93		5.07
Provisions for Sales Tax		138.61		-
Provision for Expected Losses Construction Co		3.69		9.22
		199.86		**28.28**

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Notes forming part of the financial statements for the period ended March 31, 2026 ₹ crores

20 Revenue from operations

Particulars	FY 2025-26		FY 2024-25	
Sales and services				
Manufacturing and trading activity	176.24		120.73	
Construction and project related activity	1,151.46		773.70	
Sale of services/others	30.70		25.57	
		1,358.40		919.99
Other operational income		-		0.01
		1,358.40		**920.00**

21 Other income

Particulars	FY 2025-26		FY 2024-25	
Interest income				
Interest received from banks and others		38.70		26.46
Gain / (loss) on investments				
Gain / (loss) on sale of investments	10.40		6.41	
Fair value gain / (loss) on investments	2.23		0.05	
		12.63		6.46
Other non-operating income				
Gain / (loss) on sale of fixed assets (net)	0.43		0.34	
Lease Rental Received	0.51		2.14	
Other miscellaneous income	0.42		0.61	
		1.36		3.10
		52.69		**36.02**

22 Manufacturing, construction and operating expenses

Particulars	FY 2025-26		FY 2024-25	
Raw material and component	1,037.51		425.92	
Less: Scrap sale	(5.07)		(5.28)	
		1,032.44		420.65
Stores, spares and tools		11.59		3.30
Sub-contracting charges		328.37		322.67
Changes in inventories of finished goods and work-in-progress				
Opening stock-work-in-progress	6.05		1.88	
Less: Closing stock- work-in-progress	(2.32)		(6.05)	
		3.73		(4.17)
Other manufacturing, construction and operating expenses:				
Power and fuel	10.43		7.44	
Royalty and technical know-how fees	5.10		0.52	
Packing and forwarding	7.18		3.41	
Rent and hire charges	13.10		17.66	
Bank guarantee charges	2.40		2.79	
Engineering, professional, technical or consultancy fees	30.95		20.65	
Insurance	8.24		9.09	
Travelling and conveyance	10.83		10.57	
Repairs and maintenance	15.34		6.87	
Provision for forseeable losses	(5.53)		(23.45)	
Software & Subscription charges	10.80		5.22	
Other expenses	16.48		7.65	
		125.32		68.42
		1,501.45		**810.87**

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Notes forming part of the financial statements for the period ended March 31, 2026 ₹ crores

23 Employee benefit expenses

Particulars	FY 2025-26		FY 2024-25	
Salaries and wages		136.71		127.77
Contribution to and provision for				
Provident fund and pension fund	5.92		5.60	
Gratuity funds	0.63		1.95	
		6.55		7.55
Expenses on employee stock option scheme		0.53		1.09
Employee insurance premium		1.27		1.23
Employee welfare expenses		14.08		14.04
		159.14		**151.67**

24 Sales, administration and other expenses

Particulars	FY 2025-26		FY 2024-25	
Rent		0.62		0.53
Rates and taxes		2.99		0.02
Travelling and conveyance		0.06		0.21
Repairs and maintenance		3.20		2.61
Professional fees		0.01		0.01
Audit fees		0.13		0.13
Telephone and postage		1.92		1.89
Advertisement expenses		0.03		0.05
Stationery and printing		0.22		0.18
Bank charges		0.99		0.15
Allowance for doubtful debts		9.46		3.09
Exchange (gain) / loss		(38.97)		(0.29)
Warranty provisions		37.85		(0.37)
Provisions for Sales Tax		138.61		-
Corporate social responsibility		-		2.22
Miscellaneous expenses		1.51		1.11
		158.63		**11.53**

25 Finance costs

Particulars	FY 2025-26		FY 2024-25	
Other interest paid		0.52		0.31
		0.52		**0.31**

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NOTE NO. 26 - Material accounting policies:-

I. Corporate Information

L&T- MHI Power Boilers Private Limited (the 'Company') is a private limited company incorporated and domiciled in India. The Company is a joint venture company between Larsen & Toubro Limited (L&T), India and Mitsubishi Heavy Industries, Ltd. Japan having its registered office at L&T House, Ballard Estate, Mumbai. The Company is engaged in the business of design, engineering, manufacturing, erection & commissioning, selling, maintenance and servicing of supercritical boilers, pulverizers and related products.

II. Statement of compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs under section 133 of Companies Act, 2013 & amendments thereon. In addition, the guidance notes / announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied, wherever applicable, except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

The Company's financial statements are presented in Indian Rupees in crores (₹ 1 crore = ₹ 10 million) rounded off to two decimal places. Per share data are presented in Indian Rupees to two decimals places.

III. Basis of accounting

The Company maintains its accounts on an accrual basis following the historical cost convention, except carrying value of property, plant and equipment considered at deemed cost on the date of transition to Ind AS and certain financial instruments that are measured at fair values in accordance with Ind AS.

Fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

IV. Operating cycle for current and non-current classification

Operating cycle for the business activities of the Company covers the duration of the specific project / contract / service including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period.

V. Revenue recognition

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring a promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of good or service to a customer is done over time, in other cases performance obligation is satisfied at a point in time. For each performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. This method appropriately depicts the progress achieved by the Company in satisfying the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Costs to obtain a contract which are incurred, regardless of whether the contract is obtained, are charged off in statement of profit and loss immediately in the period in which such costs are incurred.

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Significant judgment is used in:

a. Determining the performance obligation;
b. Determining when the transfer of control of good or service to customer is done and when the performance obligation is satisfied; and
c. Determining and allocating the transaction price to performance obligation.

i. Revenue from operations

Revenue is exclusive of goods and service tax (GST) and includes adjustments made towards liquidated damages and other variation wherever applicable. Escalation and other claims, which are not ascertainable / acknowledged by customers are not taken into account.

a. Revenue from sale of goods:

Revenue from sale of manufactured and traded goods is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled in exchange of goods.

b. Revenue from construction / project related activity and contracts for supply / commissioning of complex plant and equipment:

1. Cost plus contracts: Revenue from cost plus contracts is recognized over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
2. Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "due to customers". Amounts received before the related work is performed are disclosed in the balance sheet as liability towards advance from customer. The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment due, are disclosed in the balance sheet as trade receivables. The amount of retention money held by the customers is disclosed as part of other current assets and is reclassified as trade receivables when it becomes due for payment.

c. Revenue from rendering of services

Revenue from rendering services is recognised over time when performance obligation is satisfied and customer obtains the control of the transferred services. Following criteria is required to be met for transfer of control of services:

1. the customer simultaneously receives and consumes the benefits from the services transferred.
2. the Company has an enforceable right to payment for services transferred.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Revenue from contracts for rendering of engineering design services and other services which are directly related to the construction of an asset is recognised on the same basis as stated in (b) supra.

d. Government grants, which are revenue in nature and are towards compensation for the qualifying costs incurred by the Company, are recognised as other operational income in the statement of profit and loss in the period in which such costs are incurred.

e. Other operational revenue represents income earned from the activities incidental to the business and is recognised when performance obligation is satisfied and right to receive the income is established as per the terms of the contract.

VI. Property, plant and equipment (PPE)

PPE is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can measured reliably. PPE is stated at original cost net of tax / duty credits availed, if any, less accumulated depreciation and cumulative impairment. PPE acquired on hire purchase basis are stated at their cash values. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy.

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Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is provable that economic future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. For transition to Ind AS, the carrying value of PPE under previous GAAP as on April 1, 2015 is regarded as its cost. Own manufactured PPE is capitalized at cost including an appropriate share of overheads, administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalized as a part of the cost of the PPE.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

PPE not ready for the intended use on the date of the balance sheet are disclosed as "capital work-in-progress". (Also refer to accounting policy on borrowing costs, impairment of assets and foreign currency transactions.)

Depreciation on PPE has been provided using straight line method so as to write off the cost of the assets less their residual values, if any, based on useful life / usage as prescribed in schedule II of the Companies Act, 2013 or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset.

Gains or losses arising from recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

In respect of the following asset categories, the depreciation is provided at useful life, based on the technical evaluation and business usage, which is different from the useful life prescribed under schedule II to the Companies Act, 2013:

Category of assets	**Useful life as per schedule II (in years)**	**Useful life adopted (in years)**
Air Conditioning and refrigeration equipment	15	12
Motor cars	8	7
Assets deployed at project sites*:		
Construction equipment	15	5
Office equipment	5	5
Air conditioning and refrigeration equipment	15	5
Canteen equipment	15	5
Laboratory equipment	10	5
Photographic equipment	15	5

**Any assets deployed for project site with acquisition value less than Rs 50,000 for above categories of assets, full cost is depreciated in the same financial year.*

Any assets with acquisition value less than Rs 5,000 is depreciated in the same financial year.

VII. Leases

The Company as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation / impairment losses (refer accounting policy on impairment of assets). The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is lower. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

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

- Low value leases; and
- Leases which are short-term.

VIII. Intangible assets

Intangible assets are stated at original cost net of tax / duty credits availed, if any, less accumulated amortization and cumulative impairment. Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as part of the cost of the intangible assets.

Intangible assets are amortized on straight-line basis over the estimated useful life which is the period of six years.

Amortization method and useful life is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset.

IX. Employee benefits

a) Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits like salaries, wages, short term compensated absences the expected cost of bonus, ex-gratia etc. are recognized in the period in which the employee renders the related service.

b) Post-employment benefits:

i. Defined contribution plans: The Company's, state governed pension fund scheme and employee state insurance scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

ii. Defined benefit plans: The employees' gratuity fund schemes and provident fund scheme managed by trust are the Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the balance sheet date.

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

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

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

c) Long term employee benefits:

The obligation for long term employee benefits such as long term compensated absences, long service award etc. is measured and recognized in the similar manner as in the case of defined benefit plans as mentioned in (b) (ii) supra.

d) Termination benefits:

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Termination benefits such as compensation under voluntary retirement cum pension scheme are recognized as expense and a liability is recognized at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

X. Financial instruments

i) Initial recognition:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instruments. Financial assets and financial liabilities are initially measured at fair value except for trade receivables not containing a significant financing component that are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

ii) Subsequent recognition:

a) Financial assets:

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of financial assets: The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost viz. trade receivables and other contractual rights to receive cash and other financial asset. For the purpose of measuring expected credit loss allowance for trade receivables, the Company has used a provision matrix which takes into account expected credit loss.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

b) Financial liabilities:

Financial liabilities which are classified at initial recognition as financial liabilities at fair value through profit and loss including loans and borrowings, payables, derivatives designated as hedging instruments in an effective hedge are subsequently measured at fair value. All other financial liabilities including loans and borrowings are subsequently measured at amortized costs using effective interest rate (EIR) method.

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

The Company designates certain hedging instruments, which include derivatives, interest rate swaps, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

Fair value hedges: Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are also subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognized in statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized to profit and loss from that date.

Cash flow hedges: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated in equity under the heading hedge reserve. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit and loss. Amounts previously recognized in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to statement of profit and loss in the periods when the hedged item affects profit or loss, in the same head as the recognized hedged item. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in statement of profit and loss.

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Notes forming part of the financial statements for the year ended March 31, 2026

XI. Inventories

Inventories are valued, after providing for obsolescence, as under:

a) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realizable value. However, these items are considered to be realizable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

b) Manufacturing work-in-progress at lower of weighted average cost including related overheads or net realizable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.

c) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realizable value.

Cost includes related overheads on such goods.

Assessment of net realizable value is done in each reporting period end and when the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed (i.e. the reversal is limited to the amount of the original write-down) so that the new carrying amount is the lower of the cost and the revised net realizable value.

XII. Cash and cash equivalents

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being not free from more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

XIII. Foreign currency transactions

a) The functional currency and presentation currency of the Company is the Indian rupee.

b) Foreign currency transactions are recorded on initial recognition using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currencies and carried at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each balance sheet date at the closing rate are recognized in statement of profit and loss in the period in which they arise except for:

i. Exchange differences on transactions entered into in order to hedge certain foreign currency risks.

XIV. Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation.

Reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. The identification of operating segments and reporting of amounts is consistent with performance assessment and resource allocation by the management.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

XV. Taxes on income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act, 1961, and based on the expected outcome of assessments / appeals.

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Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax liabilities are generally recognized for all taxable temporary differences except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets relating to unabsorbed depreciation / business losses / losses under the head "capital gains" are recognized and carried forward to the extent there is convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Other deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Transaction or event which is recognized outside statement of profit and loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

XVI. Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed for estimated amount of contracts remaining to be executed on capital account and not provided for.

Other commitments related to sales / procurements made in the normal course of business are not disclosed to avoid excessive details.

XVII. Key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment, intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

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27 i) Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

a) Disaggregation of revenue for the year 2025-26

Particulars	Revenue as per Ind AS 115			Other revenue	Total as per P&L
	Domestic	Foreign	Total		
a) Revenue recognised based on performance obligations satisfied over a period of time	1,088.61	62.85	1,151.46	-	1,151.46
b) Revenue recognised based on performance obligations satisfied at a point in time	206.94	-	206.94	-	206.94
c) Other operational income	-	-	-	-	-
Total	1,295.55	62.85	1,358.40	-	1,358.40

Disaggregation of revenue for the year 2024-25

Particulars	Revenue as per Ind AS 115			Other revenue	Total as per P&L
	Domestic	Foreign	Total		
a) Revenue recognised based on performance obligations satisfied over a period of time	762.50	11.19	773.70	-	773.70
b) Revenue recognised based on performance obligations satisfied at a point in time	145.98	0.32	146.30	-	146.30
c) Other operational income	-	-	-	0.01	0.01
Total	908.48	11.51	919.99	0.01	920.00

b) Movement in expected credit loss during the year

Particulars	Provision on trade receivables covered under Ind AS 115	
	2025-26	2024-25
Opening balance (A)	46.82	43.72
Changes in loss allowance:		
• Loss allowance based on expected credit loss	-	-
• Additional provision (net)	9.46	3.09
• Write off as bad debts	-	-
Closing balance (B)	56.28	46.82

(ii) The Company has receivables of ₹ 28.88 crores (previous year ₹ 29.92 crores), from Jaiprakash Power Ventures Ltd & Coastal Energen Private Limited in respect of boiler package of a power plant and spares supply respectively. The company has made 100% provision as Expected credit loss in both the contracts (Refer Note no 4).

c) (i) Movement in contract balances for the year 2025-26

Particulars	Contract assets	Contract liabilities	Net contract balances
Opening balance as at April 1, 2025	980.31	223.59	756.72
Closing balance as at March 31, 2026	1,559.77	1,905.26	(345.48)
Net increase (decrease)	579.46	1,681.67	(1,102.21)

Movement in contract balances for the year 2024-25

Particulars	Contract assets	Contract liabilities	Net contract balances
Opening balance as at April 1, 2024	1,015.82	210.04	805.78
Closing balance as at March 31, 2025	980.31	223.59	756.72
Net increase (decrease)	(35.51)	13.55	(49.06)

(ii) Revenue recognised during the year from opening balance of contract liabilities of ₹ 156.68 crores (previous year ₹ 174.59 crores).

d) Reconciliation of contracted price with revenue during the year

Particulars	2025-26	2024-25
Opening contracted price of orders at the start of the year (including full value of partially executed contracts)	14,776.30	10,392.55
Changes during the year on account of:		
Add: Fresh / change orders received along with claims and additional consideration	14,153.69	4,558.58
Add: Exchange rate movement	8.90	2.62
Less: Orders completed	(206.93)	(177.47)
Closing contracted price of orders on hand at the end of the year (including full value of partially executed contracts)	28,731.96	14,776.29

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Reconciliation of contracted price with revenue during the year continues...........

Particulars	2025-26	2024-25
Revenue recognised during the year	1,358.40	919.99
Less : Revenue out of orders completed during the year	206.95	176.59
Revenue out of orders under execution at the end of the year (I)	1,151.45	743.40
Revenue recognised upto previous year (from orders pending completion at year end) (II)	9,806.70	8,866.53
Balance revenue to be recognised in future (III)	17,773.80	5,166.36
Closing contracted price of orders on hand at the end of the year (including full value of partially executed contracts) (I+II+III)	**28,731.95**	**14,776.29**

e) Remaining performance obligations

Particulars	Likely conversion in revenue		
	Upto 1 year	Beyond 1 year	Total
Transaction price allocated to the remaining performance obligation	2,913.15	14,860.65	17,773.80

The Company has made provisions, as required under the applicable law or accounting standards, for material forseeable losses, where ever required on long-term contracts.

28 Disclosure pursuant to Ind AS 116 "Leases"

i) The Company has availed of following practical expedients as provided by the Ind AS 116 ('the standard') :-

a) Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as short term lease.

b) Leases for which total payment is less than ₹ 0.10 crores in a year are accounted as low value lease.

c) The Company has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

ii) Expense and cash outflow relating to payments not included in the measurement of lease liability

Particulars	2025-26	2024-25
Short term lease	19.33	20.12
Low value lease	0.69	0.24
Variable lease payments	-	-
Interest expenses on lease liabilities	0.12	0.08
Total	**20.14**	**20.43**

iii) There are no variable lease payments associated with the lease contracts entered by the Company. There are no significant extension / termination options associated with the leases which have not been factored in the determination of the lease liability. There are no exceptional / restrictive covenants in the lease agreements.

29 Auditors remuneration and expenses charged to accounts

Particulars	2025-26	2024-25
Audit fees	0.07	0.07
Taxation matters	0.02	0.02
Certification work	0.03	0.02
Reimbursement	0.02	0.02
Total	**0.14**	**0.13**

30 Micro and small enterprises

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006 (MSME). The disclosure pursuant to the said Act are as under:

Particulars	2025-26	2024-25
Principal amount due to suppliers under MSMED Act	35.47	23.10
Interest accrued, due to suppliers under MSMED Act	0.73	0.73
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under MSMED Act (other than section 16)	-	-
Interest paid to suppliers under MSMED Act (section 16)	-	-
Interest due and payable towards suppliers under MSMED Act for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

The information has been given in respect of such vendors to the extent they could be identified as "micro and small" enterprises on the basis of information available with the Company. Provision of interest is made based on principle of prudence.

31 Investor education and protection fund

There were no amounts which were required to be transferred by the Company to the investor education and protection fund.

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Other notes forming part of the financial statements for the year ended March 31, 2026

₹ crores

32 Trade payable - classification and ageing

a. Current period ended as at March 31, 2026

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues					
(i) MSME	36.20	-	-	-	**36.20**
(ii) Others	565.75	-	-	-	**565.75**
Disputed dues					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
Total	**601.95**	-	-	-	**601.95**

b. Comparative for previous period ended as at March 31, 2025

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues					
(i) MSME	23.83	-	-	-	**23.83**
(ii) Others	372.75	-	-	-	**372.75**
Disputed dues					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
Total	**396.58**	-	-	-	**396.58**

33 Trade receivable - classification and ageing

a. Current period ended as at March 31, 2026

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues (a)						
Trade receivables – considered good	524.39	24.06	3.57	2.78	48.90	**603.70**
Trade receivables – considered doubtful	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	(1.24)	(0.38)	(0.55)	(25.23)	**(27.40)**
Disputed dues (b)						
Trade receivables – considered good	-	-	-	-	-	-
Trade receivables – considered doubtful	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	-	-	-	-	-
Disputed Trade Receivable having significant Increase in Credit Risk (c)						
Trade receivables – considered good	-	-	-	-	28.88	**28.88**
Trade receivables – considered doubtful	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	-	-	-	(28.88)	**(28.88)**
Total (a+b+c)	**524.39**	**22.82**	**3.19**	**2.23**	**23.67**	**576.30**

b. Comparative for previous period ended as at March 31, 2025

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues (a)						
Trade receivables – considered good	214.67	18.91	4.31	10.34	71.29	**319.52**
Trade receivables – considered doubtful	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	(0.95)	(0.49)	(1.68)	(42.66)	**(45.78)**
Disputed dues (b)						
Trade receivables – considered good	-	-	-	-	-	-
Trade receivables – considered doubtful	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	-	-	-	-	-
Disputed Trade Receivable having significant Increase in Credit Risk (c)						
Trade receivables – considered good	-	-	-	-	1.04	**1.04**
Trade receivables – considered doubtful	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	-	-	-	(1.04)	**(1.04)**
Total (a+b+c)	**214.67**	**17.96**	**3.83**	**8.66**	**28.62**	**273.74**

34 CWIP - property, plant & equipment - ageing and expected completion schedule

a. CWIP ageing schedule for the current period ended as at March 31, 2026

Particulars	Amount in CWIP for				Total
	Upto 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.20	-	-	-	1.20
Total	**1.20**	-	-	-	**1.20**

CWIP ageing schedule for the previous year ended as at March 31, 2025

Particulars	Amount in CWIP for				Total
	Upto 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

b. CWIP expected completion schedule for the current year ended as at March 31, 2026

Particulars	Amount of CWIP to be completed in				Total
	Upto 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.20	-	-	-	1.20
Total	**1.20**	-	-	-	**1.20**

CWIP expected completion schedule for the previous year ended as at March 31, 2025

Particulars	Amount of CWIP to be completed in				Total
	Upto 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

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Other notes forming part of the financial statements for the year ended March 31, 2026 ₹ crores

35 Tax expenses

Major componets of tax expense

Sr. no.	Particulars	2025-26	2024-25
(a)	**Income tax expense in profit or loss section**		
1	**Current income tax :**		
	Current income tax charge	-	-
	Effect of prior period adjustments	-	-
2	**Deferred tax:**		
	Relating to origination and reversal of temporary differences	(110.90)	(11.28)
Income tax expense reported in profit or loss section		**(110.90)**	**(11.28)**
(b)	**Other comprehensive income (OCI) section:**		
	Current tax on remeasurement of defined benefit plans	-	-
	Deferred tax on remeasurement of defined benefit plans	0.21	(0.46)
	Deferred tax on fair value change of hedging instruments	11.89	1.37
Income tax expense reported in OCI section		**12.10**	**0.91**

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

Sr. no.	Particulars	2025-26	2024-25
1	**Profit/(loss) before tax**	(449.05)	(48.47)
2	Applicable tax rate	25.17%	25.17%
3	Tax on accounting profit (1*2)	(113.02)	(12.20)
4	**Items effecting tax rate:**		
(a)	Tax on CSR expenses being not deductible	-	0.56
(b)	Difference in book and income tax depreciation	2.22	0.29
(c)	Effect of prior period tax adjustments	-	-
(d)	Others	(0.11)	0.07
Tax expense recognised during the year in profit or loss section (3 + 4)		**(110.91)**	**(11.28)**
Effective tax rate		*24.70%*	*23.27%*

Components of deferred tax (assets) and liabilities recognised in the balance sheet and profit or loss section

Sr. no.	Particulars	Balance sheet		Profit or loss section	
		31-Mar-26	31-Mar-25	2025-26	2024-25
1	Fair valuation gain on equity securities (FVTPL)	0.57	0.09	0.48	0.02
2	Provision for compensated absences disallowed u/s 43B	(3.69)	(3.52)	(0.16)	(0.47)
3	Difference in book and income tax depreciation	2.10	1.64	0.46	(0.98)
4	Fair valuation of derivatives w.r.t. cash flow hedges	10.32	(1.56)	-	-
5	Provision for warranty cost	(10.80)	(1.28)	(9.53)	0.09
6	Provision for ECL	(14.16)	(11.78)	(2.38)	(0.77)
7	Provision for foreseeable losses on const. contracts	(0.93)	(2.32)	1.39	5.90
8	Unabsorbed Depreciation	(18.92)	(13.55)	(5.37)	(6.23)
9	Tax loss	(147.65)	(52.07)	(95.80)	(8.85)
Deferred tax expense / (income)				**(110.91)**	**(11.28)**
Net deferred tax (assets) / liabilities		**(183.16)**	**(84.35)**		

Reconciliation of deferred tax (assets) / liabilities

Sr. no.	Particulars	2025-26	2024-25
1	Opening balance	(84.35)	(73.98)
2	Tax (income) / expense during the period recognised in statement of Profit and Loss	(110.91)	(11.28)
3	Tax (income) / expense during the period recognised in OCI for remeasurement of net defined benefits	0.21	(0.46)
4	Tax (income) / expense during the period recognised in OCI for fair valuation of derivatives w.r.t. cash flow hedges	11.89	1.37
Closing balance		**(183.16)**	**(84.35)**

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Other notes forming part of the financial statements for the year ended March 31, 2026 ₹ crores

36 Movement in provisions: product warranties & others

Particulars	Warranty		Others	
	2025-26	2024-25	2025-26	2024-25
Opening balance	5.07	5.45	9.22	32.67
Add:- Additional provision during the year	40.05	0.31	138.61	-
Less:- Provision used / reversed during the year	(2.19)	(0.68)	(5.53)	(23.45)
Closing balance	**42.93**	**5.07**	**142.30**	**9.22**

The Company gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made as at period end represents the amount of the expected cost of meeting such obligations of rectification/replacement.

*Other provision mainly includes provision for sales tax and onerous contracts.

37 Employee benefits

Employee benefits –provision for / contributions to retirement benefit schemes are made in accordance with Ind AS - 19 Employee Benefits as follows –

i. Defined Contribution Plan - The Company has contributed ₹ 4.19 crores (previous year ₹ 4.00 crores) towards provident fund during the year, which is recognised as expense in the statement of profit and loss account.

ii. Defined Benefit Plan :

a) General description of gratuity plans

The Company makes contributions to the Employees Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to employees at the time of retirement, death while in employment or termination of employment, of an amount equivalent to 15 days of last drawn salary for every completed year of service or part thereof in excess of six months, provided the employee has completed five years in service, subject to a maximum of ₹ 0.20 crores.

Table 1-A : Amount recognized in balance sheet - gratuity

Particulars	Gratuity plan	
	31-Mar-26	31-Mar-25
Present value of funded defined benefit obligation	34.94	22.51
Less : Fair value of plan assets	(23.50)	(18.81)
Net defined benefit liability / (asset) recognized in balance sheet	**11.44**	**3.69**

b) General description of provident fund

The provident fund is managed by the holding Company – Larsen & Toubro Limited. The plan envisages contribution by employer and employees and guarantees interest at the rate notified by provident fund authority. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

Table 1-B : Amount recognized in balance sheet - provident fund

Particulars	Trust managed provident fund plan	
	31-Mar-26	31-Mar-25
Present value of funded defined benefit obligation	127.64	116.02
Less : Fair value of plan assets	(129.31)	(121.83)
Net defined benefit liability / (asset - not recognised in balance sheet)	**(1.67)**	**(5.79)**

Table 2 - Current year expense charged to statement of profit and loss account

Particulars	Gratuity plan		Trust managed provident fund plan	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Current service cost	2.36	1.81	4.20	4.01
Interest income on plan assets	(1.18)	(1.14)	(9.56)	(8.71)
Interest cost on defined benefit obligation	1.65	1.27	9.56	8.71
Actuarial losses / (gains)	(0.83)	1.81	3.95	(1.04)
Past service cost	9.44	-	-	-
Actuarial gain/(loss) not recognized in books	-	-	(3.95)	1.04
Expense charged to statement of profit & loss account	**11.44**	**3.75**	**4.20**	**4.01**
I. Amount included in employee benefits expense	12.27	1.95	4.20	4.01
II. Amount included as part of "other comprehensive income"	(0.83)	1.81	-	-
Total expense charged to statement of profit and loss (I + II)	**11.44**	**3.75**	**4.20**	**4.01**

L&T - MHI POWER BOILERS PRIVATE LIMITED

Other notes forming part of the financial statements for the year ended March 31, 2026 ₹ crores

Table 3 - Reconciliation of opening and closing balance of present value of defined benefit obligations

Particulars	Gratuity plan		Trust managed provident fund plan	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Opening balance of present value of defined benefit obligations	**22.51**	**19.06**	**116.02**	**107.14**
Add: Current service cost	2.36	1.82	4.20	4.01
Add: Interest cost	1.65	1.27	9.56	8.71
Add: Contribution by plan participants	-	-	10.56	9.75
Add (Less): actuarial losses / (gains) arising from:				
Changes in financial assumptions	(0.55)	0.96	-	-
Changes in demographic assumptions	-	0.27	-	-
Experience adjustments	0.23	0.63	-	-
Less: Benefits paid	(0.70)	(1.52)	(12.49)	(14.39)
Add: Past service cost	9.44	-	-	-
Add: Liabilities assumed on transfer of employees	-	-	(0.21)	0.81
Closing balance of present value of defined benefit obligations	**34.94**	**22.51**	**127.64**	**116.03**

Table 4 - Reconciliation of plan assets

Particulars	Gratuity plan		Trust managed provident fund plan	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Opening fair value of plan assets	18.81	16.76	121.83	111.98
Add: Interest income on plan assets	1.18	1.14	9.56	8.71
Add: Actuarial gain / (losses) - actual return on plan assets less interest income	0.51	0.06	(3.95)	1.04
Add: Contributions by employer	3.69	2.36	4.14	3.97
Add: Assets acquired / (settled)*	-	-	(0.21)	0.81
Add: Contribution by plan participants	-	-	10.44	9.69
Less: Benefits paid	(0.70)	(1.52)	(12.49)	(14.39)
Closing balance of plan assets	**23.50**	**18.81**	**129.32**	**121.83**

* On account of inter group transfer

The Company expects to fund ₹ 11.44 crores (previous year ₹ 3.69 crores) towards its gratuity plan for the next annual reporting period.

Table 5 - Major categories of plan assets as percentage of total plan assets

Category of Assets	Gratuity plan		Trust managed provident fund plan	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Govt. of India securities	-	-	8.45%	8.16%
State Govt. securities	-	-	36.22%	37.70%
Corporate bonds	-	-	34.31%	34.31%
Public sector bonds	-	-	0.72%	1.07%
Special deposit scheme	-	-	1.61%	1.83%
Insurer managed fund (LIC)	100.00%	100.00%	0.00%	0.00%
Mutual funds	-	-	14.10%	14.13%
Others	-	-	4.59%	2.79%
Total	**100%**	**100%**	**100%**	**100%**

Table 6 : Category wise value of plan assets

Category of Assets	Gratuity plan		Trust managed provident fund plan	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Govt. of India securities	-	-	10.93	9.94
State Govt. securities	-	-	46.83	45.93
Corporate bonds	-	-	44.37	41.80
Public sector bonds	-	-	0.93	1.30
Special deposit scheme	-	-	2.08	2.23
Insurer managed fund (LIC)	23.50	18.81	-	-
Mutual funds	-	-	18.24	17.21
Others	-	-	5.94	3.40
Closing balance of plan assets	**23.50**	**18.81**	**129.32**	**121.83**

Table 7: Principal actuarial assumptions for gratuity

Particulars	31-Mar-26	31-Mar-25
Discount rate (p.a.)	6.90%	6.70%
Salary escalation rate (p.a.)	6.00%	6.00%
Attrition rate	2% to 12%	2% to 12%

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

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Other notes forming part of the financial statements for the year ended March 31, 2026 ₹ crores

Table 8 : Sensitivity analysis - impact of increase / decrease in actuarial assumptions in gratuity

Particulars	Gratuity plan	
	31-Mar-26	31-Mar-25
Discount rate		
Impact of increase in 100 bps on defined benefit obligations	(7.20%)	(7.52%)
Impact of decrease in 100 bps on defined benefit obligations	8.32%	8.74%
Salary escalation rate		
Impact of increase in 100 bps on defined benefit obligations	6.97%	8.71%
Impact of decrease in 100 bps on defined benefit obligations	(6.42%)	(7.63%)

Average duration of defined benefit obligations of gratuity plan for current year is 7.72 years (previous year 8.10 years).

Interest payment obligation of trust-managed provident fund is adequately covered by the interest income of the fund. Any shortfall in the interest income over the interest obligation is recognised immediately in the statement of profit and loss .

38 Corporate social responsibility

(a) Nature of CSR activities

The Company undertakes CSR projects in sectors as identified under Schedule VII of the Companies Act, 2013 with special focus on the following four verticals viz water, education, health & environment sustainability. It undertakes its CSR activities whether directly as projects/programmes/activities or through partners such as NGOs, registered trust, business associates. Annexure C to the board report may be referred for the details.

(b)

Particulars	2025-26	2024-25
1. Amount required to be spent by the Company during the year	-	2.20
2. Amount of expenditure incurred	-	2.13
3. Amount transferred to unspent CSR - provision made during the year	-	0.07
4. Total of prior years unspent	0.51	1.33
5. Amount spent out of above point 4	0.51	0.88
6. Closing unspent CSR amount as at balance sheet date	0.00	0.51

39 Fair value measurements

The following methods of assumptions were used to estimate the fair values:

1. Fair value of the cash, short term deposits, trade and other short receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amount largely due to short term maturities of these instruments.

2. Fixed and variable interest rates are revalued by the Company based on the parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluations allownace are taken to account for the expected loss on these receivables.

The Company uses the following hirarchy for determining and disclosing the fair value of financial instruments:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Financial assets by category:

Sr. no.	Particulars	31-Mar-26	31-Mar-25
1	**Measured at fair value through profit and loss (FVTPL)**		
(a)	Mutual funds	190.51	85.12
(b)	Embedded derivatives not designated as cash flow hedges	34.17	-
(c)	Derivative instruments not designated as cash flow hedges	2.58	2.14
2	**Measured at amortised cost**		
(a)	Trade Receivables	576.30	273.74
(b)	Advances recoverable in cash	1.66	2.69
(c)	Cash and cash equivalents	109.48	7.93
(d)	Other bank balances (incl. fixed deposit having maturity >12 mths)	659.60	412.87
(e)	Security deposits	1.51	3.31
(f)	Other receivables	2.24	1.30
3	**Measured at Fair value through OCI (FVTOCI)**		
(a)	Derivative instruments designated as cash flow hedges	-	-
(b)	Embedded derivatives designated as cash flow hedges	43.97	-
Total financial assets		**1,622.02**	**789.10**

Financial liabilities by category:

Sr. no.	Particulars	31-Mar-26	31-Mar-25
1	**Measured at fair value through profit and loss (FVTPL)**		
(a)	Embedded derivatives not designated as cash flow hedges	7.51	36.55
(b)	Derivative instruments not designated as cash flow hedges	12.97	0.15
2	**Measured at amortised cost**		
(a)	Lease liability	1.30	0.95
(b)	Trade payables	601.95	396.58
(c)	Other financial liabilities	313.83	127.41
3	**Financial liabilities at fair value through OCI**		
(a)	Embedded derivatives designated as cash flow hedges	1.04	5.92
(b)	Derivative instruments designated as cash flow hedges	2.92	0.29
Total financial liabilities		**941.52**	**567.85**

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Other notes forming part of the financial statements for the year ended March 31, 2026

₹ crores

Disclosures in statement of profit and loss

Sr. no.	Particulars	2025-26	2024-25
1	**Net gain / (losses) on financial assets and financial liabilities**		
(a)	**Mandatorily measured at fair value through P&L**		
	Gain / (loss) on fair valuation or sale of investment in mutual fund	12.63	6.46
(b)	**Designated as at fair value through P&L**		
	(i) Gain / (loss) on fair valuation or settlement of forward contract not designated cash flow hedges	16.31	1.84
	(ii) Gain / (loss) on fair valuation or settlement of embedded derivative contract not designated cash flow hedges	(35.66)	(0.68)
(c)	**Financial assets measured at amortised cost**		
	(i) Exchange gain / (loss) on revaluation or settlement of items denominated in foreign currency	26.48	5.69
	(ii) (Allowances)/reversal of expected credit loss during the year	9.46	3.09
(d)	**Financial liabilities measured at amortised cost**		
	(i) Exchange gain / (loss) on revaluation or settlement of items denominated in foreign currency	(6.86)	(1.17)
(e)	**Financial assets measured at FVTOCI:**		
(i)	Gains recognized in OCI		
	(a) Gain / (loss) on fair valuation of settlement of forward contracts designated as cash flow hedges	(2.62)	(0.30)
	(b) Gain / (loss) on fair valuation of settlemen of embedded derivatives contracts designated as cash flow hedges	49.86	5.72
2	**Interest revenue**		
	Financial assets measured at amortised cost	38.70	26.46
3	**Interest expense**		
	Financial liabilities that are not measured at FVTPL	(0.52)	(0.31)

Outstanding hedge instruments as at March 31, 2026

Particulars	Nominal Amount	Average Rate (₹)	Timing	
			Upto 12 months	More than 12 months
Currency exposure				
Cash flow hedge				
Foreign currency forward covers				
Payable hedges				
USD including USD pegged currency	0.41	91.54	0.41	-
EUR	0.04	109.63	0.04	-
JPY	81.39	0.59	81.39	-
GBP	0.01	126.53	0.01	-
Receivable hedges				
USD including USD pegged currency	3.82	91.81	3.82	-
EUR	0.18	109.31	0.18	-
JPY	133.19	0.60	133.19	-

Outstanding hedge instruments as at March 31, 2025

Particulars	Nominal Amount	Average Rate (₹)	Timing	
			Upto 12 months	More than 12 months
Currency exposure				
Cash flow hedge				
Foreign currency forward covers				
Payable hedges				
USD including USD pegged currency	-	-	-	-
EUR	0.06	91.68	0.06	-
JPY	-	-	-	-
GBP	0.02	107.89	0.02	-
Receivable hedges				
USD including USD pegged currency	1.23	86.77	1.23	-
EUR	0.19	92.94	0.19	-
JPY	146.81	0.59	146.81	-

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₹ crores

Carrying amounts of hedge instruments

Particulars	2025-26		2024-25	
	Currency exposure	Interest rate exposure	Currency exposure	Interest rate exposure
(i) Forward contracts				
Current				
Asset - Other financial assets	2.58	-	2.14	-
Liability - Other financial liabilities	15.89	-	0.45	-
Non current				
Asset - Other financial assets	-	-	-	-
Liability - Other financial liabilities	-	-	-	-
Current				
Asset - Other financial assets	-	-	-	-
Liability - Other financial liabilities	8.54	-	42.47	-
Non current				
Asset - Other financial assets	-	-	-	-
Liability - Other financial liabilities	-	-	-	-

Movement of hedge reserve

Particulars	2025-26	2024-25
Opening balance	4.65	8.71
Add: Movement in forward contract	2.62	0.30
Add: Movement in embedded derivative	(49.86)	(5.72)
Add: Deferred tax related to above	11.89	1.36
Closing balance	**(30.69)**	**4.65**

Fair value hierarchy as at March 31, 2026

Financial assets and liabilities measured - recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at fair value through Profit and loss (FVTPL)				
Mutual funds	190.51	-	-	190.51
Embedded derivative not designated as cash flow hedges	-	-	-	-
Derivative instruments not designated as cash flow hedges	-	2.58	-	2.58
Measured at amortised cost				
Trade receivables	-	576.30	-	576.30
Advances recoverable in cash	-	1.66	-	1.66
Cash and cash equivalents	-	109.48	-	109.48
Other bank balances (incl. fixed deposit having maturity >12 mths)	-	659.60	-	659.60
Security deposits	-	1.51	-	1.51
Other receivables	-	2.24	-	2.24
Measured at Fair value through OCI				
Derivative financial instruments designated as cash flow hedges	-	-	-	-
Total financial assets	**190.51**	**1,353.37**	-	**1,543.88**
Financial liabilities				
Measured at fair value through profit and loss (FVTPL)				
Embedded derivatives not designated as cash flow hedges	-	7.51	-	7.51
Derivative instruments not designated as cash flow hedges	-	12.97	-	12.97
Measured at amortised cost				
Lease liability	-	1.30	-	1.30
Trade payables	-	601.95	-	601.95
Other financial liabilities	-	313.83	-	313.83
Financial liabilities at fair value through OCI				
Embedded derivatives designated as cash flow hedges	-	1.04	-	1.04
Derivative instruments designated as cash flow hedges	-	2.92	-	2.92
Total financial liabilities	-	**941.52**	-	**941.52**

L&T-MHI POWER BOILERS PRIVATE LIMITED

₹ crores

Fair Value Hierarchy as at March 31, 2025

Financial assets and liabilities measured - recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at fair value through profit and loss (FVTPL)				
Mutual funds	85.12	-	-	85.12
Embedded derivative not designated as cash flow hedges	-	-	-	-
Derivative instruments not designated as cash flow hedges	-	2.14	-	2.14
Measured at amortised cost				-
Trade receivables	-	273.74	-	273.74
Advances recoverable in cash	-	2.69	-	2.69
Cash and cash equivalents	-	7.93	-	7.93
Other bank balances (incl. fixed deposit having maturity >12 mths)	-	412.87	-	412.87
Security deposits	-	3.31	-	3.31
Other receivables	-	1.30	-	1.30
Measured at Fair value through OCI				-
Derivative financial instruments designated as cash flow hedges	-	-	-	-
Total financial assets	**85.12**	**703.98**	-	**789.10**
Financial Liabilities				
Measured at fair value through profit and loss (FVTPL)				
Embedded derivatives not designated as cash flow hedges	-	36.55	-	36.55
Derivative instruments not designated as cash flow hedges	-	0.15	-	0.15
Measured at amortised cost				
Lease liability	-	0.95	-	0.95
Trade payables	-	396.58	-	396.58
Other financial liabilities	-	127.41	-	127.41
Financial liabilities at fair value through OCI				-
Embedded derivatives designated as cash flow hedges	-	5.92	-	5.92
Derivative instruments designated as cash flow hedges	-	0.29	-	0.29
Total financial liabilities	-	**567.85**	-	**567.85**

Fair value of financial assets and liabilities measured at amortised cost:
The carrying amounts of trade receivables, trade payables and cash and cash equivalents and other financial assets and liabilities (measured at amortised cost) are considered to be the same as their fair value due to their short term nature.

40 Financial risk management

The Company is exposed to credit/counter-party risk, liquidity risk, and currency risk and interest rate risk.

The Company's risk management policy (including financial risk) is approved by the board of directors.

The Company's risk management committee is responsible for the implementation of the risk management policy.

a) Credit / counter-party risk
The principal credit risk that the Company is exposed to is non-collection of trade receivables and late collection of receivables leading to credit loss. The risk is mitigated by reviewing creditworthiness of the prospective major customers by the management team of the Company's risk management committee prior to entering into contract and post receipt of contract through continuous monitoring of collections by the project team and the accounts team.

The Company makes adequate provision for non-collection of trade receivables. Further, the Company has not suffered significant payment defaults by its customers.

In addition, for delay in collection of receivables, the Company has made provision for expected credit loss ('ECL') based on ageing analysis of its trade receivables. These range from 5% (Previous year 5%) for dues outstanding from six months to twelve months and 100% (Previous year 100%) for dues outstanding for more than 96 months . The provision for ECL is based on external and internal credit risk factors such as the Company's historical experience for customers, type of customer e.g. public sector, private sectors etc.

ECL reconciliation on trade receivable has been given at note 27(b).

The percentage of revenue from its top two customers is 71.63% for 2025-26 (Previous year 74.44%).

The counter-party risk that the Company is exposed to is principally for financial instruments taken to hedge its foreign currency risks (see below). The counter-parties are mainly banks and the Company has entered into contracts with the counterparties for all its hedge instruments and in addition, entered into suitable credit support agreements to cap counter-party risk where necessary.

The Company invests its surplus funds in bank deposits and liquid investments and mitigates the risk of counter-party failure by investing with institutions having good credit rating.

b) Liquidity risk
The Company's treasury department monitors the cash flows of the Company and surplus funds are invested in non-speculative financial instruments that are usually highly liquid funds (see counter-party risk above).

The Company has credit facilities (both fund based and non-fund based) with banks that will help it to generate funds and other financial facilities for the business.

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Other notes forming part of the financial statements for the year ended March 31, 2026

₹ crores

Maturity profile of financial liabilities as at March 31, 2026

Sr. no.	Particulars	Up to 12 months	More than 12 months	Total
1	**Measured at fair value through profit and loss (FVTPL)**			
(a)	Embedded derivatives not designated as cash flow hedges	7.51	-	7.51
(b)	Derivative instruments not designated as cash flow hedges	12.97	-	12.97
2	**Measured at amortised cost**			
(a)	Lease liability	0.27	1.03	1.30
(b)	Trade payables	601.95	-	601.95
(c)	Other financial liabilities	313.83	-	313.83
3	**Financial liabilities at fair value through OCI**			
(a)	Embedded derivatives designated as cash flow hedges	1.04	-	1.04
(b)	Derivative instruments designated as cash flow hedges	2.92	-	2.92
Total financial liabilities		**940.49**	**1.03**	**941.52**

Maturity profile of financial assets as at March 31, 2026

Sr. no.	Particulars	Up to 12 months	More than 12 months	Total
1	**Measured at fair value through profit and loss (FVTPL)**			
(a)	Mutual funds	190.51	-	190.51
(b)	Embedded derivatives not designated as cash flow hedges	22.92	11.25	34.17
(c)	Derivative instruments not designated as cash flow hedges	2.58	-	2.58
2	**Measured at amortised cost**			
(a)	Trade receivables	576.30	-	576.30
(b)	Advances recoverable in cash	1.60	0.06	1.66
(c)	Cash and cash equivalents	109.48	-	109.48
(d)	Other bank balances	659.60	-	659.60
(e)	Security deposits	0.12	1.39	1.51
(f)	Other receivables	2.24	-	2.24
3	**Measured at fair value through OCI**			
(a)	Derivative financial instruments designated as cash flow hedges		-	-
(b)	Derivative financial instruments designated as cash flow hedges	39.98	3.99	43.97
Total financial assets		**1,605.33**	**16.69**	**1,622.02**

Maturity profile of financial liabilities as at March 31, 2025

Sr. no.	Particulars	Up to 12 months	More than 12 months	Total
1	**Measured at fair value through profit and loss (FVTPL)**			
(a)	Embedded derivatives not designated as cash flow hedges	36.55	-	36.55
(b)	Derivative instruments not designated as cash flow hedges	0.15	-	0.15
2	**Measured at amortised cost**			
(a)	Lease liability	0.32	0.63	0.95
(b)	Trade payables	396.58	-	396.58
(c)	Other financial liabilities	127.41	-	127.41
3	**Financial liabilities at fair value through OCI**			
(a)	Embedded derivatives designated as cash flow hedges	5.92	-	5.92
(b)	Derivative Instruments designated as cash flow hedges	0.29	-	0.29
Total financial liabilities		**567.22**	**0.63**	**567.86**

Maturity profile of financial assets as at March 31, 2025

Sr. no.	Particulars	Up to 12 months	More than 12 months	Total
1	**Measured at fair value through profit and loss (FVTPL)**			
(a)	Mutual funds	85.12	-	85.12
(b)	Derivative instruments not designated as cash flow hedges	2.14	-	2.14
2	**Measured at amortised cost**			
(a)	Trade receivables	273.74	-	273.74
(b)	Advances recoverable in cash	1.54	1.15	2.69
(c)	Cash and cash equivalents	7.93	-	7.93
(d)	Other bank balances	412.87	-	412.87
(e)	Security deposits	0.21	3.10	3.31
(f)	Other receivables	1.30	-	1.30
3	**Measured at fair value through OCI**			
(a)	Derivative financial instruments designated as cash flow hedges	-	-	-
Total financial assets		**784.84**	**4.26**	**789.10**

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Other notes forming part of the financial statements for the year ended March 31, 2026

₹ crores

c) Market risk:
Market risk is the risk of loss of future earnings, fair value and future cash flows that may result from change in price of financial instrument. The value of the financial instrument may change as a result of change in interest rate scenario and other market changes that affect the market risk sensitive instrument. Market risk is attributable to market risk sensitive instruments viz. investments in mutual funds. The Company has got a treasury team which manages cash resources, implementation of hedging strategies for foreign currency exposures, borrowing strategies and ensure compliance with market risk limits and policies. This team is guided by the treasury committee. Company manages the market risk through the treasury committee which evaluates and exercises independent control over the entire process of market risk management. The treasury committee recommends the policies & processes for investments. The committee is appraised the implementation of plan & policies on quarterly basis. Board of the Company is also appraised of the proceedings of the treasury committee on quarterly basis.

(i) Foreign currency risk
Foreign exchange risk is a significant financial risk for the Company. The Company uses derivative financial instruments to mitigate foreign exchange related exposures. Specialist teams that have the appropriate skills and experience take decisions for risk management purposes. The Company's operations also involves foreign currencies and maximum exposure is in US dollars and Japanese Yen.

The board of directors has approved the Company's financial risk management policy covering management of foreign currency exposures. The Company's treasury department monitors the foreign currency exposures and takes appropriate forward covers to mitigate its risk. The Company hedges its foreign currency cashflow exposure both on gross and net cash flow basis (i.e. net expected outcome of the project). These hedges are cash flow hedges. In addition, the Company has embedded derivatives mainly for projects in India that were won on an international competitive bidding basis. These are quoted in foreign currency to naturally hedge the exposure that the Company has as liabilities for the project. Since embedded derivatives unassigned portion are considered ineffective, they are charged to the statement of profit and loss along with the corresponding hedge instrument taken (if any) to mitigate the foreign exchange risk.

The Company does not enter into hedge transactions for either trading or speculative purposes.

Contracts with maturity not later than twelve months include certain contracts that can be rolled over to subsequent periods in line with underlying exposures.

Exchange rate risk

Particulars	Impact on profit after tax		Impact on other components of equity	
	2025-26	2024-25	2025-26	2024-25
USD sensitivity				
INR/USD -increase by 5%*	1.00	0.70	5.34	5.24
INR/USD -decrease by 5%*	(1.00)	(0.70)	(5.34)	(5.24)
EURO Sensitivity				
INR/EURO -increase by 5%*	0.03	0.02	0.61	0.51
INR/EURO -decrease by 5%*	(0.03)	(0.02)	(0.61)	(0.51)
JPY Sensitivity				
INR/JPY -increase by 5%*	0.43	0.33	4.30	2.37
INR/JPY -decrease by 5%*	(0.43)	(0.33)	(4.30)	(2.37)
GBP Sensitivity				
INR/GBP -increase by 5%*	(0.13)	(0.09)	(0.09)	(0.09)
INR/GBP -decrease by 5%*	0.13	0.09	0.09	0.09
CNY Sensitivity				
INR/CNY -increase by 5%*	0.02	0.01	-	-
INR/CNY -decrease by 5%*	(0.02)	(0.01)	-	-

* Holding all other variable constant

(ii) Interest rate risk exposure

Particulars	31-Mar-26	31-Mar-25
Variable rate borrowings	-	-
Fixed rate borrowings	-	-
Total borrowings	-	-

(iii) Price risk in mutual fund investments

Particulars	Impact on profit after tax	
	2025-26	2024-25
Liquid funds		
NAV -increase by 1%*	1.91	0.85
NAV -decrease by 1%*	(1.91)	(0.85)

* Holding all other variable constant

d) The Company has made provisions, as required under the applicable law or accounting standards for material foreseeable losses on long term contracts including derivative contracts, wherever applicable.

L&T - MHI POWER BOILERS PRIVATE LIMITED

Other notes forming part of the financial statements for the year ended March 31, 2026

₹ crores

41 Segment information

The operations of the Company are only in single business segment of "Designing, engineering, manufacturing, erection and commissioning of super critical steam boilers" carried out primarily in India. Hence, requirements of Ind AS 108 on "Operating segments" are not applicable to it. However customer wise and geographic wise disclosure of revenue is stated below :-

Customers constituting more than 10% of the revenue

Particulars	Segment	2025-26	2024-25
Customer 1	Supercritical boilers & its components	1,082.56	504.08
Customer 2	Supercritical boilers & its components	288.42	180.77
Customer 3	Supercritical boilers & its components	-	-
Customer 4	Supercritical boilers & its components	-	-

Disclosure pursant to Ind AS 108 "Operating segments" - geographical information of revenue

Particulars	2025-26	2024-25
Revenue from India	1,295.55	908.49
Revenue from Japan	-	0.32
Revenue from Kuwait	62.85	11.19
Revenue from Austria	-	-
Total revenue	**1,358.40**	**920.00**

42 Related party disclosures pursuant to Ind AS 24 "Related party disclosures"

a. List of related parties who exercise control

Sr. no.	Name of the related party	Country of incorporation	% equity interest in the Company	
			31-Mar-26	31-Mar-25
1	Larsen & Toubro Limited	India	51%	51%
2	Mitsubishi Heavy Industries, Ltd.	Japan	49%	49%

b. Key management personnel (KMP) :

Name	Designation
Manish Mehta (w.e.f 09.07.2024)	Chief Financial Officer

Payment of salaries, commission and perquisites to KMP - Mr Deepak Raj Jain & Mr Manish Mehta

Sr. no.	Particulars	2025-26	2024-25
i)	**Deepak Raj Jain (till 29.06.2024)**		
a	Short-term employee benefits	-	0.15
b	Other long term benefits	-	0.00
ii)	**Manish Mehta (w.e.f 09.07.2024)**		
a	Short-term employee benefits	0.61	0.26
b	Other long term benefits	0.07	0.03
Total amount paid to KMP		**0.68**	**0.45**

c. Post-employment benefit plans with whom transactions were carried out during the year

Name of post employment benefit plan	Transaction	2025-26	2024-25
Larsen & Toubro Officers and Supervisory Staff Provident Fund	Payment to trust managed provident fund	4.14	3.97
L&T MHI Boilers Gratuity Trust	Payment to approved gratuity fund	3.69	2.36

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ther notes forming part of the financial statements for the year ended March 31, 2026

d. Disclosure of related party transactions

₹ crores

Particulars	Year	Joint venturer		Members of same group														
		Larsen & Toubro Limited	Mitsubishi Heavy Industries Limited	L&T-MHI Power Turbine Generators Private Limited	L&T-Sargent & Lundy Limited	L&T Electrolysers Limited	L&T Howden Private Limited	Nabha Power Limited	LTI Mindtree Limited	L&T Special Steels & Heavy Forgings Private Limited		L&T Valves Limited	L&T Technology Services Limited	L&T Construction Equipment Ltd	L&T Hydrocarbon Engineering Limited	Primetals Technologies India Pvt Ltd	Mitsubishi Power Hangzhou Co Limited	Mitsubishi Power India Private Limited
										Till 17.02.2025	From 18.02.2025							
Transactions with the related parties:																		
Sale of goods / contract revenue	2025-26	1,076.28	62.85	0.08	-	0.12	0.05	0.37	-	-	0.11	-	-	-	0	1.45	-	-
	2024-25	168.21	11.19	-	-	0.00	-	0.81	-	-	-	-	-	-	-	6.24	-	-
Rent received	2025-26	0.51	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2024-25	2.14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service rendered	2025-26	4.12	0.00	0.03	-	-	0.15	-	-	-	0.04	0.29	-	-	1.21	-	0.55	0.35
	2024-25	10.46	-	0.03	-	0.85	0.05	-	-	0.36	0.00	-	-	-	-	-	-	-
Deputation fees paid	2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed assets	2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.46
	2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales of fixed assets	2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2024-25	2.45	-	-	-	0.00	-	-	-	-	-	-	-	-	-	-	-	-
Engineering services, purchase of goods, sub-contracting and other revenue charges (net of recoveries)	2025-26	31.38	2.18	0.02	-	-	15.40	-	0.02	-	4.83	7.98	2.78	-	0.09	-	0.40	-
	2024-25	126.30	0.53	(0.05)	0.16	0.00	4.40	0.23	0.02	- -	0.00	8.58	4.90	-	-	-	-	(0.33)
Royalty paid	2025-26	-	0.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2024-25	-	1.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Year end balances with related parties:																		
Accounts receivables including retention money	31.03.2026	841.70	-	0.06	-	0.11	0.02	0.02	-	-	0.00	-	-	-	1	0.32	-	0.14
	31.03.2025	488.98	6.45	0.02	-	0.85	0.02	0.39	-	-	0.00	-	-	-	-	3.6	-	0.19
Provision towards bad and doubtful debts (including expected credit loss on account of delay)	31.03.2026	0.74	-	-	-	-	0.00	0.01	-	-	-	-	-	-	-	-	-	-
	31.03.2025	0.08	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-
Advances from customers	31.03.2026	910.72	43.90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31.03.2025	3.58	51.01	-	-	-	-	-	-	-	-	-	-	-	-	0.28	-	-
Accounts payables	31.03.2026	31.51	0.17	0.00	-	-	41.20	-	0.00	-	0.36	4.47	0.95	0.55	0.19	-	-	0.01
	31.03.2025	24.72	-	0.01	-	-	58.47	-	0.02	-	-	4.84	0.68	-	-	-	4.79	0.12
Advances to vendors	31.03.2026	1.18	-	-	-	-	42.31	-	-	-	-	0.09	-	-	-	-	-	-
	31.03.2025	1.54	-	-	-	-	0.01	-	-	-	-	0.16	-	-	-	-	-	-

* Larsen & Toubro Ltd acquired the balance stake in LTSSHF wef 18.02.2025, hence transactions reported accordingly.

e. Amount written off or written back in respect of debts due from or to related parties is ₹ NIL (previous year : ₹ NIL)

L&T-MHI POWER BOILERS PRIVATE LIMITED

Other notes forming part of the financial statements for the year ended March 31, 2026

₹ crores

f. Names of related parties with whom transactions were carried out during the year and description of relationship:

Sr. no.	Related party	Relationship
1	Larsen & Toubro Limited	Joint venturer
2	Mitsubishi Heavy Industries Limited	Joint venturer
3	L&T-MHI Power Turbine Generators Private Limited	Member of same group
4	L&T-Sargent & Lundy Limited	Member of same group
5	L&T Electrolysers Limited	Member of same group
6	L&T Howden Private Limited	Member of same group
7	Nabha Power Limited	Member of same group
8	LTI Mindtree Limited	Member of same group
9	L&T Special Steels & Heavy Forgings Private Limited	Member of same group
10	L&T Valves Limited	Member of same group
11	L&T Hydrocarbon Engineering Limited	Member of same group
12	Primetals Technologies India Pvt Ltd	Member of same group
13	Mitsubishi Power Hangzhou Co Limited	Member of same group
14	Mitsubishi Power India Private Limited	Member of same group

g. Commitment with related parties

Sr. no.	Related party	Revenue commitment received		Revenue commitment given	
		31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
1	Larsen & Toubro Limited	17,357.38	4,283.75	3.40	3.89
2	Mitsubishi Heavy Industries Limited	74.61	128.06	1.75	0.97
3	L&T-MHI Power Turbine Generators Private Limited	0.06	0.10	-	-
4	L&T - Sargent & Lundy Limited	0.04	0.04	1.28	1.28
5	L&T Howden Private Limited	0.03	0.02	876.25	2.06
6	Nabha Power Limited	0.49	0.38	0.09	0.10
7	LTI Mindtree Limited	-	-	0.49	0.51
8	L&T Special Steels & Heavy Forgings Private Limited	0.16	0.23	0.42	0.42
9	L&T Valves Limited	-	-	1.97	6.61
10	L&T Electrolysers Limited	0.80	0.80	-	-
11	L&T Technology Services Limited	-	-	3.43	1.39
12	Primetals Technologies India Private Limited	0.07	1.51	-	-
Total commitment with related parties		**17,433.64**	**4,414.89**	**889.08**	**17.23**

43 Contingent liabilities

Contingent liabilities as at balance sheet date are as under:-

Nature of liability	Name of statue	Status	31-Mar-26	31-Mar-25
Sales tax / GST	Sales Tax Act / GST Act, Gujarat	Appeal filed with appellate authority of Gujarat	20.55	0.51
Sales tax / GST	GST Act, Gujarat	Appeal to be filed with appellate authority of Gujarat	-	9.91
Sales tax / GST	Sales Tax Act / GST Act, Madhya Pradesh	Appeal filed with appellate authority of Madhya Pradesh	-	0.69

The Company does not expect any reimbursements in respect of the above contingent liabilities. It is not practicable to estimate the timings of cash outflows, if any, in respect of above pending resolution of the appellate proceedings.

44 Capital commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) as on balance sheet date is ₹ 11.08 crores (previous year ₹ 1.63 crores).

45 Earnings per share & dividend

a. Basic and diluted earnings per share (EPS)

Particulars	2025-26	2024-25
Profit / (loss) after tax (₹ crores)	(338.15)	(37.19)
Number of shares outstanding (in crores)	23.41	23.41
Weighted average number of shares outstanding (in crores)	23.41	23.41
Basic and diluted earning per share (₹ per share)	**(14.44)**	**(1.59)**

b. Dividend :

During the year ended March 31, 2026, the company has declared NIL dividend (previous year NIL).

L&T - MHI POWER BOILERS PRIVATE LIMITED

Other notes forming part of the financial statements for the year ended March 31, 2026

46 Disclosure relating to ratios

Ratio	Current period			Previous period			% variance	Reason for variance
	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio		
Current ratio	3,808.86	3,089.50	1.23	1,974.81	836.95	2.36	-48%	The decrease in current ratio is mainly due to higher customer advances, reflecting increased business activity, which outpaced the growth in current assets.
Debt-equity ratio	-	1,183.80	-	-	1,485.98	-	0%	NA
Debt service coverage ratio	(419.77)	0.52	(807.25)	(18.05)	0.31	(58.23)	1286%	NA as the Company is debt free.
Return on equity	(338.15)	1,334.89	(25%)	(37.19)	1,503.21	(2%)	924%	The variance is mainly attributable to provisioning towards liquidated damages (LD) and sales tax.
Inventory turnover ratio	1,047.77	171.87	6.10	419.78	52.54	7.99	-24%	The decrease is attributable to an increase in inventory levels consequent to higher business activity.
Trade receivables turnover ratio	1,358.40	425.03	3.20	920.00	354.54	2.59	23%	The higher trade receivables turnover ratio is mainly attributable to improved collection efficiency, aligned with higher sales & business activity during the year.
Trade payables turnover ratio	1,506.98	499.27	3.02	834.32	452.80	1.84	64%	The higher trade payables turnover ratio is mainly due to timely payment to suppliers, supported by improved cash flow management.
Net capital turnover ratio	1,358.40	928.61	1.46	920.00	1,152.44	0.80	83%	The net capital turnover ratio improved due to higher sales and more efficient utilization of working capital, reflecting improved operational efficiency.
Net profit ratio	(338.15)	1,358.40	(25%)	(37.19)	920.00	(4%)	516%	The variance is mainly attributable to provisioning towards liquidated damages (LD) and sales tax.
Return on capital employed (ROCE)	(448.66)	1,183.80	(38%)	(48.24)	1,485.98	(3%)	1068%	
Return on investment	51.32	730.27	7.0%	32.92	473.81	7%	1%	No major variance

47 Disclosure of struck off Companies

Payable to vendors

₹ crores

Name of struck off company	Balance outstanding	
	31-Mar-26	31-Mar-25
Star Wire India Limited	-	0.19
B K Equipments Pvt Limited	0.01	0.01
JPS Engineering Pvt Limited	0.04	0.03
H And L Gases Pvt Limited	-	0.00
Kryfs Engineering Pvt Limited	-	0.00

L&T - MHI POWER BOILERS PRIVATE LIMITED

Other notes forming part of the financial statements for the year ended March 31, 2026

₹ crores

48 Share based payments - employee option plan

Pursuant to the Employees Stock Options Scheme established by the holding company (i.e. Larsen & Toubro Limited), stock options were granted to the employees of the Company. Total cost incurred by the holding company, in respect of the same is ₹ 48.39 crores. (previous year ₹ 47.98 crores). The same is being recovered over the period of vesting by the holding company. Accordingly, cost of ₹ 48.24 crores (previous year ₹ 47.57 crores) has been recovered by the holding company upto current year, out of which, ₹ 0.26 crores (previous year ₹ 0.79 crores) was recovered during the year. Balance ₹ 0.15 crores will be recovered in future periods.

49 Assets pledged as security

Carrying amount of assets pledged as security for current borrowings:

Particulars	31-Mar-26	31-Mar-25
Financial assets		
Trade receivables	576.30	273.74
Non financial assets		
Inventories	279.46	64.29
Retention money	915.99	954.94
Total assets pledged as security	**1,771.75**	**1,292.96**

50 Exceptional Items

Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes'. The New Labour Codes has resulted in a one-time material increase in provision for employee benefits on account of recognition of past service costs.

Based on the requirements of New Labour Codes and relevant Accounting Standard, the Company has assessed and accounted the estimated incremental impact as Exceptional Item in the statement of profit and loss for the year ended March 31, 2026.

The incremental impact consists of a provision for gratuity of Rs 11.64 Crores. (*previous year Nil*). Upon notification of the related Rules to the New Labor Codes by the Government and any further clarification from the Government on other aspects of the New Labour Codes, the Company will evaluate and account for additional impact if any, in subsequent periods.

51 Ultimate beneficiary

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ('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.

No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

52 Previous years figures have been re-grouped/reclassified wherever necessary.

As per our report attached

For Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W
By the hand of

Firdosh D. Buchia
Partner
Membership no. 038332

Place : Mumbai, India
Date : 22.04.2026

For and on behalf of the Board

Ankita Nanavare	Manish Mehta	Dharmendra Kumar Shrivastava	Tatsuo Shibahara	Suresh Kumar Narang
Company Secretary Membership No. 28834	Chief Financial Officer	Whole Time Director DIN: 10211377	Whole Time Director DIN: 09766635	Chairman DIN: 02185687

L&T - MHI POWER BOILERS PRIVATE LIMITED *