

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
M/s. Amara Raja Power System Limited

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **Amara Raja Power System Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its Profit and total comprehensive income, the 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 specified under Section 143(10) of the Act (SAs). 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

B.O.: Flat No. FF-3, H No 40-6-2, Goteti Apartment, Kandari Hotel Street, Krishna Nagar, Vijayawada – 520 010

B.O.: H. No. 10-1-86, Mehar Nagar, Old Gajuwaka, Visakhapatnam – 530 026

B.O.: No. 4, Poes Road, 4th Street, Teynampet, Chennai – 600 018

B.O.: Flat No. 3C, Jeevan Residency, Behind Kalanjali, Renigunta Road, Tirupati - 517 501

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information and Business Responsibility Report, 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, 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Board of Directors 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate Internal Financial Controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.



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.

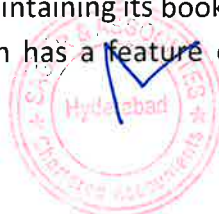
#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e) On the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, 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 with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditors' 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 explanation given to us, no remuneration was paid or provided by the company to its directors during the year.



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 litigation in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend is declared and paid during the year by the company, and hence compliance with Section 123 of the Act is not applicable.
- vi. Based on our examination, which included test checks, the Company has used an accounting software(s) for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log)



facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Place: Hyderabad  
Date: May 26, 2025

For Sagar & Associates  
Chartered Accountants  
FRN: 003510S

  
(Ajay Kumar Mishra)  
Partner

M.No.205468  
UDIN: 25205468BMOREE8612



**ANNEXURE – A TO INDEPENDENT AUDITOR’S REPORT**

Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditor’s Report of even date to the members of Amara Raja Power System Limited on the Financial Statements for the year ended March 31, 2025

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment, are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and on the basis of records examined by us, we report that, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company

(d) According to the information and explanations given to us and on the basis of records examined by us, the Company has neither revalued any of its Property, Plant and Equipment (including Right-of-use Assets) nor its Intangible Assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.

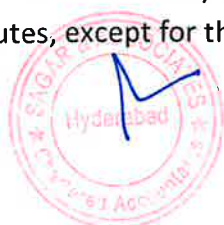
(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act,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

- ii. (a) The inventory has been physically verified by the management during the year in our opinion the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.



(b) During the year, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of accounts and no material discrepancies have been observed.

- iii. According to the information and explanations given to us and on the basis of our examination of the records of the company, during the year company has not made investments, granted advances in the nature of loans, secured or unsecured. Accordingly, clause 3(iii)(a) to 3(iii)(f) of the order is not applicable to the company.
- iv. According to the information and explanation given to us and on the basis of our examination of the records, the company has not given any loans, or provided any guarantee or security as specified under section 185 of the Companies Act, 2013 and the company has not provided any guarantee or security as specified under section 186. The company has complied with provisions of section 186 of the Companies Act, 2013 in relation to investments made.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the order is not applicable.
- vi. According to the information and explanations given to us, Central Government has prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the products manufactured by it (and or services provided by it). Accordingly, Company is generally maintaining proper cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. (a) The Company does not have liability in respect of sales tax, Service tax, Duty of excise and value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanation given to us and on the basis of our examination of the records the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Goods and Services Tax ('GST'), provident fund, Employees State Insurance, Income- tax, Duty of customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of GST, provident fund, Employees State Insurance, Income- tax, Duty of customs, Cess and other material statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of GST, provident fund, employees State Insurance, Income- tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on accounts of disputes, except for the following:





Name of the Statute	Nature of dues	Amount (in Rs.)	Period for which relates (F.Y)	Forum where dispute is pending
VAT	Entry Tax	22,680	FY 2012-13	Appellate Dy Commissioner, Tirupati.
Income Tax Act, 1961	Income tax	3,53,79,509	FY 2011-12 & FY 2019-20	Commissioner of Income Tax (Appeals)
Service Tax	Service tax	2,35,50,399	FY 2014-15 to June, 2017	CESTAT, Hyderabad
Goods & Services Tax Act, 2017	GST	7,91,42,303	FY 2017-18, FY 2018-19 & FY 2019-20	Additional Commissioner, Vijayawada

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the Tax assessments under the Income-tax Act, 1961 as income during the year.

ix. (a) According to the information and explanations give to us and on the basis of our examination of the records of the Company, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. Accordingly, clause 3 (ix) (a) of the order is not applicable.

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

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not been sanctioned any term loan or has been got disbursement during the financial year.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term purpose by the company.

(e) The Company does not hold any investment in any subsidiary, associates or joint ventures (as defined under the Companies Act, 2013) during the year ended March 31, 2025. Accordingly, Clause 3(ix) (e) of the order is not applicable.



- (f) The Company does not hold any investment in any subsidiary, associates or joint ventures (as defined under the Companies Act, 2013) during the year ended March 31, 2025. Accordingly, Clause 3(ix) (f) of the order is not applicable.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, Clause 3(x) (a) of the order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not made any preferential allotment or private placement of shares of fully of partly convertible debentures during the year Accordingly, Clause 3(x) (b) of the order is not applicable.
- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, Considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Company Act, 2013 has been filed by the secretarial auditors or by us in Form ADT -4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central Government.
- (c) According to the information and explanations given to us no whistle blower complains received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company, Accordingly, Clause 3(xii) of the order is not applicable.
- xiii. In our opinion and according to the information and explanation given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given us, the Company has not entered in to any non-cash transactions with its directors or persons or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are 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. Accordingly, Clause 3(xvi) (a) of the order is not applicable.
- (b) The Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, Clause 3(xvi) (b) of the order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, Clause 3(xvi) (c) of the order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC, Accordingly, the requirements of Clause 3(xvi) (d) are not applicable.
- xvii. The company has not incurred any cash losses in the financial year and has not incurred cash loss of in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year, Accordingly, Clause 3(xviii) of the order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected date of realization of financial assets and payments of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not Capable of meeting its liabilities existing at the date of balance sheet date. We however, state that this is not an assurance as to the futures viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of Companies Act, 2013 Pursuant to any project. Accordingly, Clause 3(xx) (a) and 3(xx) (b) of the order is not applicable.

Place: Hyderabad  
Date: May 26, 2025

For Sagar & Associates  
Chartered Accountants  
FRN: 003510S

  
(Ajay Kumar Mishra)  
Partner

M.No.205468  
UDIN: 25205468BMOREE8612

**ANNEXURE -B TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 2 (f) of Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date to the members of Amara Raja Power System Limited on the Financial Statements for the year ended March 31, 2025

**Report on the Internal Financial Controls under Clause (i) of Sub- section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

**Management's Responsibility for Internal Financial Controls**

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considered the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place: Hyderabad  
Date: May 26, 2025

For Sagar & Associates  
Chartered Accountants  
FRN: 003510S

  
(Ajay Kumar Mishra)  
Partner

M.No.205468  
UDIN: 25205468BMOREE8612



## Amara Raja Power Systems Limited

CIN: U31102AP1984PLC005165

## Balance Sheet as at March 31, 2025

(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
<b>A ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, plant and equipment	3.1	2,458.77	1,864.53
(b) Right-of-use assets	3.2	4.79	-
(c) Capital Work-in-progress	3.1	3.50	593.59
(d) Other intangible assets	4	1,365.00	239.68
(e) Intangible assets under development	4	56.30	1,333.72
(f) Financial assets			
(i) Investments	5	18.67	22.75
(ii) Other Financial assets	6	142.72	134.44
(g) Income-tax assets (net)	19	307.42	160.10
(h) Deferred tax assets (net)	16	112.46	140.20
(i) Other Non Current assets	10	78.05	99.69
<b>Total non-current assets</b>		<b>4,547.68</b>	<b>4,588.70</b>
<b>Current Assets</b>			
(a) Inventories	7	1,838.69	1,445.21
(b) Financial assets			
(i) Investments	5	102.37	826.50
(ii) Trade receivables	8	6,381.14	6,186.19
(iii) Cash and cash equivalents	9(a)	-	186.08
(iv) Bank balances other than (iii) above	9(b)	81.29	120.50
(v) Other Financial asset	6	408.22	437.99
(c) Other current assets	10	332.37	351.50
<b>Total current assets</b>		<b>9,144.08</b>	<b>9,553.97</b>
<b>Total assets</b>		<b>13,691.76</b>	<b>14,142.67</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	939.80	939.80
(b) Other equity	12	8,161.05	8,075.78
<b>Total equity</b>		<b>9,100.85</b>	<b>9,015.58</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	14	3.19	-
(b) Provisions	15	342.54	249.34
(c) Other non-current liabilities	20	14.39	11.39
<b>Total non-current liabilities</b>		<b>360.12</b>	<b>260.73</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	5.33	-
(ii) Lease liabilities	14	1.58	-
(iii) Trade Payables	17		
(a) Due to micro & small enterprises		721.83	138.81
(b) Due to creditors other than micro & small enterprises		2,661.71	3,853.63
(iv) Other financial liabilities	18	175.26	328.12
(b) Provisions	15	134.41	76.39
(c) Other current liabilities	20	530.67	469.41
<b>Total current liabilities</b>		<b>4,230.79</b>	<b>4,866.36</b>
<b>Total equity and liabilities</b>		<b>13,691.76</b>	<b>14,142.67</b>
Corporate Information	1		
Material accounting policies and key accounting estimates and judgements	2		

See accompanying notes to the financial statements

## For Sagar &amp; Associates

Chartered Accountants

Firm Registration No. 003510S

**Ajay Kumar Mishra**  
Partner  
(Memb No. 205468)

## For and on behalf of the Board of Directors

**Harshavardhana Gourineni**  
Director  
DIN: 07311410

**Vikramadithya Gourineni**  
Director  
DIN: 03167659

**Ravali Mulagada**  
Company Secretary

Place: Hyderabad  
Date: 26.05.2025

Place: Hyderabad  
Date: 26.05.2025



**Amara Raja Power Systems Limited**

CIN: U31102AP1984PLC005165

**Statement of Profit and Loss for the year ended March 31, 2025**

(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)

	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Income</b>			
<b>I Revenue from Operations</b>	21	15,036.74	18,255.35
<b>II Other Income</b>	22	162.95	399.09
<b>III Total Income (I+II)</b>		<u>15,199.69</u>	<u>18,654.44</u>
<b>IV Expenses</b>			
Cost of materials consumed		9,355.50	12,885.51
Purchases of stock-in-trade		1,882.63	-
Changes in inventories of finished goods, work in progress and stock in trade	23	(574.30)	274.08
Employee benefits expense	24	2,394.44	2,113.73
Finance costs	25	21.12	22.80
Depreciation and amortisation expense	26	592.46	364.76
Other expenses	27	1,413.44	1,343.88
<b>Total expenses</b>		<u>15,085.29</u>	<u>17,004.76</u>
<b>V Profit before tax (III-IV)</b>		114.40	1,649.68
<b>VI Tax expense</b>	28		
(i) Current tax		9.52	586.46
(ii) Deferred tax		27.74	(118.99)
<b>Total tax expense</b>		<u>37.26</u>	<u>467.47</u>
<b>VII Profit for the year (V-VI)</b>		<u>77.14</u>	<u>1,182.21</u>
<b>VIII Other Comprehensive Income/(Loss)</b>			
(i) Items that will not be reclassified to profit or loss:			
(a) Remeasurement of the defined benefit plans		8.13	(51.27)
<b>Total Other Comprehensive Income/(loss)</b>		<u>8.13</u>	<u>(51.27)</u>
<b>IX Total Comprehensive Income for the year (VII+VIII)</b>		<u>85.27</u>	<u>1,130.94</u>
<b>Earnings per equity share (of ₹ 10/- each)</b>			
Basic and Diluted (₹)		0.82	12.58
Corporate information	1		
Material accounting policies and key accounting estimates and judgements	2		
See accompanying notes to the financial statements			

**For Sagar & Associates**


Chartered Accountants


Firm Registration No :003510S

  
**Ajay Kumar Mishra**  
 Partner  
 (Mem No: 205468)

**For and on behalf of the Board of Directors**

  
**Harshavardhana Gourineni**  
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Place: Hyderabad  
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**Amara Raja Power Systems Limited**  
CIN: U31102AP1984PLC005165  
**Cash flow Statement for the year ended March 31, 2025**  
(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)

	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>A Cash flows from operating activities</b>		
Profit for the year (before tax)	114.40	1,649.68
<b>Adjustments for:</b>		
Depreciation & Amortisation expense	592.46	364.76
Loss on sale of property, plant and equipment / written off (net)	1.87	19.29
Profit on sale of assets	(0.09)	(1.30)
Finance costs	21.12	6.54
Interest income on bank deposits	(10.76)	(54.46)
Dividend from equity investments designated as at FVTPL	(0.53)	(0.44)
Gain on disposal of mutual fund units	(35.56)	(138.54)
Net gain arising on financial assets mandatorily measured at FVTPL	(0.25)	(9.09)
Net (gain)/loss arising on Non Current financial assets measured at FVTPL	4.08	(18.19)
Liabilities no longer required written back	(84.03)	(144.12)
Provision for doubtful trade receivables	35.16	354.38
Provision for security deposits & EMD	33.03	28.93
Security deposits & EMD Written off (net)	-	21.29
Bad trade receivables written off (net)	-	0.17
Net unrealised foreign exchange gain/loss	-	(0.29)
	556.50	428.93
<b>Operating profit before Working Capital changes</b>	670.90	2,078.61
<b>Movements in working capital</b>		
<b>Adjustments for (increase)/decrease in operating assets:</b>		
- Trade receivables	(224.62)	(1,434.74)
- Inventories	(393.48)	957.58
- Other assets	42.31	277.84
<b>Adjustments for increase/(decrease) in operating liabilities:</b>		
- Trade payables	(602.99)	(168.60)
- Other liabilities	63.38	87.44
- Provisions	181.66	22.79
	(933.74)	(257.69)
<b>Cash generated from operations</b>	(262.84)	1,820.92
Income taxes paid (net)	(156.84)	(437.56)
<b>Net cash generated from/(used in) operating activities [A]</b>	(419.68)	1,383.36
<b>B Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(558.89)	(1,887.24)
Proceeds from sale of property, plant and equipment	0.11	164.47
Purchase of current investments	(4,179.79)	(9,821.51)
Proceeds from sale / redemption of current investments	4,939.73	9,142.64
Bank balances not considered as cash and cash equivalents (net)	38.19	(6.02)
Interest received	10.48	56.14
Dividend income	0.05	0.44
<b>Net cash from/(used in) investing activities [B]</b>	249.88	(2,351.08)
<b>C Cash flows from financing activities</b>		
Receipt/(Repayment) of Borrowings	5.33	(272.38)
Repayment of lease liabilities	(0.49)	-
Finance costs (including on lease liabilities)	(21.12)	(6.54)
Dividend paid	-	(211.42)
Inter division balances - ARIPL Power EPC Business	-	914.34
<b>Net cash from/(used in) financing activities (C)</b>	(16.28)	424.00
<b>Net Increase/(decrease) in cash and cash equivalents (A+B+C)</b>	(186.08)	(543.72)
Cash and cash equivalents at the beginning of the year	186.08	729.80
<b>Cash and cash equivalents at the end of the year</b>	-	186.08

**Notes:**

- a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) - Statement of Cash Flows.  
b) Reconciliation of liabilities from financing activities for the year ended March 31, 2025

	As at March 31, 2024	Cash flows	Non cash changes Current / Non-Current Classification	As at March 31, 2025
Borrowings	-	5.33	-	5.33
Lease Liability	-	(0.64)	5.41	4.77
<b>Total</b>	-	4.69	5.41	10.10

See accompanying notes to the financial statements

**For Sagar & Associates**  
Chartered Accountants  
Firm Registration No. 0933105

Ajay Kumar Mishra  
Partner  
(Mem No. 205468)

For and on behalf of the Board

Harshavardhana Gourineni  
Director  
DIN: 07311410

Vikramadithya Gourineni  
Director  
DIN: 03167659

Ravali Mulagada  
Company Secretary

Place: Hyderabad  
Date: 26.05.2025

Place: Hyderabad  
Date: 26.05.2025



**Amara Raja Power Systems Limited**

CIN: U31102AP1984PLC005165

**Statement of Changes in Equity for the year ended March 31, 2025**

(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)

**A) Equity Share Capital**

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	939.80	939.80
Changes in equity share capital during the year	-	-
Balance at the end of the year	<u>939.80</u>	<u>939.80</u>

**B) Other Equity**


	Reserves and surplus				
	Securities premium	Capital Reserve	General Reserve	Retained Earnings	Total
Balance at March 31, 2023	1,151.70	81.61	93.41	5,829.54	7,156.26
Profit for the year	-	-	-	1,182.21	1,182.21
Other comprehensive income / (loss) for the year, net of income tax	-	-	-	(51.27)	(51.27)
Total comprehensive income for the FY 2023-24	<u>1,151.70</u>	<u>81.61</u>	<u>93.41</u>	<u>6,960.48</u>	<u>8,287.20</u>
Payment of Dividends	-	-	-	(211.42)	(211.42)
Balance at March 31, 2024	<u>1,151.70</u>	<u>81.61</u>	<u>93.41</u>	<u>6,749.06</u>	<u>8,075.78</u>
Profit for the year	-	-	-	77.14	77.14
Other comprehensive income / (loss) for the year, net of income tax	-	-	-	8.13	8.13
Total comprehensive income for the FY 2024-25	<u>1,151.70</u>	<u>81.61</u>	<u>93.41</u>	<u>6,834.33</u>	<u>8,161.05</u>
Payment of Dividends	-	-	-	-	-
Balance at March 31, 2025	<u>1,151.70</u>	<u>81.61</u>	<u>93.41</u>	<u>6,834.33</u>	<u>8,161.05</u>

See accompanying notes to the financial statements

For Sagar & Associates  
Chartered Accountants  
Firm Registration No: 003510S

  
Ajay Kumar Mishra  
Partner  
(Memb No: 205468)

For and on behalf of the Board of Directors

  
Harshavardhana Gourineni  
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DIN: 07311410

  
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Place: Hyderabad  
Date: 26.05.2025

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**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)**

**1 Corporate information**

Amara Raja Power System Limited is a Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Renigunta, Cuddapah Road, Karakambadi, Chittoor, Andhra Pradesh - 517520.

The Company is principally engaged in the business of Manufacturing of Power Electronics & EV Chargers. The Company is also engaged in Manufacturing and Delivering Power Conversion and Power Control Product for critical appliances across various sector like Railways and host of other industries.

**2 Material accounting policy information**

**A. Statement of Compliance**

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards "Ind AS" notified under Section 133 of the Companies Act, 2013 "the Act" read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

**B. Basis of preparation and Presentation.**

These financial statements have been prepared on historical cost convention and on an accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. These financial statements are presented in Indian Rupees which is also the Company's functional currency.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

**C. Operating Cycle**

All assets have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS 1 – Presentation of Financial Statements, based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

**D. Key accounting estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.



**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)**

**i) Revenue from Contracts with Customers**

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Identifying performance obligations in a bundled sale of equipment and installation services:

The Company provides installation services that are either sold separately or bundled together with the sale of equipment to a customer. The installation services are a promise to transfer services in the future and are part of the negotiated exchange between the company and the customer.

The Company determined that both the equipment and installation are capable of being distinct. The fact that the company regularly sells both equipment and installation on a stand-alone basis indicates that the customer can benefit from both products on their own. The company also determined that the promises to transfer the equipment and to provide installation are distinct within the context of the contract. The equipment and installation are not inputs to a combined item in the contract. The company is not providing a significant integration service because the presence of the equipment and installation together in this contract do not result in any additional or combined functionality and neither the equipment nor the installation modify or customise the other. In addition, the equipment and installation are not highly interdependent or highly interrelated, because the company would be able to transfer the equipment even if the customer declined installation and would be able to provide installation in relation to products sold by other distributors.

Consequently, the company allocated a portion of the transaction price to the equipment and the installation services based on relative stand-alone selling prices.

**ii) Provision for Warranty**

The Company estimates and provides for liability for product warranties in the year in which the products are sold. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. The timing of outflows will vary based on the actual warranty claims.

**iii) Useful lives of Property, plant and equipment**

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

**iv) Useful lives of Intangible assets**

The Company amortises intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

**v) Inventories**

The Company estimates the net realisable value (NRV) of its inventories by taking into account their estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence by applying certain percentages over different age category of such inventories, expected loss rate considering the past trend and future outlook. Inventories are written down to NRV where such NRV is lower than their cost.

**vi) Taxes**

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)**

**vii) Fair value measurement of financial instruments**

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

**viii) Actuarial valuation**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors. Information about such valuation is provided in the notes to the financial statements.

**ix) Other Estimates**

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

**E. Fair value measurement**

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. On an interim basis, the Management present the valuation results to the Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)**

**F. Inventories**

Inventories are valued at the lower of cost and net realisable value.

**Raw materials, stores and spares and loose tools:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

**Finished goods and work in progress:** cost includes all direct cost and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Goods in transit are stated at actual cost up to the date of Balance Sheet.

Scrap is value at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**G. Foreign currency transactions and translations**

Foreign currency transactions are recorded on initial recognition in the functional currency using the spot rate at the date of the transaction first qualifies for recognition. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**H. Property, plant and equipment**

Property, Plant and equipment are measured at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure in making the asset ready for its intended use.

Depreciation is calculated on a straight-line basis at the rate specified in schedule II of the Companies Act 2013, except in respect of the following category of asset, in which case the life of the asset has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support, etc., Freehold land is not depreciated..

Asset	Useful Life
Building	20-30 years
Plant & Machinery	3-15 years
(including electrical installations and moulds)	
Furniture and fixtures	10 years
Office equipment	3-5 years
IT Equipment	3-6 years
Vehicles	4 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.

Assets individually costing Rs. 5,000 and below are fully depreciated in the year of acquisition.

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

Capital work in progress are items of property, plant and equipment which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)**

**I. Intangible Assets**

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially for separately acquired assets, at cost comprising of the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the assets for its intended use. The useful life of an intangible asset is considered finite where there is a likelihood of technical and technological obsolescence.

Intangible assets that have a finite lives are amortised over their estimated useful lives as per the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, but the effect of any change in estimates being accounted for on a prospective basis.

Intangible assets comprising software & technical know how are amortised over a period of 5 years, representing the period over which economic benefits from the use of technical know-how is expected to be utilized.

All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation expenses, impairment losses and reversal of impairment losses are considered in the Statement of Profit and Loss. Thus, after initial recognition an intangible asset is carried at its costs less accumulated amortization and /or impairment losses.

**J. Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment loss recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

**K. Employee Benefits**

**(i) Defined Contribution Plans**

The Company's contributions to Provident Fund (Government administered), Employees' State Insurance Scheme and Superannuation Fund (under a scheme of Life Insurance Corporation of India), considered as defined contribution plans are charged as an expense in the Statement of Profit and Loss when the employees have rendered services entitling them to the contributions.

**(ii) Defined Benefit Plans**

For defined benefit plans in the form of gratuity fund, administered under a scheme of the Life Insurance Corporation of India, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. The defined benefit obligations recognized in the Balance Sheet represents the present value of the defined obligations as reduced by the fair value of plan assets, if applicable. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and are not re-classified to the Statement of Profit and Loss in the subsequent periods. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)

**(iii) Short term and other long term employee benefits**

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

**L. Revenue Recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at an amount of transaction price (net of returns and discounts) allocated to that performance obligation. The discount is estimated based on the expected value of outflow.

**Sale of goods**

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, which is generally when the title passes to the customer, either upon shipment or upon receipt of goods by the customer. Revenue from the sale of goods is measured at the transaction price which is the consideration received or receivable, net of returns, taxes and applicable trade discounts and allowances.

**Sale of services**

Revenue from sale of service is recognised as the performance obligations are satisfied in accordance with the agreement/agreements with the customer.

**M. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on the trade date i.e. the date when the Company commits to purchase or sell the asset.

The classification of financial instruments depends on the objective of the Company's business model for which it is held and on the substance of the contractual terms / arrangements. Management determines the classification of its financial instruments at initial recognition.

**(i) Financial Assets**

**Recognition:** Financial assets include Investments, Trade receivables, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Financial assets are classified as those measured at:

**a) amortised cost**, where the financial assets are held within a business model solely for collection of cash flows arising from payments of principal and/ or interest as per contractual terms. Such assets are subsequently measured at amortised cost using the effective interest method, less any impairment loss.

**b) fair value through other comprehensive income (FVTOCI)**, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.



**Amara Raja Power Systems Limited**  
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c) **fair value through profit or loss (FVTPL)**, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

Trade receivables, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election on an instrument by instrument basis at initial recognition may be made to present subsequent changes in fair value through other comprehensive income. This election is not permitted if the equity instrument is held for trading.

**Impairment:** The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

**Reclassification:** When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously recognized in other comprehensive income and accumulated in the equity instruments through other comprehensive income will not be reclassified to profit or loss on disposal of the investments.

## **(ii) Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**Offsetting Financial Instruments:** Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
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**N. Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**(i) Current Tax**

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities based on the taxable profit for the year. Taxable profit differs from Profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The tax rates and tax laws used to compute the current tax amount are those that are enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

**(ii) Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the corresponding current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

**O. Provisions, Contingent liabilities and Contingent Asset**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle such obligation and a reliable estimate can be made of the amount of such obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be recovered and the amount of the receivable can be measured reliably.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
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**P. Research and development expenses**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant and equipment.

**Q. Leases**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether, (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**R. Earnings per share**

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**S. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**T. Recent Accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On May 7, 2025, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 effective from May 7, 2025. There is no impact of the amendment on the Standalone Financial Statements.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**Note 3.1: Property, plant and equipment and capital work-in-progress**

	As at March 31, 2025	As at March 31, 2024
<b>Carrying amount of:</b>		
Freehold Land	1.28	1.28
Buildings	1,466.93	1,534.95
Plant and Equipment (including electrical installations)	898.83	216.13
Furniture and fixtures	0.74	-
Vehicles	63.16	82.56
Office equipment	5.82	7.71
Computers	22.01	21.90
	<u><b>2,458.77</b></u>	<u><b>1,864.53</b></u>
Capital work-in-progress [Refer note below]	3.50	593.59
	<u><b>3.50</b></u>	<u><b>593.59</b></u>

	Freehold land	Buildings	Plant and Equipment (including electrical installations)	Furniture and Fittings	Vehicles	Office Equipment	Computers	Total
<b>(A) Cost or deemed cost</b>								
<b>Balance at March 31, 2023</b>	1.28	1,851.90	620.75	-	94.83	10.09	86.15	2,665.00
Additions during the year	-	-	16.77	-	35.07	3.02	18.10	72.96
Disposals	-	-	(231.59)	-	(27.12)	(0.47)	(0.65)	(259.83)
<b>Balance at March 31, 2024</b>	1.28	1,851.90	405.93	-	102.78	12.64	103.60	2,478.13
Additions during the year	-	-	779.10	0.79	9.38	1.28	7.93	798.48
Disposals	-	-	(5.41)	-	-	(0.29)	(0.51)	(6.21)
<b>Balance at March 31, 2025</b>	1.28	1,851.90	1,179.62	0.79	112.16	13.63	111.02	3,270.40
<b>(B) Accumulated depreciation and impairment</b>								
<b>Balance at March 31, 2023</b>	-	248.92	219.83	-	17.00	2.76	72.58	561.09
Depreciation expense	-	68.03	25.44	-	25.25	2.56	9.12	130.40
Eliminated on disposal	-	-	(55.47)	-	(22.03)	(0.39)	-	(77.89)
<b>Balance at March 31, 2024</b>	-	316.95	189.80	-	20.22	4.93	81.70	613.60
Depreciation expense	-	68.02	94.55	0.05	28.78	3.16	7.79	202.35
Eliminated on disposal	-	-	(3.56)	-	-	(0.28)	(0.48)	(4.32)
<b>Balance at March 31, 2025</b>	-	384.97	280.79	0.05	49.00	7.81	89.01	811.63
<b>(C) Carrying amount</b>								
<b>Balance at March 31, 2025</b>	1.28	1,466.93	898.83	0.74	63.16	5.82	22.01	2,458.77
<b>Balance at March 31, 2024</b>	1.28	1,534.95	216.13	-	82.56	7.71	21.90	1,864.53

\* Refer Note 13 for details of Property, plant and equipment that are subject to charge in respect of secured borrowings.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**Note 3.1: Property, plant and equipment and capital work-in-progress (contd.)**

**Note:**

(i) Capital work-in-progress (CWIP) ageing Schedule \*

Particulars	Amount in capital work-in-progress for a period of				As at March 31, 2025
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	3.50	-	-	-	3.50
	<b>3.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.50</b>

Particulars	Amount in capital work-in-progress for a period of				As at March 31, 2024
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	593.59	-	-	-	593.59
	<b>593.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>593.59</b>

\* There are no capital work-in-progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2025 and March 31, 2024. Project execution plans are calibrated annually on the basis of Management's judgement and estimates w.r.t future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per rolling annual plan.



**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**Note 3.2 : Right-of-use assets**

	As at March 31, 2025	As at March 31, 2024
<b>Carrying amounts of:</b>		
Buildings	4.79	-
	<u>4.79</u>	<u>-</u>

<b>Buildings</b>
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**(A) Cost or deemed cost**

<b>Balance at March 31, 2023</b>	-
Additions during the year	-
Disposals	-
<b>Balance at March 31, 2024</b>	-
Additions during the year	5.39
Disposals	-
<b>Balance at March 31, 2025</b>	<u>5.39</u>

**(B) Accumulated amortisation and impairment**

<b>Balance at March 31, 2023</b>	-
Amortisation expense	-
Eliminated on disposal	-
<b>Balance at March 31, 2024</b>	-
Amortisation expense	0.60
Eliminated on disposal	-
<b>Balance at March 31, 2025</b>	<u>0.60</u>

**(C) Carrying amount**

<b>Balance at March 31, 2024</b>	-
<b>Balance at March 31, 2025</b>	4.79

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**Note 4: Other Intangible Assets**

	<u>As at March 31, 2025</u>	<u>As at March 31, 2024</u>
<b>Carrying amounts of:</b>		
Technical Know-how	1,345.28	153.80
Software	19.72	85.88
	<u><b>1,365.00</b></u>	<u><b>239.68</b></u>
 Intangible assets under development [Refer note below]	 56.30	 1,333.72
	<u><b>56.30</b></u>	<u><b>1,333.72</b></u>

	<u>Technical Know- How</u>	<u>Software</u>	<u>Total</u>
<b>(A) Cost or deemed cost</b>			
<b>Balance at March 31, 2023</b>	749.08	339.43	1,088.51
Additions during the year	-	10.79	10.79
Disposals	-	(1.95)	(1.95)
<b>Balance at March 31, 2024</b>	<u><b>749.08</b></u>	<u><b>348.27</b></u>	<u><b>1,097.35</b></u>
Additions during the year	1,514.83	-	1,514.83
Disposals	-	-	-
<b>Balance at March 31, 2025</b>	<u><b>2,263.91</b></u>	<u><b>348.27</b></u>	<u><b>2,612.18</b></u>
<b>(B) Accumulated amortisation and impairment</b>			
<b>Balance at March 31, 2023</b>	433.57	190.50	624.07
Amortisation expense	161.71	72.67	234.38
Eliminated on disposal	-	(0.78)	(0.78)
<b>Balance at March 31, 2024</b>	<u><b>595.28</b></u>	<u><b>262.39</b></u>	<u><b>857.67</b></u>
Amortisation expense	323.35	66.16	389.51
Eliminated on disposal	-	-	-
<b>Balance at March 31, 2025</b>	<u><b>918.63</b></u>	<u><b>328.55</b></u>	<u><b>1,247.18</b></u>
<b>(C) Carrying amount</b>			
<b>Balance at March 31, 2025</b>	1,345.28	19.72	1,365.00
<b>Balance at March 31, 2024</b>	153.80	85.88	239.68

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**4 Other Intangible Assets (Contd.)**

**Note:**

(i) Intangible assets under development ageing schedule \*

Particulars	Amount in intangible assets under development for a period of				As at March 31, 2025
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	22.00	34.30	-	-	56.30
	<b>22.00</b>	<b>34.30</b>	<b>-</b>	<b>-</b>	<b>56.30</b>

Particulars	Amount in intangible assets under development for a period of				As at March 31, 2024
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	1,333.72	-	-	-	1,333.72
	<b>1,333.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,333.72</b>

\* There are no intangible assets under development where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2025 and March 31, 2024. Project execution plans are calibrated annually on the basis of Management's judgement and estimates w.r.t future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per rolling annual plan.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

	<u>As at March 31, 2025</u>	<u>As at March 31, 2024</u>
<b>Note 5: Investments</b>		
<b><u>Non-Current</u></b>		
Investments in equity instruments		
<u>Quoted investments (fully paid) [at FVTPL]</u>		
(i) Union Bank of India	18.67	22.75
14,820 (March 31, 2023: 14,820) equity shares of Rs. 10 each		
<b>Total investments in equity instruments</b>	<u>18.67</u>	<u>22.75</u>
<b>Total Non-Current investments</b>	<u>18.67</u>	<u>22.75</u>
Aggregate book value of quoted investments - at Cost	4.56	4.56
Aggregate market value of quoted investments	18.67	22.75
<b><u>Current</u></b>		
Investments mandatorily measured at fair value through profit or loss (FVTPL)		
<u>Quoted investments in mutual funds</u>		
SBI Liquid Fund - Direct Plan - Growth		
Nil (March 31, 2024: 21,869.190 units of ₹ 3,779.2823)		826.50
SBI Overnight Fund - Direct Plan - Growth		
2,464.867 units of ₹ 4,153.3005 (March 31, 2024: Nil)	102.37	-
<b>Total Quoted investments measured at FVTPL</b>	<u>102.37</u>	<u>826.50</u>
<b>Total Current investments</b>	<u>102.37</u>	<u>826.50</u>
Aggregate book value of quoted investments - at cost	102.12	817.41
Aggregate market value of quoted investments	102.37	826.50
<b>Note 6: Other financial assets</b>		
<b><u>Non Current</u></b>		
(a) Security deposits	101.35	93.75
(b) Balances held as margin money against guarantees given	41.37	40.69
<b>Total</b>	<u>142.72</u>	<u>134.44</u>
<b><u>Current</u></b>		
(a) Receivables from related parties:		
(i) Reimbursable expenses	8.79	30.98
(b) Security deposits	397.54	405.44
(c) Interest accruals:		
(i) Interest accrued on deposits	1.41	1.13
(ii) Interest accrued on overdue trade receivables	-	0.44
(d) Other receivables (Dividend receivable)	0.48	-
<b>Total</b>	<u>408.22</u>	<u>437.99</u>

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

	<u>As at March 31, 2025</u>	<u>As at March 31, 2024</u>
<b>Note 7: Inventories</b>		
(At lower of cost and Net realisable value)		
(a) Raw materials (Refer Note 1 below)	815.52	994.55
(b) Work-in-progress	232.93	98.23
(c) Finished goods	707.34	350.33
(d) Stock-in-trade (goods purchased for resale)	82.59	-
(e) Stores and spares (including secondary packing material)	0.27	1.96
(f) Loose tools	0.04	0.14
<b>Total</b>	<b><u>1,838.69</u></b>	<b><u>1,445.21</u></b>

Raw material includes material in transit	5.90	68.51
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- i) The cost of inventories recognised as an expense during the year has been disclosed on the face of Statement of Profit or loss
- ii) The cost of inventories recognised as an expense includes ₹ Nil lakhs (during 2023-24: ₹ 218.89 lakhs) in respect of writedowns of inventory to net realisable value.
- iii) There are no inventories expected to be liquidated after more than 12 months.
- iv) The mode of valuation of inventories has been stated in Note No: 2 (F) of material accounting policies.
- v) Inventory, receivables and all chargeable current assets of company are hypothecated to State Bank of India

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**Note 8: Trade Receivables**

	As at March 31, 2025	As at March 31, 2024
(a) Unsecured, considered good	6,381.14	6,186.19
(b) Considered doubtful	412.37	377.21
	<b>6,793.51</b>	<b>6,563.40</b>
Less: Allowance for Doubtful receivables	<u>(412.37)</u>	<u>(377.21)</u>
	<b><u>6,381.14</u></b>	<b><u>6,186.19</u></b>

**Trade Receivables ageing schedule**

	Outstanding for following periods from due date						As at March 31, 2025
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
<b>Trade receivables - Unsecured</b>							
(i) Undisputed - Considered good	3,507.54	1,374.54	931.59	309.35	253.78	4.34	6,381.14
(ii) Undisputed - Considered doubtful	-	-	7.32	83.84	31.34	289.87	412.37
(iii) Disputed - Considered good	-	-	-	-	-	-	-
(iv) Disputed - Considered doubtful	-	-	-	-	-	-	-
	<b>3,507.54</b>	<b>1,374.54</b>	<b>938.91</b>	<b>393.19</b>	<b>285.12</b>	<b>294.21</b>	<b>6,793.51</b>
Less: Allowance for doubtful receivables							<u>(412.37)</u>
<b>Total</b>							<b><u>6,381.14</u></b>

	Outstanding for following periods from due date						As at March 31, 2024
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
<b>Trade receivables - Unsecured</b>							
(i) Undisputed - Considered good	3,222.02	2,103.54	383.79	402.90	73.95	-	6,186.20
(ii) Undisputed - Considered doubtful	-	-	43.99	49.73	22.21	261.27	377.20
(iii) Disputed - Considered good	-	-	-	-	-	-	-
(iv) Disputed - Considered doubtful	-	-	-	-	-	-	-
	<b>3,222.02</b>	<b>2,103.54</b>	<b>427.78</b>	<b>452.63</b>	<b>96.16</b>	<b>261.27</b>	<b>6,563.40</b>
Less: Allowance for doubtful receivables							<u>(377.21)</u>
<b>Total</b>							<b><u>6,186.19</u></b>

**Notes:**

- i) Trade receivables are generally having a credit period of 0-180 days as per agreed pay terms. No interest is charged on overdue receivables, except for overdue balances of related parties.
- ii) Of the trade receivables balance, ₹ 2,882.20 lakhs (as at March 31, 2024: ₹ 3,131.41 lakhs) is due from one of the Company's large customer. There are no other customers who represent more than 10% of the total balance of trade receivables.
- iii) The company has used a practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience for forward-looking estimates. The expected loss allowance is based on the ageing of the receivables which are due and the rates used in the provision matrix.

**iv) Movement in the expected credit loss allowance**

	For the year ended March 31, 2025	For the year ended March 31, 2024
Balances at the beginning of the year	377.21	143.94
Add: Provision created during the year	35.16	354.38
Less: Provision reversed / released during the year	-	(121.11)
<b>Balances at the end of the year</b>	<b><u>412.37</u></b>	<b><u>377.21</u></b>

- v) The figures for the corresponding previous year have been regrouped / rearranged wherever necessary, to make them comparable.



**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

	<u>As at March 31, 2025</u>	<u>As at March 31, 2024</u>
<b>Note 9(a): Cash and Cash equivalent</b>		
(a) Balance with bank		
(i) In OCC account	-	186.08
(b) Cash on hand	-	-
<b>Cash and cash equivalents as per the cash flow statement</b>	<u>-</u>	<u>186.08</u>
<b>Note 9(b): Other Bank Balance</b>		
(a) In Earmarked accounts		
(i) Dividend accounts	0.35	0.69
(ii) Balances held as margin money against guarantees given	80.94	119.81
<b>Total</b>	<u>81.29</u>	<u>120.50</u>
Note: Balance in unpaid dividend accounts is restricted from use		
<b>Note 10: Other assets</b>		
<b><u>Non Current</u></b>		
(a) Capital advances	9.68	38.24
(b) Prepaid expenses	1.05	0.10
(c) Balances with government authorities (Paid under protest)	58.23	58.23
(d) Advance to employees	8.94	2.97
(e) Other Deposits (Téléphone deposits etc)	0.15	0.15
<b>Total</b>	<u>78.05</u>	<u>99.69</u>
<b><u>Current</u></b>		
(a) Commercial advances	155.78	148.05
(b) Advances to employees	16.04	6.29
(c) Balances with government authorities (Advances & GST credit)	107.57	145.38
(d) Prepaid expenses	52.86	46.75
(e) Other receivables (export incentives, etc.)	0.12	0.11
(f) Balance in Gratuity Fund (net of obligations)	-	4.92
<b>Total</b>	<u>332.37</u>	<u>351.50</u>

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**Note 11: Equity share capital**

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
<b>(a) Authorised</b>				
Equity shares of ₹ 10/- each	10,000,000	1,000.00	10,000,000	1,000.00
<b>(b) Issued</b>				
Equity shares of ₹ 10/- each	9,398,015	939.80	9,398,015	939.80
<b>(c) Subscribed and fully paid-up</b>				
Equity shares of ₹ 10/- each	9,398,015	939.80	9,398,015	939.80
	<b>9,398,015</b>	<b>939.80</b>	<b>9,398,015</b>	<b>939.80</b>

**Notes:**

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:**

Equity shares	Number of shares	Share capital (Amount)
<b>Balance at March 31, 2023</b>	9,398,015	939.80
Changes during year	-	-
<b>Balance at March 31, 2024</b>	9,398,015	939.80
Changes during year	-	-
<b>Balance at March 31, 2025</b>	9,398,015	939.80

**(ii) Rights, preferences and restrictions attached to the equity shares:**

The Company has only one class of shares referred to as equity shares having a face value of ₹ 10 each. Each holder of equity share is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

**(iii) Details of equity shares held by each shareholder holding more than 5% of the equity shares:**

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	%	Number of shares	%
Amara Raja Energy & Mobility Limited (Formerly known as Amara Raja Batteries Limited)	9,398,015	100.00	9,398,015	100.00

\* includes shares held by Nominee Shareholders

**(iv) Details of equity shares held by promoters at the end of the year**

Promoter Name	As at March 31, 2025		As at March 31, 2024		% change during the year
	Number of shares	%	Number of shares	%	
Amara Raja Energy & Mobility Limited (Formerly known as Amara Raja Batteries Limited)	9,398,015	100.00	9,398,015	100.00	0.00%

\* includes shares held by Nominee Shareholders

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

<b>Note 12: Other equity</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>(a) General reserve</b>	93.41	93.41
This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.		
<b>(b) Capital reserve</b>	81.61	81.61
Any profit or loss on purchase, sale, issue or cancellation of the company's own equity instruments is transferred to capital reserve.		
<b>(c) Securities premium</b>	1,151.70	1,151.70
This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.		
<b>(d) Retained earnings</b>	6,834.33	6,749.06
Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.		
<b>Total</b>	<b>8,161.05</b>	<b>8,075.78</b>

**Note 13: Borrowings**

**Current borrowings**

**(a) Cash Credits from banks (secured)**

- State Bank of India

5.33

-

**Total current borrowings**

**5.33**

-

**Security Details**

**State Bank of India**

**Primary security :** All fund & non fund based facilities are secured by hypothecation of stocks and receivables and all chargeable current assets of company.

**Collateral Security :** Entire fixed assets of the company ( Land & Building, Plant & machinery )

a) All the borrowings were utilised for the purpose for which they were raised.

b) 'The company availed working capital loans against security as detailed above.

c) The company has not declared as wilful defaulter by any of the bank or any other institution.

d) 'Quarterly returns filed by the company with the banks are in agreement with the books of accounts

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

		<u>As at March 31, 2025</u>	<u>As at March 31, 2024</u>
<b>Note 14: Lease Liability</b>			
<b><u>Non-current</u></b>			
-Lease liabilities		3.19	-
<b>Total</b>		<u>3.19</u>	<u>-</u>
<b><u>Current</u></b>			
-Lease Liabilities		1.58	-
<b>Total</b>		<u>1.58</u>	<u>-</u>
<b>Note 15: Provisions</b>			
<b><u>Non current</u></b>			
<b>Employee benefits</b>			
- Compensated absences		205.83	175.32
<b>Other Provisions</b>			
- Product Warranty		136.71	74.02
<b>Total</b>		<u>342.54</u>	<u>249.34</u>
<b><u>Current</u></b>			
<b>Employee benefits</b>			
- Compensated absences		21.58	23.22
- Gratuity (Refer Note: 31)		15.94	-
<b>Others</b>			
- Product Warranty		96.89	53.17
<b>Total</b>		<u>134.41</u>	<u>76.39</u>
<b>Movement of provision for product warranty</b>			
Provision at the beginning of the year		127.20	90.00
Provision created during the year		133.08	48.39
Less: Provision utilized/reversed during the year		(26.68)	(11.19)
<b>Provision for warranty at the end of the year</b>		<u>233.60</u>	<u>127.20</u>

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**As at March 31, 2025**      **As at March 31, 2024**

**Note 16: Deferred tax assets (Net)**

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet :

(a) Deferred tax assets	274.65	266.63
(b) Deferred tax liability	(162.19)	(126.43)
<b>Total</b>	<b>112.46</b>	<b>140.20</b>

**2024-25**

**Deferred tax (liabilities) /assets in relation to:**

	Opening balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(119.57)	(39.01)	-	(158.58)
Financial assets measured at fair value	(6.86)	3.25	-	(3.61)
Provision for doubtful receivables	110.50	10.11	-	120.61
Provision for employee benefits	49.97	11.27	-	61.24
Others	106.16	(13.36)	-	92.80
	<b>140.20</b>	<b>(27.74)</b>	<b>-</b>	<b>112.46</b>

**2023-24**

**Deferred tax (liabilities) /assets in relation to:**

	Opening balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(146.09)	26.52	-	(119.57)
Financial assets measured at fair value	-	(6.86)	-	(6.86)
Provision for doubtful receivables	48.06	62.44	-	110.50
Provision for employee benefits	29.19	20.78	-	49.97
Others	90.05	16.11	-	106.16
	<b>21.21</b>	<b>118.99</b>	<b>-</b>	<b>140.20</b>

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

As at March 31, 2025

As at March 31, 2024

**Note 17: Trade Payable**

(a) Total outstanding dues of Micro enterprises and small enterprises (Refer Note: 30)	721.83	138.81
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises	2,661.71	3,853.63
	<u>3,383.54</u>	<u>3,992.44</u>

**Trade Payables ageing schedule**

- (i) Micro & small enterprises  
(ii) Others  
(iii) Disputed dues — Micro & small enterprises  
(iv) Disputed dues - Others

Outstanding for following periods from due date of payment					
Not due	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	As at March 31, 2025
721.83	-	-	-	-	721.83
2,353.32	278.90	29.49	-	-	2,661.71
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,075.15</u>	<u>278.90</u>	<u>29.49</u>	<u>-</u>	<u>-</u>	<u>3,383.54</u>

- (i) Micro & small enterprises  
(ii) Others  
(iii) Disputed dues — Micro & small enterprises  
(iv) Disputed dues - Others

Outstanding for following periods from due date of payment					
Not due	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	As at March 31, 2024
138.81	-	-	-	-	138.81
3,035.00	818.63	-	-	-	3,853.63
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,173.81</u>	<u>818.63</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,992.44</u>

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**Note 18: Other financial liabilities**

	<u>As at March 31, 2025</u>	<u>As at March 31, 2024</u>
<b><u>Current</u></b>		
(a) Unpaid dividends	0.35	0.69
(b) Other payables:		
(i) Payables on purchase of property, plant and equipment	8.44	150.08
(ii) Others (employee related, others)	166.47	177.35
<b>Total</b>	<u><u>175.26</u></u>	<u><u>328.12</u></u>

**Note 19: Income tax assets /liabilities (net)**

<b><u>Non- Current Asset</u></b>		
Advance tax / TDS receivable (net of provisions)	307.42	160.10
<b>Total</b>	<u><u>307.42</u></u>	<u><u>160.10</u></u>

**Note 20: Other liabilities**

<b><u>Non-Current</u></b>		
(a) Other Non Current liabilities	14.39	11.39
<b>Total</b>	<u><u>14.39</u></u>	<u><u>11.39</u></u>
<b><u>Current</u></b>		
(a) Statutory remittances (GST, PF, TDS, etc.)	371.24	120.59
(b) Advances from customers	159.43	348.82
<b>Total</b>	<u><u>530.67</u></u>	<u><u>469.41</u></u>



**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Note 21: Revenue from contract with customers</b>		
a. Sale of products (Refer Note (i) below)	12,630.28	15,619.79
b. Sale of services (Refer Note (ii) below)	2,401.67	2,623.62
c. Other operating revenues (Refer Note (iii) below)	4.79	11.94
<b>Total</b>	<b>15,036.74</b>	<b>18,255.35</b>
<b>Notes:</b>		
<b>(i) Sale of products comprises:</b>		
<b><u>Manufactured goods</u></b>		
- DCP (Battery & battery charger)	7,057.92	7,526.96
- IPS (Integrated Power Supply System)	2,845.56	3,320.66
- EV (Electric Vehicle) Chargers	477.77	4,772.17
<b>Sub-total - Sale of manufactured goods</b>	<b>10,381.25</b>	<b>15,619.79</b>
<b><u>Traded goods</u></b>		
- EV (Electric Vehicle) Chargers	2,249.03	-
<b>Sub-total - Sale of traded goods</b>	<b>2,249.03</b>	-
<b>Total - Sale of products</b>	<b>12,630.28</b>	<b>15,619.79</b>
<b>(ii) Sale of services comprise:</b>		
- Installation and Commissioning	84.48	149.90
- Maintenance Services including annual maintenance	1,967.51	2,206.85
- Others (service charges, rectification calls etc.)	349.68	266.87
<b>Total - Sale of services</b>	<b>2,401.67</b>	<b>2,623.62</b>
<b>(iii) Other operating revenues comprise:</b>		
- Sale of process scrap	4.39	10.64
- Export benefits (including RoDTEP & Duty Drawback)	0.40	1.30
<b>Total - Other operating revenues</b>	<b>4.79</b>	<b>11.94</b>
<b>Note 22: Other Income</b>		
<b>a) Interest income</b>		
<b>(i) Interest income earned on financial assets that are not designated as at FVTPL</b>		
- Bank deposits (at amortised cost)	10.76	35.54
- From trade receivables	3.17	3.77
- Unwinding of discounts on rental deposits	0.01	-
	<b>13.94</b>	<b>39.31</b>
<b>b) Dividend income</b>		
<b>(i) Dividend from equity investments designated as at FVTPL</b>	<b>0.53</b>	<b>0.44</b>
	<b>0.53</b>	<b>0.44</b>
<b>c) Other non-operating income</b>		
<b>(i) Interest income on loans</b>	-	18.92
<b>(ii) Sale of non process scrap</b>	<b>0.02</b>	<b>0.09</b>
<b>(iii) Liabilities no longer required written back</b>	<b>84.03</b>	<b>144.12</b>
<b>(iv) Others (Rental income, Insurance claims received etc)</b>	<b>28.53</b>	<b>29.80</b>
	<b>112.58</b>	<b>192.93</b>

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>d) Other gains and losses</b>		
(i) Gain on disposal of mutual fund units	35.56	138.54
(ii) Net foreign exchange gains	-	0.59
(iii) Net gain arising on Current financial assets mandatorily measured at FVTPL [Refer Note below]	0.25	9.09
(iv) Net gain arising on Non Current financial assets measured at FVTPL [Refer Note below]	-	18.19
	<u>35.90</u>	<u>166.41</u>
<b>Total Other Income (a+b+c+d)</b>	<u>162.95</u>	<u>399.09</u>

**Note:**

The amount represents the increase in fair value on non-derivative Non-current & current investments which are measured at fair value. [Refer Note 5]

**Note 23: Change in inventories of finished goods, work in progress and stock in trade**

<b>Inventories at the beginning of the year</b>		
Work in progress	98.23	58.57
Finished Goods	350.33	664.07
Stock-in-trade		
- EV (Electric Vehicle) Chargers	-	-
<b>Total [A]</b>	<u>448.56</u>	<u>722.64</u>
<b>Inventories at the end of the year</b>		
Work in progress	232.93	98.23
Finished Goods	707.34	350.33
Stock-in-trade		
- EV (Electric Vehicle) Chargers	82.59	-
<b>Total [B]</b>	<u>1,022.86</u>	<u>448.56</u>
<b>Decrease / (Increase) in finished goods, work-in-progress &amp; Stock-in-trade [A-B]</b>	<u>(574.30)</u>	<u>274.08</u>

**Note 24: Employee benefits expense**

Salary, wages, bonus and allowance	2,015.57	1,772.13
Contribution to provident and other funds (Refer Note 31)	191.21	177.11
Staff Welfare expenses	187.66	164.49
	<u>2,394.44</u>	<u>2,113.73</u>

**Note 25: Finance costs**

(a) Interest costs:		
(i) Interest on working capital facilities	8.38	0.93
(ii) Others	3.03	13.07
(b) Other borrowing costs		
(i) Interest on Lease Liabilities (Refer Note: 35)	0.15	-
(ii) Others	9.56	8.80
	<u>21.12</u>	<u>22.80</u>

**Note 26: Depreciation and amortization expense**

Depreciation of property, plant and equipment (Refer Note: 3.1 & 3.2)	202.95	130.38
Amortization of intangible asset (Refer Note: 4)	389.51	234.38
	<u>592.46</u>	<u>364.76</u>

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Note 27: Other Expenses</b>		
Consumption of stores and spares (including packing material)	2.33	6.95
Tools consumed	7.30	7.71
Power and fuel	65.98	52.03
Rent	54.82	61.14
Repairs and maintenance		
- Plant and machinery	2.51	2.26
- Buildings	4.49	0.15
- Others	2.03	0.54
Insurance	24.68	20.01
Rates and taxes	25.50	42.36
Communication	28.04	24.09
Travelling and conveyance	129.53	140.64
Outward freight and handling charges	157.80	103.71
Advertisement and sales promotion	14.26	12.56
Expenditure on Corporate Social Responsibility (Refer Note 38)	39.91	34.81
Legal and professional	45.20	26.13
Payment to auditors [Refer Note below]	8.04	7.56
Bad trade receivables written off	-	121.28
Less : Provision released	-	(121.11)
	-	0.17
Provision for doubtful trade receivables	35.16	354.38
Security deposits & EMD written off	-	68.31
Less: Provision released	-	(47.02)
	-	21.29
Provision for doubtful Security deposits	33.03	28.93
Loss on sale of property, plant and equipment (net) / written off	-	24.60
Net foreign exchange loss	1.18	
Net loss arising on Non Current financial assets measured at FVTPL	4.08	
Warranty expenses (net)	270.68	48.75
Printing and stationery	11.57	17.82
Business development expenses	63.23	-
Office maintenance	111.80	106.56
IT Expenses	74.22	60.26
Miscellaneous expenses	196.07	138.47
	<b>1,413.44</b>	<b>1,343.88</b>

**Note:**

**Payment to auditors comprise (net of GST)**

(a) To statutory auditors		
- Statutory audit fee	6.00	5.00
- Tax audit fee	1.00	1.00
- Certification fee	0.24	0.76
(b) To cost auditor for cost audit	0.80	0.80
	<b>8.04</b>	<b>7.56</b>

**Note 28: Income tax recognised in profit or loss**

<b>Current Tax</b>		
In respect of the current year	9.51	531.02
In respect of the prior years	0.01	55.44
<b>Total</b>	<b>9.52</b>	<b>586.46</b>
<b>Deferred Tax</b>		
In respect of the current year	27.74	(118.99)
<b>Total</b>	<b>27.74</b>	<b>(118.99)</b>
<b>Total income tax expense recognised</b>	<b>37.26</b>	<b>467.47</b>

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

The income tax expense for the year can be reconciled to the accounting profit as follows:

<b>Profit before tax</b>	114.40	1,649.68
Income tax expense calculated at 25.168% (2022-23 : 25.168%)	28.79	415.19
Adjustments in respect of current income tax of previous years	0.01	55.44
Tax effects of amounts which are not deductible in determining taxable profit	228.95	304.66
Effect of concessions (research and development and other allowances)	(220.49)	(307.82)
<b>Income tax expense recognised in profit or loss</b>	<b>37.26</b>	<b>467.47</b>

**Note:**

The tax rate used for the year 2024-2025 and 2023-2024 reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**Note 29: Contingent liabilities and commitments**

	As at March 31, 2025	As at March 31, 2024
<b>(i) Contingent Liabilities (to the extent not provided for) :</b>		
Claims against the Company not acknowledged as debt		
<b><u>Matters under dispute:</u></b>		
- Sales tax/VAT and GST	1,027.15	1,015.38
- Income tax	353.80	359.33

It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

**(ii) Commitments:**

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	55.05	267.80
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**Note 30:** Based on and to the extent of information available with the Company under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	721.83	138.81
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the	-	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	6.96	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act for payments already made	0.02	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) +	0.02	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**Note 31: Employee Benefits**

**a. Defined contribution plans**

The Company makes Provident Fund, Superannuation Fund and Employees' State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. The Company recognised ₹ 65.55 lakhs (Year ended March 31, 2024: ₹ 62.87 lakhs) for provident fund contributions, ₹ 87.21 lakhs (Year ended March 31, 2024: ₹ 81.62 lakhs) for Superannuation Fund contributions and ₹ 3.83 lakhs (Year ended March 31, 2024: ₹ 5.50 lakhs) towards Employees' State Insurance Scheme contributions in the Statement of Profit and Loss.

**b. Defined benefit plans**

The Company provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is March 31.

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

**Risk Management:**

**Investment risk** - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**Interest rate risk** - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

**Longevity risk** - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk** - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

**(i) Balance Sheet**

The assets, liabilities and surplus / (deficit) position of the defined benefit plans at the Balance Sheet date were:

	As at March 31, 2025	As at March 31, 2024
Present value of obligation	646.70	597.55
Fair value of plan assets	(630.76)	(602.47)
<b>Net liability/(asset) recognized in the Balance Sheet</b>	<b>15.94</b>	<b>(4.92)</b>

**(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets**

	Plan Assets	Plan Obligation	Total Net
<b>As at March 31, 2023</b>	<b>538.92</b>	<b>493.23</b>	<b>(45.69)</b>
Current service cost	-	27.74	27.74
Past service cost	-	-	-
Interest cost	-	33.26	33.26
Interest income	38.15	-	(38.15)
Actuarial (gain)/loss arising from changes in financial assumptions	-	3.27	3.27
Actuarial (gain)/loss arising due to experience	-	50.76	50.76
Contributions	33.35	-	(33.35)
Benefit payments	(10.71)	(10.71)	0.00
Return on plan assets, excluding interest income	2.76	-	(2.76)
Transfer between Group Companies	-	-	-
<b>As at March 31, 2024</b>	<b>602.47</b>	<b>597.55</b>	<b>(4.92)</b>

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**b. Defined benefit plans (Contd.)**

	Plan Assets	Plan Obligation	Total Net
Current service cost	-	30.43	30.43
Past service cost	-	-	-
Interest cost	-	41.36	41.36
Interest income	42.80	-	(42.80)
Actuarial (gain)/loss arising from changes in financial assumptions	-	28.83	28.83
Actuarial (gain)/loss arising due to experience	-	(33.63)	(33.63)
Contributions	-	-	-
Benefit payments	(29.27)	(29.27)	-
Return on plan assets, excluding interest income	3.33	-	(3.33)
Transfer between Group Companies	11.43	11.43	-
<b>As at March 31, 2025</b>	<b>630.76</b>	<b>646.70</b>	<b>15.94</b>

**(iii) Statement of Profit and Loss**

The charge to the Statement of Profit and Loss comprises:

	Period ended March 31, 2025	Year ended March 31, 2024
<b>Employee Benefit Expenses</b>		
Current service cost	30.43	27.74
Interest cost	41.36	33.26
Past service cost	-	-
Interest income	(42.80)	(38.15)
<b>Net impact on profit before tax</b>	<b>28.99</b>	<b>22.85</b>
<b>Remeasurement of the net defined benefit plan</b>		
Actuarial (gain)/loss arising from changes in financial assumptions	28.83	3.27
Actuarial (gain)/loss arising due to experience	(33.63)	50.76
Return on plan assets, excluding interest income	(3.33)	(2.76)
<b>Net impact on other comprehensive income before tax</b>	<b>(8.13)</b>	<b>51.27</b>

**(iv) Assets**

The major categories of plan assets as a % of the total plan assets

	As at March 31, 2025	As at March 31, 2024
Funded with Life Insurance Corporation of India	100%	100%

**(v) Assumptions**

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	As at March 31, 2025	As at March 31, 2024
Discount rate	6.71%	7.21%
Salary escalation rate	10%	10%

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

**Demographic assumptions**

Mortality in Service: Indian Assured Lives Mortality 2012-14 (Urban)

**(vi) Sensitivity analysis**

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	As at March 31, 2025		As at March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(36.09)	40.33	(31.58)	35.00
Salary escalation rate (1% movement)	27.57	(26.30)	23.93	(23.13)



**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**b. Defined benefit plans (Contd.)**

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

**(vii) Maturity analysis**

Maturity profile of defined benefit obligation:

	As at March 31, 2025	As at March 31, 2024
Within 1 year	55.51	59.25
1-2 year	68.39	62.90
2-3 year	89.31	72.13
3-4 year	87.84	88.79
4-5 year	83.90	84.12
5-10 year	299.72	294.95

The Company expects to contribute ₹ Nil to its defined benefit plans during the next fiscal year.

**Note 32: Segment Reporting**

The company is involved in the business of manufacturing Power Electronics & EV Chargers which is considered as operating segment of the company

**Geographical information**

The Company operates mainly in India and has very low export revenue. All the non-current assets of the Company are situated within India.

**Revenue**

	For the year ended March 31, 2025	For the year ended March 31, 2024
India	14,767.01	18,041.18
Outside India	269.73	214.17
<b>Total</b>	<b>15,036.74</b>	<b>18,255.35</b>

Refer to Note 36 on Financial Instruments and related disclosures for information on revenue from major customers.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
(All amounts in Indian Rupees Lakhs)

**Note 33: Related party transactions**

**(a) Nature of relationship and names of related parties**

**Nature of relationship**

**Name of related parties**

**i) Entity with Control**

Amara Raja Energy & Mobility Limited, Holding company  
(Formerly known as Amara Raja Batteries limited) w.e.f  
29.09.2023

**ii) Entity exercising Significant Influence**

RN Galla Family Private Limited

**iii) Key Management Personnel**

Jayadev Galla  
Harshavardhana Gourineni  
Vikramadithya Gourineni

**iv) Relative of Key Management Personnel**

Dr. Ramachandra Galla  
Dr. Ramadevi Gourineni  
Mr. Ashok Galla  
Mr. Siddharth Galla  
Mrs. Amara Kumari Galla

**v) Enterprise over which KMP or relative exercise significant influence**

Rajanna Foundation (Formerly known as "Rajanna Trust")  
G2 Healthcare Private Limited

**vi) Subsidiaries of Holding company**

Amara Raja Advanced Cell Technologies Private Limited  
Amara Raja Circular Solutions Private Limited  
Amara Raja Batteries Middle East (FZE), U.A.E.

**vii) Subsidiaries of the entity exercising significant influence**

Mangal Industries Limited  
Amara Raja Infra Private Limited  
Amara Raja Design Alpha Private Limited  
Amara Raja Electronics Limited

**Note:** Related parties have been identified by the Management to the extent of transactions with such related parties.

**(b) Transactions with the related parties during the year**

**Sales of Goods & Services**

	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Amara Raja Energy & Mobility Limited	28.73	1,436.73
Amara Raja Infra Private Limited	5.32	106.49
Amara Raja Electronics Limited	24.29	54.15
Galla Jayadev	2.77	-
Amara Raja Advanced Cell Technologies Private Limited	418.61	3,325.48

**Purchase of Goods & Services**

Amara Raja Energy & Mobility Limited	3,833.89	3,634.25
Amara Raja Electronics Limited	3,404.43	1,559.82
Mangal Industries Limited	436.52	470.13
Amara Raja Infra Private Limited	184.56	201.52
Amara Raja Design Alpha Private Limited	13.49	34.30
Amara Raja Advanced Cell Technologies Private Limited	63.23	-
G2 Healthcare Private Limited	1.19	-
Rajanna Foundation	1.31	-

**Reimbursement of expenses charged by the company(Income)**

Amara Raja Energy & Mobility Limited	-	0.15
Mangal Industries Limited	-	243.29
Amara Raja Electronics Limited	14.77	-
Amara Raja Infra Private Limited	5.89	10.64
Amara Raja Advanced Cell Technologies Private Limited	3.63	-

**Reimbursement of expenses charged on the company(Expenses)**

Amara Raja Energy & Mobility Limited	281.35	497.10
Amara Raja Advanced Cell Technologies Private Limited	4.40	-
Amara Raja Circular Solutions Private Limited	0.43	-

Amara Raja Power Systems Limited  
Notes to the financial statements for the year ended March 31, 2025  
(All amounts in Indian Rupees Lakhs)

Note 33: Related party transactions (Contd.)

	March 31, 2025	March 31, 2024
<b>Interest Expense</b>		
Amara Raja Energy & Mobility Limited	-	0.02
Amara Raja Electronics Limited	-	0.20
Mangal Industries Limited	-	0.13
Amara Raja Infra Private Limited	-	0.06
<b>Interest Income</b>		
Amara Raja Electronics Limited	0.65	0.18
Amara Raja Infra Private Limited	1.15	20.52
Amara Raja Advanced Cell Technologies Private Limited	-	0.91
<b>Rental Income</b>		
Amara Raja Energy & Mobility Limited	12.83	-
Amara Raja Electronics Limited	118.68	-
Amara Raja Advanced Cell Technologies Private Limited	1.01	-
<b>Donation Expense (CSR)</b>		
Rajanna Foundation (Formerly known as Rajanna Trust)	39.91	34.81
<b>Cash discounting /Income</b>		
Amara Raja Electronics Limited	-	0.02

(c) Balance with the related party

	March 31, 2025	March 31, 2024
<b>Payables</b>		
<b>Outstanding Payable</b>		
Amara Raja Energy & Mobility Limited	1,779.12	1,758.67
Amara Raja Electronics Limited	15.33	212.87
Mangal Industries Limited	142.80	106.50
Amara Raja Infra Private Limited	18.42	50.51
Amara Raja Advanced Cell Technologies Private Limited	71.34	-
<b>Reimbursement of expenses charged on the company</b>		
Amara Raja Energy & Mobility Limited	61.79	78.98
Amara Raja Infra Private Limited	2.93	13.53
Amara Raja Advanced Cell Technologies Private Limited	4.70	-
Amara Raja Circular Solutions Private Limited	0.43	-
<b>Capital commitments</b>		
Amara Raja Infra Private Limited	-	10.23
Amara Raja Design Alpha Private Limited	17.35	-
<b>Receivables</b>		
<b>Outstanding Receivable</b>		
Amara Raja Energy & Mobility Limited	0.21	3.19
Amara Raja Infra Private Limited	-	87.31
Amara Raja Electronics Limited	20.12	1.31
Amara Raja Advanced Cell Technologies Private Limited	7.97	-
<b>Reimbursement of expenses charged by the company</b>		
Amara Raja Energy & Mobility Limited	-	0.15
Mangal Industries Limited	-	30.83
Amara Raja Electronics Limited	3.06	-
Amara Raja Advanced Cell Technologies Private Limited	3.84	-
<b>Interest Receivable</b>		
Amara Raja Electronics Limited	0.01	0.11
Amara Raja Infra Private Limited	-	0.42
<b>Rental Income Receivable</b>		
Amara Raja Energy & Mobility Limited	1.71	-
Amara Raja Advanced Cell Technologies Private Limited	0.18	-
<b>Advances</b>		
Rajanna Foundation	0.28	-

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees Lakhs)**

**Note 34: Earnings per share (EPS)**

The following reflects the income and shares used in the basic and diluted EPS computations:

	March 31, 2025	March 31, 2024
Profit for the year (in ₹ lakhs) [A]	77.14	1,182.21
Weighted average number of equity shares outstanding during the year (No's) [B]	9,398,015	9,398,015
Earnings per share (Face Value of ₹ 10 per share)		
Basic and Diluted EPS (in Rs.) [A/B]	0.82	12.58

**Note 35: Leases**

**(i) The following is the breakup of current and non-current lease liabilities**

Current liabilities	1.58	-
Non-Current liabilities	3.19	-

**(ii) The following is the movement of lease liabilities during the yearended March 31:**

Balance at the beginning	-	-
Additions during the year	5.26	-
Deletions during the year	-	-
Finance cost accrued during the year	0.15	-
Payment of lease liabilities	(0.64)	-
Balance at the end	4.77	-

**(iii) Contractual maturities of lease liabilities**

Less than one year	1.58	-
One to five years	3.19	-
More than five years	-	-
	4.77	-

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)**

**Note 36: Financial instruments and related disclosures**

**A. Capital Management**

The Capital management of the company is determined and managed by the holding company as part of the operations of the company. The company's capital comprises its share capital and accumulated profits

The company is not subject to externally imposed capital requirements

**B. Categories of Financial Instruments**

Particulars	Carrying value		Fair value	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
(i) Cash and cash equivalents	-	186.08	-	186.08
(ii) Other bank balances	81.29	120.50	81.29	120.50
(iii) Trade receivables	6,381.14	6,186.19	6,381.14	6,186.19
(iv) Other financial assets	550.94	572.43	550.94	572.43
<b>Measured at FVTPL</b>				
Non-Current investment- Equity shares	18.67	22.75	18.67	22.75
Current investment- Mutual funds	102.37	826.50	102.37	826.50
<b>Total Financial assets</b>	<b>7,134.41</b>	<b>7,914.45</b>	<b>7,134.41</b>	<b>7,914.45</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
(i) Borrowings	5.33	-	5.33	-
(ii) Trade payables	3,383.54	3,992.44	3,383.54	3,992.44
(iii) Other financial liabilities	175.26	328.12	175.26	328.12
(iv) Lease Liabilities	4.77	-	4.77	-
<b>Total Financial liabilities</b>	<b>3,568.90</b>	<b>4,320.56</b>	<b>3,568.90</b>	<b>4,320.56</b>

**C. Financial risk management objectives**

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard. The key risks and mitigating actions are overseen by the Board of Directors of the Company.

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)**

**Note 36: Financial instruments and related disclosures (Contd.)**

**Liquidity Risk**

The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilised credit limits with banks. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2025 and March 31, 2024. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and mutual funds with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The Company's current assets aggregate ₹ 9,144.08 lakhs (March 31, 2024 ₹ 9,553.97 lakhs) including Current investments, Cash and cash equivalents and Other bank balances of ₹ 183.66 lakhs (March 31, 2024 ₹ 1,133.08 lakhs) against an aggregate current liability of ₹ 4,230.79 lakhs (March 31, 2024 ₹ 4,866.36 lakhs). The table below provides details regarding the contractual maturities of significant non-current financial liabilities as of March 31, 2025 and March 31, 2024. Contractual maturities in respect of lease liabilities has been disclosed in Note 35.

	As at March 31, 2025			Total
	1-3 years	3-5 years	Above 5 years	
Borrowings (Non-current)	-	-	-	-

	As at March 31, 2024			Total
	1-3 years	3-5 years	Above 5 years	
Borrowings (Non-current)	-	-	-	-

Further, while the Company's total equity stands at ₹ 9,100.85 lakhs (March 31, 2024: ₹ 9,015.58 lakhs), it has borrowings of ₹ 5.33 lakhs (March 31, 2024: ₹ Nil). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

**Market Risk**

As the Company is virtually debt-free and its deferred payment liabilities do not carry interest, the exposure to interest rate risk from the perspective of financial liabilities is negligible. Further, treasury activities, focused on managing current investments are administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters after due evaluation. The Company invests in Mutual Fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the Mutual Fund schemes in which the Company has invested, such price risk is not significant. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

**Foreign Currency Risk**

The Company is subject to the risk that changes in foreign currency values impact the Company's export revenues and import of raw materials and property, plant and equipment. The Company is exposed to foreign exchange risk arising from currency exposures, primarily with respect to US Dollars. Financial assets and liabilities denominated in foreign currency, are also subject to reinstatement risk.

The Company manages currency exposures within prescribed limits. The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

The carrying amounts of non-derivative foreign currency denominated financial assets and liabilities are as follows:

**As at March 31, 2025**

	USD	EURO	GBP	Other currencies*	Total
<b>Financial Assets</b>					
- Trade receivables	0**	-	-	-	-
- Other financial asset	-	-	-	-	-
<b>Financial Liabilities</b>					
- Trade Payables	0**	-	-	-	-
- Other financial liabilities	-	-	-	-	-
<b>Net financial asset / (liability)</b>	<b>0**</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*\* Amount less than 1 thousand

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)

**Note 36: Financial instruments and related disclosures (Contd.)**

**As at March 31, 2024**

	USD	EURO	GBP	Other currencies*	Total
<b>Financial Assets</b>					
- Trade receivables	-	-	-	-	-
- Cash and cash equivalents	-	-	-	-	-
<b>Financial Liabilities</b>					
- Trade Payables	(0.54)	-	-	-	(0.54)
- Other financial liabilities	-	-	-	-	-
<b>Net financial asset / (liability)</b>	<b>(0.54)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.54)</b>

\* Other includes currencies such as Japanese Yen and Dirhams.

**Foreign currency sensitivity analysis**

For every percentage point increase in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, holding all other variables constant, the profit before tax for the year ended March 31, 2025 would change by ₹ 0.0002 lakhs [March 31, 2024: ₹ 0.44 lakhs]. For every percentage point decrease in the underlying exchange rate would have led to an equal but opposite effect.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates.

**Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligation.

Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a monthly basis. The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. loss allowances and impairment is recognised, where considered appropriate by responsible management.

The credit risk on cash and bank balances and fixed deposits is limited because the counterparties are banks with high credit ratings.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from top customers from whom the Company receives 10% or more of its revenues*	4,222.31	3,324.54
Revenue from top 5 customers	5,963.79	9,005.29

\* There are 2 customers from whom company is receiving 10% or more of its revenues (March 31, 2024: Only 1 customer)



**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)**

**Note 36: Financial instruments and related disclosures (Contd.)**

**D. Fair value measurement**

**Fair value hierarchy**

The fair value of financial instruments as referred to in Note 36.B above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The following levels have been used for classification:

- Level 1: Quoted prices (unadjusted) for identical instruments in active market.
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs
- Level 3: Inputs which are not based on observable market data.

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly for certain unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :

Particulars	Fair value hierarchy (Level)	As at March 31, 2025	As at March 31, 2024
<b>Financial assets</b>			
<b>a) Measured at fair value through profit or loss</b>			
i) Investment in Equity Shares - Quoted	1	18.67	22.75
i) Investment in Mutual Funds	1	102.37	826.50
<b>Total</b>		<b>121.04</b>	<b>849.25</b>

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)

**Note 37: Dividend**

Dividend on equity shares paid during the year	FY 2024-25	FY 2023-24
Final dividend for FY 2023-24 (No Dividend declared) [for FY 2022-23: ₹ 2.25 per equity share of ₹ 10 each]	-	211.42
	-	<b>211.42</b>

**Note 38: Corporate Social Responsibility**

Particulars	FY 2024-25	FY 2023-24
(i) Gross amount required to be spent by the Company during the year	39.91	34.81
(ii) Amount spent during the year on :		
(a) Construction/acquisition of any assets	39.91	34.81
(b) On purposes other than (i) above	-	-
<b>Total spent</b>	39.91	34.81
(iii) Related party transactions in relation to Corporate Social Responsibility	39.91	34.81
(iv) Details of excess amount spent		
	<b>Opening Balance</b>	<b>Amount required to be spent during the year</b>
		<b>Amount spent during the year</b>
		<b>Closing Balance</b>
Details of excess amount spent	-	39.91
		39.91
		-
(v) Nature of CSR activities undertaken by the Company :		
- Construction of High School & Senior Secondary School		

**Amara Raja Power Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)

**Note 39: Key Financial Ratios**

S.No	Ratio	Numerator	Denominator	FY 2024-25	FY 2023-24	% variance
1	Current ratio	Current assets	Current liabilities	2.16	1.96	10%
2	Debt-equity ratio	Total Debt (Borrowings)	Total Equity	0.00	-	-100% *
3	Debt service coverage ratio	Earnings available for debt service #	Finance costs (excluding costs pertaining to lease liabilities and unwinding of discount on warranty provision) + Repayment of Borrowings	32.94	5.40	510% **
4	Return on equity (%)	Profit for the year	Average Total Equity	0.85%	13.82%	-94% \$
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	6.49	6.84	-5%
6	Trade receivables turnover ratio	Revenue from Sale of Products and Services	Average Trade receivables	2.39	3.23	-26% \$
7	Trade payables turnover ratio	Net Purchases of raw material, packing material and stock-in-trade	Average Trade Payables	3.00	2.94	2%
8	Net capital turnover ratio	Revenue from operations	Working Capital (Current Assets - Current Liabilities)	3.06	3.89	-21%
9	Net profit ratio (in %)	Profit for the year	Revenue from operations	0.51%	6.48%	-92% \$
10	Return on Capital employed (%)	Profit before interest (excluding interest on lease liabilities and unwinding of discount on warranty provision), exceptional items and tax	Average Capital employed^	1.50%	19.24%	-92% \$
11	Return on investment (%)	Income during the year	Time weighted average of investments			
a	Return on Mutual Funds			7.29%	7.17%	2%
b	Return on Fixed deposits			NA	4.77%	NA \$\$

\* Impact on ratios is on account of Nil debt as at 31st March, 2024, Where as debt as on 31st March, 2025 is Rs. 5.33 lakhs.

\*\* Variance is due to principal repayment of Rs. 272.38 lakhs along with interest of Rs. 22.80 lakhs in FY 23-24 compared with Nil principal repayment with interest of Rs. 20.97 lakhs in FY 24-25

\$ Variance is because of lower profits & lower sales in FY 24-25 compared with FY 23-24


\$\$ No investments in fixed deposits during FY 24-25

# Earning available for Debt Service: Profit after tax + depreciation and amortisation expense + finance costs (excluding interest on lease liabilities and unwinding of discount on warranty provision) + net loss on sale of property, plant and equipment


^[Total Equity + Total Debt (Borrowings)].

**Note 40:** The financial statements are approved for issue by Board of Directors at the meeting held on May 26, 2025.

For Sagar & Associates  
Chartered Accountants  
Firm Registration No :003510S

  
Ajay Kumar Mishra  
Partner  
(Memb No: 205468)

For and on behalf of the Board of Directors

  
Harshavardhana Gourineni  
Director  
DIN: 07311410

  
Vikramadithya Gourineni  
Director  
DIN: 03167659

  
Ravali Mulagada  
Company Secretary

Place: Hyderabad  
Date: 26.05.2025

Place: Hyderabad  
Date: 26.05.2025

