

**AMARA RAJA CIRCULAR SOLUTIONS
PRIVATE LIMITED**

CIN: U37100AP2022PTC121875

**Financial Statements for the year ended
March 31, 2025**

Corporate Information

Board of Directors

**Harshavardhana Gourineni
Vikramadithya Gourineni
Muralimohan Reddy Penna**

**Chief Financial Officer - Subrahmanyam K
Company Secretary - Vikas Sabharwal
Statutory Auditors - Deloitte Haskins & Sells LLP**

Registered Office :

**Renigunta, Cuddapah Road,, Karakambadi,,
Tirupati, Chittoor, Andhra Pradesh, India, 517520.**

INDEPENDENT AUDITOR'S REPORT

To The Members of Amara Raja Circular Solutions Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Amara Raja Circular Solutions Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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 Director's report but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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.
- When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.



Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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 Section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2025 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) Reporting on the adequacy of Internal Financial Controls with reference to financial statements of the Company and the operating effectiveness of such controls, under Section 143(3)(i) of the Act is not applicable in view of the exemption available to the Company in terms of the notification no. G.S.R. 583(E) dated 13 June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017.



- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, Section 197 of the Act related to the managerial remuneration is not applicable.
- 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.



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- vi. Based on our examination, which included test checks, the Company has used accounting software system for maintaining its books of account for the financial year ended March 31, 2025 which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. 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.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(F.R.N: 117366W/W-100018)

R. Prasanna Venkatesh

R Prasanna Venkatesh
Partner
(Membership No.214045)
UDIN: 25214045BMNWHR2734

Place: Chennai
Date: May 28, 2025



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of Right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment, capital work-in-progress and right-of-use assets so to cover all the items once every 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 program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold land. In respect of immovable properties that have been taken on lease and disclosed as Right-of-use assets in the financial statements, the lease agreements are duly executed in favour of the Company.
- (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and guaranteed any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnership, or any other parties during the year, and, hence, reporting under clause (iii) of the order is not applicable.
- (iv) The Company has not granted any loans, made investments or provided guarantees or securities and, hence, reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.



- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under Section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.
- There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred to in sub- clause(a) above which have not been deposited on account of disputes as on March 31, 2025.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and, hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) The Company did not raise any funds on a short-term basis during the year and hence, reporting under clause (ix) (d) is not applicable.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and, hence, reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and, hence, reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.



- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and, hence, reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 188 of the Companies Act, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable Indian Accounting Standards. The Company is a private company and hence the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv) In our opinion the Company is not required to have an internal audit system under section 138 of the Companies Act 2013, hence, reporting requirement under clause (xiv)(a) and (b) are not applicable.
- (xv) In our opinion during the year, the Company has not entered into any non-cash transactions with any of its directors or directors of its subsidiary company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
(a), (b),
(c) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- The Group does not have any Core Investment Company ('CIC') as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses amounting to ₹ 32.25 million in the financial year covered by our audit but had not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or as a net profit of five crores or more during the immediately preceding financial year and hence, provision of Section 135 of the Act are not applicable to the company during the year. Accordingly, reporting under clause (xx) of the order is not applicable for the year.



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- (xxi) The Company does not have any subsidiaries or joint venture requiring it to prepare the Consolidated financial statements. Accordingly, reporting under clause (xxi) of the order is not applicable.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(F.R.N: 117366W/W- 100018)

R. Prasanna Venkatesh

R. Prasanna Venkatesh
Partner
Membership No. 214045
UDIN: 25214045BMNWHR2734

Place: Chennai
Date: May 28, 2025



Amara Raja Circular Solutions Private Limited
CIN: U37100AP2022PTC121875
Balance Sheet as at March 31, 2025

All amounts are in ₹ millions, except share data and where otherwise stated

	Note	As at March 31, 2025	As at March 31, 2024
A. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3.1	1,492.73	0.41
(b) Right-of-use asset	3.2	397.60	401.71
(c) Capital work-in-progress	3.1	2,987.73	2,295.77
(d) Intangible assets	3.3	1.64	-
(e) Financial assets			
(i) Other financial assets	5	10.66	10.99
(f) Deferred tax assets (net)	4	26.11	2.96
(g) Income-tax assets (net)	12	5.95	0.97
(h) Other non-current assets	6	89.67	501.39
Total non-current assets		5,012.09	3,214.20
Current assets			
(a) Inventories	7	591.50	-
(b) Financial assets			
(i) Investments	8	329.67	485.95
(ii) Trade receivables	9	179.09	-
(iii) Cash and cash equivalents	10	17.89	1.85
(iv) Bank balances other than (iii) above	11	34.70	-
(v) Other financial assets	5	1.66	0.68
(c) Other current assets	6	725.49	1.18
Total current assets		1,880.00	489.66
Total Assets		6,892.09	3,703.86
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	4,666.67	2,800.00
(b) Other equity	14	1,271.26	399.38
Total Equity		5,937.93	3,199.38
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	15	1.82	3.28
(b) Provisions	16	4.09	-
(c) Other Non-current liabilities	18	190.67	192.68
Total Non-current liabilities		196.58	195.96
Current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	15	3.45	1.69
(ii) Trade payables	19		
- Total outstanding dues of Micro enterprises and small enterprises		14.30	-
- Total outstanding dues of creditors other than Micro enterprises and small enterprises		522.53	21.18
(iii) Other financial liabilities	17	207.06	278.40
(b) Provisions	16	2.09	-
(c) Other current liabilities	18	8.15	7.25
Total current liabilities		757.58	308.52
Total Equity and Liabilities		6,892.09	3,703.86
Corporate information			
Material accounting policies			

See accompanying notes to the financial statements

In terms of our report attached
 For Deloitte Haskins & Sells LLP
 Chartered Accountants
 (F.R.N.: 117366W/W-100018)

R. Prasanna Venkatesh
venkatesh

R. Prasanna Venkatesh
 Partner
 M.No. 214045

Place: Chennai
 Date: May 28, 2025



For and on behalf of the Board of Directors

Penna Reddy
Muralimohan Reddy Penna
 Director & CEO
 DIN: 09628317

Subrahmanyam K
Subrahmanyam K
 Chief Financial Officer

Place: Hyderabad
 Date: May 28, 2025

Harshavardhana Gourineni
Harshavardhana Gourineni
 Director
 DIN: 07311410

Vikas Sabharwal
Vikas Sabharwal
 Company Secretary



Amara Raja Circular Solutions Private Limited

CIN: U37100AP2022PTC121875

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

All amounts are in ₹ millions, except share data and where otherwise stated

	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
I Revenue from operations	20	2,142.00	-
II Other income	21	35.50	35.98
III Total Income (I+II)		2,177.50	35.98
IV Expenses			
Cost of materials consumed		2,347.57	-
Changes in inventories of finished goods	22	(281.61)	-
Employee benefits expense	23	39.96	-
Finance costs	24	0.61	0.07
Depreciation and amortization expense	25	48.62	0.14
Other expenses	26	105.59	22.30
Total Expenses		2,260.74	22.51
V (Loss) / Profit before tax (III - IV)		(83.24)	13.47
VI Tax expense	27		
(i) Current tax		-	4.90
(ii) Deferred tax		(23.15)	1.34
Total tax expense		(23.15)	6.24
VII (Loss) / Profit after tax (V - VI)		(60.09)	7.23
VIII Other Comprehensive Loss			
(i) Items that will not be reclassified to profit or loss:			
Remeasurements of the defined benefit plans		(1.37)	-
Other Comprehensive Loss		(1.37)	-
IX Total Comprehensive (Loss) / Income (VII + VIII)		(61.46)	7.23
Earnings per share (of ₹ 10 /- each):			
Basic and Diluted (₹)	30	(0.16)	0.04
Corporate information	1		
Material accounting policies	2		

See accompanying notes to the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N : 117366W/W-100018)

R. Prasanna Venkatesh

R. Prasanna Venkatesh
Partner
M.No. 214045



Place: Chennai
Date: May 28, 2025

For and on behalf of the Board of Directors

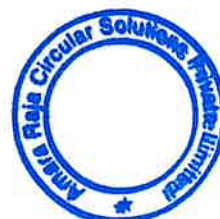
Muralimohan Reddy Penna
Muralimohan Reddy Penna
Director & CEO
DIN: 09628317

Subrahmanyam K
Subrahmanyam K
Chief Financial Officer

Place: Hyderabad
Date: May 28, 2025

Harshavardhana Gourineni
Harshavardhana Gourineni
Director
DIN: 07311410

Vikas Sabharwal
Vikas Sabharwal
Company Secretary



Cash flow statement for the year ended March 31, 2025

All amounts are in ₹ millions, except share data and where otherwise stated

	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash flows from operating activities		
Profit / (Loss) before tax	(83.24)	13.47
Adjustments for:		
Depreciation and amortisation expense	48.62	0.14
Finance costs	0.61	0.07
Interest income on bank deposits	(0.48)	(3.80)
Gain on disposal of mutual funds units	(31.17)	(24.53)
Net unrealised foreign exchange gain / (loss)	4.69	-
Net gain arising on financial assets mandatorily measured at FVTPL	(2.32)	(7.65)
	<u>19.95</u>	<u>(35.77)</u>
Operating loss before working capital changes	(63.29)	(22.30)
Movements in working capital		
Adjustments for (increase)/decrease in operating assets:		
- Trade receivables	(179.09)	-
- Inventories	(591.50)	-
- Other assets	(478.56)	(236.99)
Adjustments for increase/(decrease) in operating liabilities:		
- Trade payables	510.96	20.26
- Other liabilities	13.42	3.90
- Provisions	4.81	-
	<u>(719.96)</u>	<u>(212.83)</u>
Cash used in operations	<u>(783.25)</u>	<u>(235.13)</u>
Income taxes paid (net)	<u>(4.98)</u>	<u>(7.45)</u>
Net cash used in operating activities [A]	<u>(788.23)</u>	<u>(242.58)</u>
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including payment towards right-of-use assets)	(2,147.59)	(2,041.85)
Purchase of current investments	(3,477.50)	(2,269.50)
Bank balances not considered as cash and cash equivalents (net)	(34.70)	-
Interest received	0.05	3.80
Proceeds from sale / redemption of current investments	<u>3,667.28</u>	<u>2,326.14</u>
Net cash used in investing activities [B]	<u>(1,992.46)</u>	<u>(1,981.41)</u>
C. Cash flows from financing activities		
Proceeds from issue of equity shares	2,800.01	2,200.00
Repayment of lease liabilities	(2.67)	(0.06)
Finance costs (including on lease liabilities)	<u>(0.61)</u>	<u>(0.07)</u>
Net cash from financing activities [C]	<u>2,796.73</u>	<u>2,199.87</u>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	<u>16.04</u>	<u>(24.12)</u>
Cash and cash equivalents at the beginning of the year	1.85	25.97
Cash and cash equivalents at the end of the year (Refer Note 10)	<u>17.89</u>	<u>1.85</u>

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	As at March 31, 2025
Lease liabilities	4.97	(3.20)	3.50	5.27

Reconciliation of liabilities from financing activities for the year ended March 31, 2024

	As at March 31, 2023	Cash flows	Non cash changes	As at March 31, 2024
Lease liabilities	-	(0.08)	5.05	4.97

See accompanying notes to the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(F R N 117366W/W-100018)

R. Prasanna Venkatesh

Partner
M No 214045

Place Chennai
Date May 28, 2025



For and on behalf of the Board of Directors

Muralimohan Reddy Penna
Director & CEO
DIN: 09628317

Subrahmanyam K
Chief Financial Officer

Place Hyderabad
Date May 28, 2025

96 P

Harshavardhana Gourineni
Director
DIN: 07311410

Vikas Sabharwal
Company Secretary



Amara Raja Circular Solutions Private Limited

CIN: U37100AP2022PTC121875

Statement of changes in equity for the year ended March 31, 2025

All amounts are in ₹ millions, 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	2,800.00	1,000.00
Changes in equity share capital during the year	1,866.67	1,800.00
Balance at the end of the period	4,666.67	2,800.00

B) Other equity

	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance at March 31, 2023	-	(7.85)	(7.85)
Profit for the year	-	7.23	7.23
Upon issue of equity shares	400.00	-	400.00
Other comprehensive income	-	-	-
Total	400.00	7.23	407.23
Balance at March 31, 2024	400.00	(0.62)	399.38
Loss for the year	-	(60.09)	(60.09)
Upon issue of equity shares	933.34	-	933.34
Other comprehensive loss	-	(1.37)	(1.37)
Total	933.34	(61.46)	871.88
Balance at March 31, 2025	1,333.34	(62.08)	1,271.26

See accompanying notes to the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N : 117366W/W-100018)

For and on behalf of the Board of Directors

R. Prasanna
Venkatesh

R. Prasanna Venkatesh
Partner
M.No. 214045



Place: Chennai
Date: May 28, 2025

Muralimohan Reddy Penna
Director & CEO
DIN: 09628317

Subrahmanyam K
Chief Financial Officer

Place: Hyderabad
Date: May 28, 2025

Harshavardhana Gourineni
Director
DIN: 07311410

Vikas Sabharwal
Company Secretary



1. Corporate Information

Amara Raja Circular Solutions Pvt Limited ("the Company") is incorporated on June 2, 2022 under the Companies Act, 2013 (CIN: U37100AP2022PTC121875). The Company is wholly owned subsidiary of Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited), which is one of the largest manufacturers of lead-acid storage batteries for industrial and automotive applications in India.

The Company is in the process of setting up a green field recycling plant for processing of lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc. During the year, the Company has started its operations in relation to the refining process i.e. conversion of re-melted lead into lead and lead alloys.

2. Material Accounting Policies

A. Statement of compliance

These financial statements are the separate financial statements of the Company (also called 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. Use of 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.



Amara Raja Circular Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

All amounts are in ₹ Millions, except share data and where otherwise stated

i) 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.

ii) Fair value measurement of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

iii) Income 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.

iv) 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.

v) Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets and liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period.

E. Inventories

Inventories are stated at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The method of determination of cost of various categories of inventories is as follows:

- (i) **Raw materials and bought-out components, stores and spares and loose tools:** Weighted average cost. Cost includes purchase cost and other attributable expenses.
- (ii) **Finished Goods and Work-in-progress:** Weighted average cost of production which comprises direct material cost, direct wages and appropriate overheads based on normal level of activity.



F. Property, plant and equipment

(i) Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and 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. Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the spares or the principal item of the relevant assets, whichever is lower.

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.

(ii) Depreciation:

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Act except in respect of the following category of assets, in which case the life of the assets 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 lives (in years)
Buildings	3-30
Plant and machinery (including electrical installations)	1-30
Furniture and fixtures	5-10
Vehicles	3-10
Office equipment	3-5
Computers	3-6

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate and accounted for on a prospective basis.

Assets individually costing ₹ 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 derecognised.

G. Foreign currency transactions and translations

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of the transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the end of each reporting period are translated at the



Amara Raja Circular Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

All amounts are in ₹ Millions, except share data and where otherwise stated

exchange rates prevailing at that date. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

H. Government grants

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

Government grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognised as deferred revenue in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

I. 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. Re-measurement, 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.

(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.



Amara Raja Circular Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

All amounts are in ₹ Millions, except share data and where otherwise stated

J. Revenue recognition

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to 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 products is recognised when control of the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Other Income:

Interest income is recognised using effective interest method.

K. Financial instruments, Financial assets, Financial liabilities

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 Circular Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

All amounts are in ₹ Millions, except share data and where otherwise stated

- (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.

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 de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.



Amara Raja Circular Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

All amounts are in ₹ Millions, except share data and where otherwise stated

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.

L. 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 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.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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.



Amara Raja Circular Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

All amounts are in ₹ Millions, except share data and where otherwise stated

M. 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.

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.

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.

N. Provisions, contingent liabilities and contingent assets

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



Amara Raja Circular Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

All amounts are in ₹ Millions, except share data and where otherwise stated

which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

O. 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.

P. Cash and cash equivalents

Cash and cash equivalents for purposes of cash flow statement include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.



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

Carrying amounts of:

	As at March 31, 2025	As at March 31, 2024
Buildings	529.47	-
Plant and Equipment (including electrical installations)	936.83	-
Furniture and fixtures	5.49	0.29
Office equipment	4.64	-
Computers	13.63	0.12
Vehicles	2.67	-
	1,492.73	0.41
Capital work-in-progress [Refer note (ii) below]	2,987.73	2,295.77
	2,987.73	2,295.77

	Buildings	Plant and Equipment (including electrical installations)	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
A) Gross block at cost							
Balance as on March 31, 2023	-	-	-	-	-	-	-
Additions	-	-	0.29	-	0.13	-	0.42
Disposals	-	-	-	-	-	-	-
Balance as on March 31, 2024	-	-	0.29	-	0.13	-	0.42
Additions	536.28	972.69	5.54	5.15	14.46	3.26	1,537.38
Disposals	-	-	-	-	-	-	-
Balance as on March 31, 2025	536.28	972.69	5.83	5.15	14.59	3.26	1,537.80
B) Accumulated depreciation							
Balance as on March 31, 2023	-	-	-	-	-	-	-
Depreciation expense *	-	-	0.00*	-	0.01	-	0.01
Eliminated on disposal	-	-	-	-	-	-	-
Balance as on March 31, 2024	-	-	0.00*	-	0.01	-	0.01
Depreciation expense	6.81	35.86	0.34	0.51	0.95	0.59	45.06
Eliminated on disposal	-	-	-	-	-	-	-
Balance as on March 31, 2025	6.81	35.86	0.34	0.51	0.96	0.59	45.07
C) Carrying amount							
Balance as on March 31, 2024	-	-	0.29	-	0.12	-	0.41
Balance as on March 31, 2025	529.47	936.83	5.49	4.64	13.63	2.67	1,492.73

* Amount below ₹ 10 thousands

Note:

(i) The amount of expenditure recognised in the carrying amount of property, plant and equipment (including capital work-in progress) in the course of construction is ₹ 107.29 million (March 31, 2024: ₹ 31.92 million) [Refer Note 34].

(ii) Capital work in progress 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	1,907.33	1,059.92	20.48	-	2,987.73
	1,907.33	1,059.92	20.48	-	2,987.73

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	2,153.86	141.91	-	-	2,295.77
	2,153.86	141.91	-	-	2,295.77

* 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.



	As at March 31, 2025	As at March 31, 2024
Note 3.2 : Right-of-use assets		
Right-of-use assets	397.60	401.71
	<u>397.60</u>	<u>401.71</u>
	Leasehold land	Buildings
A) Cost		Total
Balance as on March 31, 2023	403.52	403.52
Additions	-	5.03
Balance as on March 31, 2024	403.52	408.55
Additions	-	2.97
Balance as on March 31, 2025	<u>403.52</u>	<u>411.52</u>
B) Accumulated amortisation		
Balance as on March 31, 2023	2.63	2.63
Amortisation expense	4.08	0.13
Balance as on March 31, 2024	6.71	6.84
Amortisation expense	4.15	2.93
Balance as on March 31, 2025	<u>10.86</u>	<u>13.92</u>
C) Carrying amount		
Balance as on March 31, 2024	396.81	401.71
Balance as on March 31, 2025	<u>392.66</u>	<u>397.60</u>

	As at March 31, 2025	As at March 31, 2024
Note 3.3 : Intangible Assets		
Software	1.64	-
	<u>1.64</u>	<u>-</u>
	Software	Total
A) Gross block at cost		
Balance as on March 31, 2023	-	-
Additions	-	-
Balance as on March 31, 2024	-	-
Additions	1.75	1.75
Balance as on March 31, 2025	<u>1.75</u>	<u>1.75</u>
B) Accumulated amortisation		
Balance as on March 31, 2023	-	-
Amortization Expenses	-	-
Balance as on March 31, 2024	-	-
Amortization Expenses	0.11	0.11
Balance as on March 31, 2025	<u>0.11</u>	<u>0.11</u>
C) Carrying amount		
Balance as on March 31, 2024	-	-
Balance as on March 31, 2025	<u>1.64</u>	<u>1.64</u>

Note 4 : Deferred tax asset (net)

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

(a) Deferred tax assets	45.23	4.89
(b) Deferred tax liabilities	<u>(19.12)</u>	<u>(1.93)</u>
	<u>26.11</u>	<u>2.96</u>

2024-25

Deferred tax (liabilities) / assets in relation to :	Opening balance	Recognised in profit and loss	Closing balance
Pre-incorporation expense	4.89	(0.99)	3.90
Property, plant and equipment	-	(18.54)	(18.54)
Provision for employee benefits	-	1.56	1.56
Others	-	0.08	0.08
Unused tax losses*	-	39.69	39.69
Financial assets measured at FVTPL	<u>(1.93)</u>	<u>1.35</u>	<u>(0.58)</u>
	<u>2.96</u>	<u>23.15</u>	<u>26.11</u>

* At the reporting date, the Company has unused tax losses of ₹ 157.68 millions available for offset against future profits. A deferred tax asset has been recognised in respect of ₹ 39.69 million of such losses on the basis of the probable future taxable profits.

2023-24

Deferred tax (liabilities) / assets in relation to :	Opening balance	Recognised in profit and loss	Closing balance
Pre-incorporation expense	4.88	0.01	4.89
Financial assets measured at FVTPL	<u>(0.58)</u>	<u>(1.35)</u>	<u>(1.93)</u>
	<u>4.30</u>	<u>(1.34)</u>	<u>2.96</u>



Amara Raja Circular Solutions Private Limited
Notes to the financial statements for the year ended March 31, 2025
All amounts are in ₹ millions, except share data and where otherwise stated

Note 5: Other financial assets

Non-current

(a) Security deposits

Total

As at
March 31, 2025

As at
March 31, 2024

10.66

10.99

10.66

10.99

Current

(a) Advances to related parties:

(i) Reimbursable expenses

(b) Security deposits

(c) Interest accrued on deposits

Total

0.02

0.33

1.31

1.66

-

0.39

0.29

0.68

Note 6: Other assets

Non-current

(a) Capital advances

(b) Capital advances to related parties [Refer Note 29]

(c) Prepaid expenses

(d) Balances with government authorities

(e) Other deposits (including Electricity deposits)

Total

8.27

70.74

0.31

-

10.35

89.67

126.58

118.17

-

251.47

5.17

501.39

Current

(a) Prepaid expenses

(b) Commercial advances

(c) Advances to employees

(d) Balances with government authorities

Total

7.26

0.90

0.06

717.27

725.49

1.18

-

-

-

1.18

Note 7: Inventories

(at lower of cost and net realisable value)

(a) Raw materials

(b) Finished goods

(c) Stores and spares

Total

300.67

281.61

9.22

591.50

-

-

-

-

Notes:

- The cost of inventories recognised as an expense during the year has been disclosed on the face of the Statement of Profit and Loss, Notes 22 & 26.
- There are no inventories expected to be liquidated after more than twelve months.
- The raw material includes material in transit of ₹ 2.29 million.
- The mode of valuation of inventories has been stated in Note 2.E.

Note 8: Investments

Investments mandatorily measured at fair value through profit or loss (FVTPL)

Quoted investments in mutual funds

SBI - Saving Fund - Direct Growth Plan

42,29,993.04 units of ₹ 43.60 (March 31, 2024: 1,20,16,216.55 units of ₹ 40.44)

SBI - Overnight Fund - Growth Direct Plan

14,459.53 units of ₹ 4.153.30 (March 31, 2024: Nil)

Aditya Birla Sunlife Saving Fund-Growth-Direct-Plan

1,55,825.50 units of ₹ 546.65 (March 31, 2024: Nil)

Total Quoted investments measured at FVTPL

Total Current investments

Aggregate book value of quoted investments - at cost

Aggregate market value of quoted investments

184.44

60.05

85.18

329.67

329.67

327.35

329.67

485.95

-

-

485.95

485.95

478.30

485.95



Note 9: Trade receivables

- (a) Unsecured, considered good
(b) Considered doubtful

Less: Allowance for doubtful receivables

Total

	As at March 31, 2025	As at March 31, 2024
	179.09	-
	179.09	-
	-	-
	179.09	-

Trade Receivables ageing schedule

Trade receivables - Unsecured

- (i) Undisputed, considered good
(ii) Undisputed, considered doubtful
(iii) Disputed, considered good
(iv) Disputed, considered doubtful

	Outstanding for following periods from due date of payment						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	
(i) Undisputed, considered good	-	179.09	-	-	-	-	179.09
(ii) Undisputed, considered doubtful	-	-	-	-	-	-	-
(iii) Disputed, considered good	-	-	-	-	-	-	-
(iv) Disputed, considered doubtful	-	-	-	-	-	-	-
	-	179.09	-	-	-	-	179.09

Notes:

- (i) The Company has not extended any credit period for sales made and all the sales are due upon delivery. Interest is charged on overdue receivables for related parties.
(ii) The trade receivables balance of ₹ 179.09 millions (as at March 31, 2024: ₹ Nil) is due from the company's holding company.

Note 10: Cash and cash equivalents

Balances with banks
- in current accounts

Cash and cash equivalents as per the cash flow statement

	As at March 31, 2025	As at March 31, 2024
	17.89	1.85
	17.89	1.85

Note 11: Other bank balances

In deposit accounts
- original maturity more than 3 months but less than 12 months
Total

	34.70	-
	34.70	-

Note 12: Income tax assets (net)

Non-Current

Advance tax / TDS receivable (net of provisions)
Total

	5.95	0.97
	5.95	0.97



Amara Raja Circular Solutions Private Limited
Notes to the financial statements for the year ended March 31, 2025
All amounts are in ₹ millions, except share data and where otherwise stated

Note 13: Equity share capital

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised Equity shares of ₹ 10/- each	75,00,00,000	7,500.00	50,00,00,000	5,000.00
(b) Issued Equity shares of ₹ 10/- each	46,66,67,000	4,666.67	28,00,00,000	2,800.00
(c) Subscribed and fully paid-up Equity shares of ₹ 10/- each	46,66,67,000	4,666.67	28,00,00,000	2,800.00
	46,66,67,000	4,666.67	28,00,00,000	2,800.00

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)
Balance at March 31, 2023	10,00,00,000	1,000.00
Issued during the year	18,00,00,000	1,800.00
Balance at March 31, 2024	28,00,00,000	2,800.00
Issued during the year	18,66,67,000	1,866.67
Balance at March 31, 2025	46,66,67,000	4,666.67

(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. 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)	46,66,67,000	100.00	28,00,00,000	100.00

(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 2025
	Number of shares	%	Number of shares	%	
Amara Raja Energy & Mobility Limited* (formerly known as Amara Raja Batteries Limited)	46,66,67,000	100.00	28,00,00,000	100.00	-

* includes shares held by nominee shareholder

(v) Details of number of equity shares held by the Holding company

Holding Company	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)	46,66,67,000	100.00	28,00,00,000	100.00



Amara Raja Circular Solutions Private Limited
Notes to the financial statements for the year ended March 31, 2025
All amounts are in ₹ millions, except share data and where otherwise stated

	As at March 31, 2025	As at March 31, 2024
Note 14: Other equity		
(a) Securities premium	1,333.34	400.00
This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.		
(b) Retained earnings	(62.08)	(0.62)
Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013		
Total	1,271.26	399.38
Note 15: Lease Liabilities*		
Non-current		
Lease liabilities	1.82	3.28
Total	1.82	3.28
Current		
Lease Liabilities	3.45	1.69
Total	3.45	1.69
* Also, Refer Note 31		
Note 16: Provisions		
Non-current		
Employee benefits		
(i) Compensated absences	4.09	-
Total	4.09	-
Current		
Employee benefits		
(i) Compensated absences	0.84	-
(ii) Gratuity [Refer Note 33]	1.25	-
Total	2.09	-
Note 17: Other financial liabilities		
Current		
(a) Payables on purchase of property, plant and equipment [Refer Note below]	194.52	278.38
(b) Others	12.54	0.02
Total	207.06	278.40
Note:		
Payable on purchase of property, plant and equipment includes payable to Micro & Small enterprises of ₹ 62.21 million. [Refer note 19]		
Note 18: Other liabilities		
Non-current		
(a) Revenue received in advance		
(i) Deferred revenue arising from government grant [Refer Note below]	190.67	192.68
Total	190.67	192.68
Current		
(a) Revenue received in advance		
(i) Deferred revenue arising from government grant [Refer Note below]	2.00	2.00
(b) Statutory remittances	6.15	5.25
Total	8.15	7.25

Note:
Deferred revenue of ₹ 192.67 million (March 31, 2024: ₹ 194.68 million) has arisen as a result of incentive/subsidy received on the land taken on lease from the Government of Tamil Nadu. The deferred revenue will be recognised in the Statement of Profit and Loss in the proportion of amortisation of the right-of-use asset recognised in respect of such leasehold land.



Note 19: Trade payables

	As at March 31, 2025	As at March 31, 2024
(a) Total outstanding dues of Micro enterprises and small enterprises (Refer Note below)	14.30	-
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises	522.53	21.18
	536.83	21.18

Trade Payables ageing schedule

	Outstanding for following periods from due date of payment						As at March 31, 2025
	Unbilled	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	0.01	13.78	0.51	-	-	-	14.30
(ii) Other than MSME	39.87	480.35	2.31	-	-	-	522.53
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	-	-	-	-	-	-	-
	39.88	494.13	2.82	-	-	-	536.83

	Outstanding for following periods from due date of payment						As at March 31, 2024
	Unbilled	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Other than MSME	11.80	8.53	0.85	-	-	-	21.18
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	-	-	-	-	-	-	-
	11.80	8.53	0.85	-	-	-	21.18

Note:

Disclosures required under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006

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*	76.51	-
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	3.52	-
(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	0.01	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	0.01	-

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.

*Includes dues on account of payable on purchase of property, plant and equipment (Refer Note 17)



Amara Raja Circular Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

All amounts are in ₹ millions, except share data and where otherwise stated

	For the year ended March 31, 2025	For the year ended March 31, 2024
Note 20: Revenue from operations		
a. Sale of Manufactured goods		
- Lead & Lead alloys	2,142.00	-
Total	2,142.00	-
Note 21: Other income		
a) Interest income		
Interest income earned on financial assets that are not designated as at FVTPL		
- Bank deposits (at amortised cost)	0.48	3.80
Total	0.48	3.80
b) Other gains and losses		
(i) Gain on disposal of mutual fund units	31.17	24.53
(ii) Net foreign exchange gains	0.73	-
(iii) Net gain arising on financial assets mandatorily measured at FVTPL [Refer Note below]	2.32	7.65
(iv) Others	0.80	-
Total	35.02	32.18
Total (a+b)	35.50	35.98

Note:

The amount represents the increase in fair value on non-derivative current investments which are mandatorily measured at fair value through profit and loss (Refer Note 8).

Note 22: Changes in inventories of finished goods and work-in-progress

Inventories at the beginning of the year		
Finished goods - Lead & Lead alloys	-	-
[A]	-	-
Inventories at the end of the year		
Finished goods - Lead & Lead alloys	281.61	-
[B]	281.61	-
(Increase) / Decrease in Finished goods [A-B]	(281.61)	-



Amara Raja Circular Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

All amounts are in ₹ millions, except share data and where otherwise stated

Note 23: Employee benefits expense

- (a) Salaries and wages
- (b) Contribution to provident and other funds [Refer Note 33]
- (c) Staff welfare expenses

Total

**For the year ended
March 31, 2025**

**For the year ended
March 31, 2024**

20.97

5.78

13.21

39.96

Note 24: Finance costs

- (a) Other borrowing costs:
 - (i) Interest on leases liabilities [Refer Note 31]
 - (ii) Others

Total

0.53

0.08

0.61

0.02

0.05

0.07

Note 25: Depreciation and amortisation expense

- Depreciation of property, plant and equipment [Refer Note 3.1]
- Amortisation expenses (including on intangible assets) [Refer Note 3.2 & 3.3]
- Less: Amortisation capitalised to capital work-in-progress

Total

45.06

7.19

(3.63)

48.62

0.14

4.08

(4.08)

0.14

Note 26: Other expenses

- Consumption of stores and spares
- Power and fuel
- Rent
- Repairs and maintenance
 - Plant and machinery
 - Buildings
 - Others
- Insurance
- Rates and taxes
- Communication
- Travelling and conveyance
- Outward freight and handling charges
- Advertisement and sales promotion
- Legal and professional
- Payment to auditors [Refer Note below]
- Printing and stationery
- Miscellaneous expenses

Total

7.29

38.13

0.10

1.93

0.43

0.63

1.87

1.29

0.02

3.86

9.98

0.07

20.36

1.55

0.06

18.02

105.59

-

-

-

-

0.01

-

-

12.08

0.02

1.15

-

-

7.37

1.56

-

0.11

22.30

Note:

Payment to auditors comprise statutory audit fees (net of GST)

- (a) To statutory auditors
 - Statutory audit fee
 - Reimbursement of expenses

1.50

0.05

1.55

1.50

0.06

1.56



Amara Raja Circular Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

All amounts are in ₹ millions, except share data and where otherwise stated

Note 27: Income tax

(a) Income tax recognised in the statement of profit and loss

Current tax

In respect of the current year

Total

Deferred tax

In respect of the current year

Total

Total income tax expense / (credit) recognised

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

Profit / (Loss) before tax

Tax using the Company's domestic tax rate @ 25.168%

Tax effects of amounts which are not deductible in determining taxable profit

Income tax expense / (credit) recognised in the statement of profit and loss

**For the year ended
March 31, 2025**

**For the year ended
March 31, 2024**

		4.90
		4.90
	(23.15)	1.34
	(23.15)	1.34
	(23.15)	6.24
	(83.24)	13.47
	(20.95)	3.39
	(2.20)	2.85
	(23.15)	6.24



Note 28: Contingent liabilities and commitments

	As at March 31, 2025	As at March 31, 2024
(i) Contingent Liabilities (to the extent not provided for) :		
Claims against the Company not acknowledged as debts	-	-
(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances).	501.08	1,675.79
(b) The Company has committed a capital investment of ₹ 5,059.27 million for setting up a manufacturing plant in the state of Tamil Nadu pursuant to an agreement entered with State Industries Promotion Corporation of Tamil Nadu Ltd ("SIPCOT") over a period of four years which includes amount disclosed under Property, plant & equipment, Right-of-use asset, Capital work-in-progress and Capital commitments.		

Note 29: Related party transactions

(a) Details of related parties

i) Holding Company

Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited)

ii) Entities over which KMP exercise Significant Influence

RNGalla Family Private Limited
Mangal Industries Limited
Amara Raja Infra Private Limited

iii) Key Management Personnel (KMP)

Harshavardhana Gourineni	Director
Vikramadithya Gourineni	Director

iv) Subsidiaries of Holding Company

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

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



Note 29: Related party transactions (Contd.)

(b) Transactions with the above related parties during the year were:

Particulars	As at March 31, 2025	As at March 31, 2024
Purchase of Fixed Assets		
Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited) **	429.77	606.16
Amara Raja Infra Private Limited	813.66	983.18
Mangal Industries Limited	8.04	-
Sale of Pure Lead & Alloys		
Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited)	2,475.82	-
Expenses reimbursed from		
Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited)	4.58	-
Amara Raja Power Systems Limited	0.04	-
Availment of Services		
Amara Raja Infra Private Limited	7.26	-
Expenses reimbursed to		
Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited) **	30.45	23.40
Amara Raja Infra Private Limited	-	0.84
Proceeds from issue of shares		
Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited)	2,800.01	2,200.00

** Includes certain capital equipment which are purchased at cost on high seas basis.

(c) Balances receivable from / payable to related parties are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Advances		
Amara Raja Infra Private Limited	70.74	118.17
Trade payables		
Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited) **	3.44	6.32
Amara Raja Infra Private Limited	5.77	0.28
Trade Receivables		
Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited) **	179.09	-
Other Receivables		
Amara Raja Power Systems Limited	0.04	-
Payables on purchase of fixed assets		
Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited) **	8.30	14.55
Amara Raja Infra Private Limited	86.51	146.22
Mangal Industries Limited	0.61	-
Capital commitments		
Amara Raja Energy & Mobility Limited (formerly known as Amara Raja Batteries Limited) **	-	400.84
Amara Raja Infra Private Limited	412.20	734.68
Mangal Industries Limited	-	0.72

Note:

The above information has been determined based on the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.



Note 30: Earnings per share (EPS)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(Loss) / Profit for the year (in ₹ million) [A]	(60.09)	7.23
Weighted average number of equity shares outstanding during the year (No's) [B]	38,14,54,836	17,49,72,678
Earnings per share (Face Value of ₹ 10 per share)		
- Basic (in ₹) [A/B]	(0.16)	0.04
- Diluted (in ₹) [A/B]	(0.16)	0.04

Note 31: Leases

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) The following is the breakup of current and non-current lease liabilities		
Current liabilities	3.45	1.69
Non-current liabilities	1.82	3.28
	5.27	4.97
(ii) The following is the movement of lease liabilities during the year ended March 31:		
Balance at the beginning	4.97	-
Additions during the year	2.97	5.03
Finance cost accrued during the year	0.53	0.02
Payment of lease liabilities	(3.20)	(0.08)
Balance at the end	5.27	4.97
(iii) Maturity analysis of lease liabilities		
Less than one year	3.45	1.69
One to five years	1.82	3.28
	5.27	4.97



Note 32: 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, securities premium and accumulated profits. The Company is not subject to externally imposed capital requirements.

B. Category wise classification 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
Financial assets				
Measured at amortised cost				
(i) Cash and cash equivalents	17.89	1.85	17.89	1.85
(ii) Other bank balances	34.70	-	34.70	-
(iii) Trade receivables	179.09		179.09	
(iv) Others financial asset	12.32	11.67	12.32	11.67
Measured at FVTPL				
Mandatorily measured:				
Current investment- Mutual funds	329.67	485.95	329.67	485.95
Total	573.67	499.47	573.67	499.47
Financial Liabilities				
Measured at amortised cost				
(i) Trade payables	536.83	21.18	536.83	21.18
(ii) Other financial liabilities	207.06	278.40	207.06	278.40
(iii) Lease Liabilities	5.27	4.97	5.27	4.97
Total	749.16	304.55	749.16	304.55

C. Financial risk management objectives

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include cash and cash equivalents and investments on mutual funds that derive directly from its issue of shares and its operations.

The Company's risk management activities are subject to the management, direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

Market Risk

As the Company is debt-free, 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.



Note 32: Financial Instruments and related disclosures (Contd.)

Foreign currency risk

The Company is subject to the risk that changes in foreign currency values impact the Company's import of property, plant and equipment. The Company is exposed to foreign exchange risk arising from currency exposures, primarily with respect to US Dollars and EURO. 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	Total
Financial Liabilities			
- Other financial liabilities	(6.86)	(22.90)	(29.76)
Net financial asset / (liability)	(6.86)	(22.90)	(29.76)

As at March 31, 2024

	USD	EURO	Total
Financial Liabilities			
- Other financial liabilities	-	(54.85)	(54.85)
Net financial asset / (liability)	-	(54.85)	(54.85)

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 ₹ 0.30 million (March 31, 2024: ₹ 0.63 million). 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 counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and other financial assets carried at amortized cost. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables and security deposits. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(i) **Trade receivables** - The Company's exposure to customers is relatively concentrated. Since sales are entirely made to related parties, minimal credit risk is perceived in this regard. The following table gives details in respect of revenues generated from the top customer:

	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Amount	% of Total revenue	Amount	% of Total revenue
Revenue from top customer	2,142.00	100%	-	-



Note 32: Financial Instruments and related disclosures (Contd.)

D Fair value measurement

Fair value hierarchy

The fair value of financial instruments as referred to in Note 32.A 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 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.

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
Measured at fair value through profit or loss			
Investment in Mutual Funds	1	329.67	485.95
Sub-total		329.67	485.95
Total		329.67	485.95



Note 33: 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 and recognizes such contributions in the Statement of Profit and Loss. Contributions made to the defined benefit plans were

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Provident Fund	2.48	-
Superannuation Fund	2.10	-
Employees' State Insurance Scheme	0.54	-

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:

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of obligation	9.76	-
Fair value of plan assets	(8.51)	-
Net liability/(asset) recognized in the Balance Sheet	1.25	-

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

Particulars	Plan Assets	Plan Obligation	Total Net
As at March 31, 2024	-	-	-
Current service cost	-	0.35	0.35
Interest cost	-	0.26	0.26
Interest income	0.26	-	(0.26)
Actuarial (gain)/loss arising due to experience	-	1.60	1.60
Contributions	0.47	-	(0.47)
Benefit payments	(0.16)	(0.16)	-
Return on plan assets, excluding interest income	0.23	-	(0.23)
Transfer between Group Companies	7.71	7.71	-
As at March 31, 2025	8.51	9.76	1.25



Note 33: Employee benefits (Contd.)

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employee Benefit Expenses		
Current service cost	0.35	-
Interest cost	0.26	-
Interest income	(0.26)	-
Net impact on profit before tax	0.35	-
Remeasurement of the net defined benefit plan		
Actuarial (gain)/loss arising due to experience	1.60	-
Return on plan assets, excluding interest income	(0.23)	-
Net impact on other comprehensive income before tax	1.37	-

(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%	-

(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%	-
Salary escalation rate	7.00%	-

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)	(0.51)	0.57	-	-
Salary escalation rate (1% movement)	0.53	(0.51)	-	-

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.

(ii) Maturity analysis

Maturity profile of defined benefit obligation

	As at March 31, 2025	As at March 31, 2024
Within 1 year	0.89	-
1-2 year	0.88	-
2-3 year	0.91	-
3-4 year	2.19	-
4-5 year	1.70	-
6-10 year	3.13	-
> 10 Year	5.81	-

The Company expects to contribute ₹ 2.10 millions to its defined benefit plans during the next fiscal year.



Note 34: Revenue expenditure capitalized to fixed assets/ capital work-in-progress

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Cost of material consumed (net) [Refer Note below]	21.89	-
(b) Power and Fuel	16.20	3.36
(c) Depreciation and amortization expense [net of deferred revenue arising from government grant of ₹ 1.70 millions (Year ended March 31, 2024 ₹ 0.00 millions)]	1.93	1.87
(d) Salaries	48.66	-
(e) Others	18.61	26.69
Total	107.29	31.92

Note: Net of income from sale of Lead & Lead alloys, ₹ 333.82 million (Year ended March 31, 2024 ₹ Nil)

Note 35: Key Financial Ratios

Ratio	Numerator	Denominator	For the year ended March 31, 2025	For the year ended March 31, 2024	% Variance*
1 Current ratio	Current assets	Current liabilities	2.48	1.59	56%
2 Return on equity (in %)	(Loss) / Profit for the year	Average Shareholder's funds	-1.32%	0.34%	-481%
3 Inventory turnover ratio	Cost of goods sold	Average Inventory	6.99	-	100%
4 Trade receivables turnover ratio	Revenue from operations	Average Trade receivables	23.92	-	100%
5 Trade payable turnover ratio	Net Purchases of raw material	Average Trade Payables	9.49	2.02	-370%
6 Net capital turnover ratio	Revenue from operations	Working Capital (Current Assets - Current Liabilities)	1.91	-	100%
7 Net profit ratio (in %)	(Loss) / Profit for the year	Revenue from operations	-2.81%	-	100%
8 Return on Capital employed (%)	(Loss) / Profit before tax	Average Capital employed [Total Equity + Total Debt (Borrowings) + Deferred tax liabilities]	-1.83%	-	100%
9 Return on investment (%)	Income during the year	Time weighted average of investments	7.53%	7.26%	4%
a - Return on mutual funds			1.39%	8.33%	-74%
b - Return on Fixed deposits					

*The Company has commenced its operations from December 2024. Consequently, the variances observed in the financial ratios primarily arise from the activities associated with commencement of commercial sales.

Note 36: The Company is engaged in the business of recycling of scrap batteries and plastic components which is considered as single business segment. The non current assets of the Company are situated in India.

Note 37: The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post employment benefits has been enacted. However, the date on which the code will come into effect has not yet been notified. The Management will complete its evaluation and will give appropriate impact in its financial statements in the period in which the code becomes effective.

Note 38: The financial statements are approved for issue by the Board of Directors at their meetings held on May 28, 2025.

For and on behalf of the Board of Directors



Muralimohan Reddy
Muralimohan Reddy Penna
Director & CEO
DIN: 09628317

Harshavardhana Gourineni
Harshavardhana Gourineni
Director
DIN: 07311410

Subrahmanyam K
Subrahmanyam K
Chief Financial Officer

Vikas Sahharwal
Vikas Sahharwal
Company Secretary

Place: Hyderabad
Date: May 28, 2025

