

**BGR ENERGY SYSTEMS LIMITED**

443 ANNA SALAI, TEYNAMPET, CHENNAI 600018 INDIA
TEL: 91 44 24301000, 24374000, FAX: 91 44 24360576
Web site: www.bgrcorp.com

July 17, 2024

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

BSE Limited
Department of Corporate Services
PJ Towers, Dalal Street,
Fort, Mumbai - 400 001

NSE Symbol: BGREENERGY

BSE Scrip: 532930

Dear Sir/Madam,

Sub: Submission of Annual Report for the financial year 2023-24 including Notice of the 38th Annual General Meeting.

In terms of Regulation 30 read with Para A of Part A of Schedule III and Regulation 34(1) of the SEBI Listing Regulations, we hereby submit a copy of the Annual Report of the Company for the financial year 2023-24 including Notice of the 38th Annual General Meeting ("AGM") to the members of the Company to be held as per following schedule: -

Type of Meeting	38 th Annual General Meeting
Day	Friday
Date	August 9, 2024
Time	12:30 pm (IST)
Mode	Video Conferencing / Other Audio Visual Means (VC / OVAM)

Please note that the Notice of the 38th AGM along with the Annual Report for the financial year 2023-24 has been sent today to the eligible shareholders of the Company, only through electronic mode on the e-mail IDs registered with the Depositories/ Depository Participants/ Company/ RTA and will also be disseminated on the websites of the Company and the Stock Exchange, i.e., the BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).

For ease of participation of the members at AGM, key details with respect to AGM are provided below:

Sl. No.	Particulars	Details
1	Cut-off Date	August 02, 2024
2	Time Period for Remote e-Voting	<u>Commencement of e-voting: 9.00 A.M. IST on Tuesday, August 06, 2024</u> <u>End of remote e-Voting: 5.00 P.M. IST on Thursday, August 08, 2024</u>

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REGISTERED OFFICE:

A-5 PANNAMGADU INDUSTRIAL ESTATE, RAMAPURAM POST, SULURPET TALUK, NELLORE DISTRICT, ANDHRA PRADESH 524401 INDIA.
TEL: 91 44 27948249, 27948549
Corporate Identity Number: L40106AP1985PLC005318

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Sl. No.	Particulars	Details
3	Book Closure Period	Saturday, 3rd August, 2024 to Friday, 9th August, 2024 (both days inclusive) (for the purpose of AGM)
4	Process for updating the e-mail id	Physical Mode - Write to Company at compliance@bgrenergy.com / investors@bgrenergy.com and / or RTA at helpdesk@linkintime.co.in
5	Contact details of participation through VC or remote e-Voting / e-Voting during AGM	National Securities Depository Limited Trade World, 'A' Wing, 4th Floor Kamala Mills Compound, Senapati Bapat Marg Lower Parel, Mumbai – 400 013 Maharashtra Designated Email address: evoting@nsdl.co.in Telephone No.: +91 22 2499 4545
6	Company's Contact details	Mr. S Sundar Company Secretary & Compliance Officer Corporate Office: 443, Anna Salai, Teynampet, Chennai – 600 018. Email: sundar.srinivasan@bgrenergy.com
7	Scrutinizer to scrutinize remote e-Voting process and e-Voting during the AGM	Mr. A Mohan Kumar Practicing Company Secretary FCS-4347 / CoP No. 19145

This intimation will also be made available on the Company's website at <https://www.bgrcorp.com>.

Kindly take the above information on record.

Thanking you,

Yours truly,
for **BGR Energy Systems Limited**

S. Sundar
Company Secretary

Encl: as above

NOTICE OF THE THIRTY EIGHTH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Eighth Annual General Meeting of the shareholders of BGR Energy Systems Limited will be held on **Friday, August 09, 2024, at 12:30 p.m. (IST)** through Video Conferencing/Other Audio-Visual Means ("VC/OVAM"), to transact the following businesses.

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS

To receive, consider, approve and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2024 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be considered and adopted."

2. ADOPTION OF AUDITED CONSOLIDATED FINANCIAL STATEMENTS

To receive, consider, approve and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2024 and the Report of the Auditors thereon, as circulated to the Members, be considered and adopted."

3. APPOINTMENT OF MR. ARJUN GOVIND RAGHUPATHY (DIN: 02700864) AS DIRECTOR, LIABLE TO RETIRE BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT

To appoint a Director in place of Mr. Arjun Govind Raghupathy (DIN: 02700864) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Arjun Govind Raghupathy (DIN: 02700864), who retires by rotation and being eligible for re-appointment, be re-appointed as a Director of the Company."

SPECIAL BUSINESS:

4. APPOINTMENT OF MR. SADASIVAM DEIVANAYAGAM (DIN: 07622466) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 149,150,152 and 161 of the Companies Act, 2013 read with Schedule IV of the Act and Companies (Appointment and qualification of Directors) Rule, 2014 and other applicable provision of the Companies Act, 2013 ("the Act") and Regulations 16, 17 and 25 (2A) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), **Mr. SADASIVAM DEIVANAYAGAM (DIN: 07622466)** who was appointed as an Additional Director in the capacity of an Non-Executive Independent Director of the Company w.e.f. May 14, 2024 on recommendation of Nomination and Remuneration Committee, by the Board and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, who is eligible for such appointment, who holds the office up to the date of ensuing Annual General Meeting, be and is hereby appointed as the "Non-Executive Independent Director" of the Company to hold office for a first term of 1 (one) consecutive years commencing

from May 14, 2024 till May 13, 2025 (both days inclusive), and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company of the company be and is hereby authorized to sign and submit necessary forms with Registrar of Companies and to intimate to Stock exchange and also do all such acts and deeds as may be necessary in this regard.”

5. APPOINTMENT OF Mr. KRISHNAMOORTHY MEYYANATHAN (DIN: 07845698) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass the following Resolution as a ***Special Resolution***:

“RESOLVED THAT pursuant to Section 149,150,152 and 161 of the Companies Act, 2013 read with Schedule IV of the Act and rules Companies (Appointment and qualification of Directors) Rule, 2014 and other applicable provision of the Companies Act, 2013 (“the Act”) and Regulations 16, 17 and 25 (2A) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), **Mr. KRISHNAMOORTHY MEYYANATHAN (DIN: 07845698)** who was appointed as an Additional Director in the capacity of an Non-Executive Independent Director of the Company w.e.f. May 14, 2024 on recommendation of Nomination and Remuneration Committee, by the Board and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, who is eligible for such appointment, and who holds the office up to the date of ensuing Annual General Meeting, be and is hereby appointed as the “Non-Executive Independent Director” of the Company to hold office for a first term of 1 (one) consecutive years commencing from May 14, 2024 till May 13, 2025 (both days inclusive), and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company of the company be and is hereby authorized to sign and submit necessary forms with Registrar of Companies and to intimate to Stock exchange and also do all such acts and deeds as may be necessary in this regard.”

6. APPOINTMENT OF Mr. SURILISUBBU VASUDEVAN (DIN: 10388399) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass the following Resolution as a ***Special Resolution***:

“RESOLVED THAT pursuant to Section 149,150,152 and 161 of the Companies Act, 2013 read with Schedule IV of the Act and rules Companies (Appointment and qualification of Directors) Rule, 2014 and other applicable provision of the Companies Act, 2013 (“the Act”) and Regulations 16, 17 and 25 (2A) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), **Mr. SURILISUBBU VASUDEVAN (DIN: 10388399)** who was appointed as an Additional Director in the capacity of an Non-Executive Independent Director of the Company w.e.f. May 14, 2024 on recommendation of Nomination and Remuneration Committee, by the Board and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, who is eligible for such appointment, and who holds the office up to the date of ensuing Annual General Meeting, be and is hereby appointed as the “Non-Executive Independent Director” of the Company to hold office for a first term of 1 (one) consecutive years commencing from May 14, 2024 till May 13, 2025 (both days inclusive), and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company of the company be and is hereby authorized to sign and submit necessary forms with Registrar of Companies and to intimate to Stock exchange and also do all such acts and deeds as may be necessary in this regard.”

7. APPOINTMENT OF Mr. JEYAKRISHNA GANESAN (DIN: 03208035) AS AN EXECUTIVE DIRECTOR (EXECUTIVE-NON INDEPENDENT) OF THE COMPANY:

To consider and, if thought fit, to pass the following Resolution as an ***Ordinary Resolution***:

"RESOLVED THAT in accordance with the provisions of 152 and 161 read with other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Regulation 17 and the other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and such other provisions as may be applicable in accordance with the provisions of the Articles of Association of the Company, (including any statutory modification(s) or re-enactment(s) thereto, for the time being in force, **Mr. JEYAKRISHNA GANESAN (DIN: 03208035)**, who was appointed as an Additional Director in the capacity of an Executive Non Independent Director of the Company w.e.f. May 14, 2024, by the Board of Directors of the Company pursuant to the recommendation of the Nomination and Remuneration Committee and who holds the office up to the date of ensuing Annual General Meeting be and is hereby appointed as an Executive Director, Non-Independent Director liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and is hereby authorized to sign and submit necessary forms with Registrar of Companies and to intimate to Stock exchange and also do all such acts and deeds as may be necessary in this regard."

8. APPROVAL FOR CONTINUATION OF APPOINTMENT OF MRS. SASIKALA RAGHUPATHY (DIN: 00490686), CHAIRPERSON, AS NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 ('the Act') read with Regulation 17(1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('the SEBI Listing Regulations') (including any statutory modification or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, consent of the Members be and is hereby accorded for continuation of appointment of MRS. SASIKALA RAGHUPATHY (DIN: 00490686), as Non-Executive Director and Chairperson (designated as Non-Executive and Non-Independent Director) of the Company whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to or any other Officer(s)/ Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE COMPANY AND CONSEQUENTIAL ALTERATION TO MEMORANDUM OF ASSOCIATION OF THE COMPANY:

To consider and if thought fit, to pass the following resolution as ***an Ordinary Resolution***:

"RESOLVED THAT pursuant to the provisions of Section 13, 61(1) and 64 and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force), and consent of the members be and is hereby accorded to increase the Authorized Share Capital of the Company **from** ₹1,00,00,00,000 (Rupees One Hundred Crore only) divided into 10,00,00,000 (Ten Crore only) equity shares having face value of ₹10/- (Rupees Ten only) each **to** ₹17,00,00,00,000 (Rupees One Thousand Seven Hundred Crore only) divided into 1,70,00,00,000 (One Hundred Seventy Crore only) equity shares having face value of ₹10/- (Rupees Ten only) each, by addition of ₹ 16,00,00,00,000 (Rupees One Thousand Six Hundred Crore only) equity shares having face value of ₹10/- (Rupees Ten only) each.

RESOLVED FURTHER THAT consequent to the increase in the Authorized Share Capital, Clause V of the Memorandum of Association of the Company, relating to Share Capital of the Company, be and is hereby altered by deleting the same and substituting in its place and stead, the following as new 5th Clause:

"V (a) The Authorized Share Capital of the Company is ₹17,00,00,00,000 (Rupees One Thousand Seven Hundred Crore only) divided into 1,70,00,00,000 (One Hundred Seventy Crore only) equity shares having face value of ₹10/- (Rupees Ten only) each, with such rights privileges and conditions attached thereto as may be determined by the Board of Directors of the Company at the time of issue of these shares, subject to the provisions of the Companies Act, 2013."

RESOLVED FURTHER THAT any one of the Directors and/or the Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things as may be required or deemed necessary or incidental thereto including signing and filing all the e-forms and other documents with the statutory authorities, and to sign and execute all such agreements, deeds, documents and writings as may be necessary for and on behalf of the Company and to settle and finalize all issues that may arise in this regard in order to give effect to this resolution and to delegate all or any of the powers conferred herein as they may deem fit."

10. RATIFICATION AND APPROVAL OF MATERIAL RELATED PARTY TRANSACTION:

To consider and if thought fit, to pass with or without modification(s) the following resolution *as an Ordinary Resolution:*

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Company's policy on Related Party transaction(s), ratification and approval of the Shareholders be and is hereby accorded for the related party transaction/(s) with M/s. ARGO RAIMENT LLP (LLPIN: AAE0261), a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, taken together during the financial year 2023-2024 amounting to Rs. 81.89 crores (Rupees Eighty one crores and Eighty Nine Lakhs being material related party transactions exceeding 10% of Annual Consolidated Turnover carried out at arm's length basis and in ordinary course of business of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to the Audit Committee of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

11. RATIFICATION OF COST AUDITOR'S REMUNERATION FOR FY 2024-25:

To consider and, if thought fit, to pass the following Resolution as an *Ordinary Resolution:*

"RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, payable to M/s. JV Associates, Cost and Management Accountants (Firm Registration No. 100212), who are appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

By Order of the Board of Directors

Place: Chennai

S. Sundar

Date :04-07-2024

Company Secretary & Compliance Officer

(Membership No. A9926)

Registered Office:

A-5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet Taluk,
Nellore District, Andhra Pradesh – 524 401 CIN – L40106AP1985PLC005318
E-mail id: investors@bgrenergy.com. Website address: www.bgrcorp.com

NOTES TO MEMBERS

1. The Ministry of Corporate Affairs ("MCA") *inter-alia* has vide its General Circular No.09/2023 dated September 25, 2023 read with General Circular No.10/2022 dated 28th December 2022, General Circular No. 02/2021 dated 13th January 2021, General Circular No.20/2020 dated 5th May 2020, General Circular No.17/2020 dated 13th April 2020, General Circular No. 14/2020 dated 8th April 2020 (collectively referred to as "MCA Circulars") has permitted the holding of the Annual General Meeting through Video Conferencing ("VC") or through Other Audio-visual Means ("OAVM"), on or before 30th September 2024 **without the physical presence of the Members at a common venue.**
2. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 38th Annual General Meeting ("**Meeting**" or "**AGM**") of the Company is being held through VC/OAVM on Friday, August 09, 2024, at 12:30 p.m. (IST). The proceedings of the AGM are deemed to be conducted at the Registered Office of the Company situated at A-5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet Taluk, Nellore District, Andhra Pradesh – 524 401.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company.

Since this AGM is being held pursuant to the MCA circulars through VC or OAVM, the requirement of physical attendance of members has been dispensed with.

Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of the AGM are not annexed to this notice.
4. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than Individuals, HUFs, NRIs etc.) who are intending to appoint their authorized representatives pursuant to sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC / OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at rsaevoting@gmail.com with a copy marked to evoting@nsdl.co.in and investors@bgrenergy.com **not later than 48 hours before the scheduled time of the commencement of the Meeting.** Corporate Members/Institutional Shareholders (i.e. other than Individuals, HUFs, NRIs etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on the "Upload Board Resolution/ Authority Letter" displayed under the "e-voting" tab in their login.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.
6. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing from Item No. 4 to 11 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forming part of this Notice.

7. The Explanatory Statement according to section 102 of the Act setting out material facts concerning the business under Item No. 4 to item 11 of the Notice is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and SS-2 Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India, in respect of a Director seeking re-appointment at the AGM are provided as an annexure to the Notice. Requisite declarations have been received from a Director for seeking re-appointment.
8. **The Members can join the AGM in the VC/OAVM mode by following the procedure mentioned in the Notice 30 minutes before the scheduled time of commencement of the Meeting and shall be kept open throughout the AGM.** Pursuant to Regulation 44(6) of Listing Regulations, the Company is also providing a live webcast of the proceedings of the AGM. The Members will be able to view the proceedings on National Securities Depository Limited's ('NSDL') e-voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM, without restriction on account of a first come first served basis.
9. In compliance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/20231767 dated 7th October 2023 issued by SEBI, the Notice convening the AGM and Annual Report are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.
10. The Notice convening the AGM and Annual Report have been uploaded on the website of the Company at www.bgrcorp.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited www.bseindia.com and www.nseindia.com. The same are also available on the website of NSDL at www.evoting.nsdl.com
11. In terms of Regulation 40(1) of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed March 31, 2021, as the cut-off date for the re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialized mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the dematerialized form. Transfers of equity shares in electronic form are effected through the Depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, Link Intime India Private Limited ("**Registrar**" or "**RTA**" or "**Link Intime**") at rt.helpdesk@linkintime.co.in for assistance in this regard.
12. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/ mobile numbers, PAN, power of attorney registration, bank mandate details, etc. to their Depository Participant ("DP") in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, in prescribed **Form No. ISR-1**, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
13. As per the provisions of section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting **Form No. SH-13**. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in **Form No. SH-14**. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit **Form No. ISR- 3**. The said forms can be downloaded from the RTA's website at <https://www.linkintime.co.in>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.

14. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ RTA to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividends, etc. **Form No. ISR-1** for capturing additional details is available on the Company's website. Members holding shares in physical form are requested to submit the filled-in **Form No. ISR-1** to the RTA in physical mode.
15. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self- attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.
16. During the AGM, Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at investors@bgrenergy.com **latest by Thursday, August 8, 2024 (upto 5:00 p.m.)**
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
18. To support the 'Green Initiative', Members who have not yet registered their e-mail address are requested to register the same with their DP in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
19. **Process for those shareholders whose e-mail address are not registered with the Depositories/the Company for procuring User ID and Password and registration of e-mail address for e-voting for the resolutions set out in this Notice:**
 - a. In case shares are held in physical form, please provide folio no., name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company's e-mail address at investors@bgrenergy.com.
 - b. In case shares are held in demat mode, please provide DPID-Client ID (16-digit DPID + Client ID or 16-digit beneficiary ID), name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company's e-mail address at investors@bgrenergy.com.
 - c. The individual shareholders holding securities in demat mode are requested to follow steps mentioned below in Para 29 under Step 1 (A) i.e. "Login method for remote e-voting and joining the virtual meeting for individual shareholders holding securities in demat mode".
 - d. Alternatively, Members may send a request to NSDL at evoting@nsdl.co.in for procuring User ID and Password for e-voting by providing above mentioned documents.
 - e. In terms of the SEBI circular dated December 9, 2020, on the e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Shareholders are required to update their mobile number and e-mail address correctly in their demat account to access the e-voting facility.
20. **Registration of e-mail address permanently with Company/DP:** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with RTA, in respect of physical holding, by submitting the **Form No. ISR-1**, duly filled and signed by the holders. Further, those Members who have already registered their e-mail address are requested to keep their e-mail address validated/updated with their DPs/Link Intime to enable servicing of notices/documents/Annual Reports and other communications electronically to their e-mail address in the future.
21. According to the provisions of section 108 of the Act read with Rule 20 of the Companies

(Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-voting system as well as e-voting during the AGM will be provided by NSDL.

22. Members of the Company holding shares either in physical form or in electronic form as of the cut-off date of **Friday, August 02, 2024 (cut-off date not earlier than 7 days before the AGM)**, may cast their vote by **remote e-voting. The remote e-voting period commences on Tuesday, August, 06, 2024 at 9:00 a.m. (IST) and ends on Thursday, August 08, 2024, at 5:00 p.m. (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-voting before the AGM and e-voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as of the **cut-off date of Friday, August 02, 2024**. Subject to receipt of the requisite number of votes, the Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM i.e., **Friday, August 09, 2024**. The Notice of the AGM indicating the instructions for the remote e-voting process can be downloaded from the NSDL's website www.evoting.nsdl.com or the Company's website www.bgrcorp.com.
23. The Register of Members and the Share Transfer Books of the company shall remain closed from Saturday, 3rd August, 2024 to Friday, 9th August, 2024 (both days inclusive) for the Annual General Meeting.
24. Members will be provided with the facility for voting through an electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolutions for which the member has already cast the vote through remote e-voting.
25. A person whose name is recorded in the Register of Members or the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. **Friday, August 02, 2024**, shall be entitled to avail the facility of remote e-voting before the AGM as well as e-voting during the AGM. Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e. **Friday, August 02, 2024**, may obtain the User ID and Password by sending a request along with the requisite documents as mentioned in para 18 above, at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing User ID and Password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or contact at 022 - 4886 7000 and 022 - 2499 7000. In the case of individual shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. **Friday, August 02, 2024**, may follow steps mentioned in Para 31 below under Step 1 (A) i.e. "Login method for remote e-voting and joining the virtual meeting for individual shareholders holding securities in demat mode".
26. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
27. M/s. Mohan Kumar & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer by the Board for providing a facility to the Members of the Company to scrutinize the remote e-voting process before the AGM as well as remote e-voting during the AGM fairly and transparently.
28. The Scrutinizer will submit their report to the Chairperson or any other person authorized by the

Chairperson after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's Report shall be communicated to the stock exchanges on which the Company's shares are listed, NSDL, and RTA, and will also be displayed on the Company's website at www.bgcorp.com.

29. Members are encouraged to submit their questions in advance concerning the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number, and mobile number, to reach the Company's e-mail address at investors@bgrenergy.com before **5.00 p.m. (IST) on Monday, August 05, 2024**. Queries that remain unanswered at the AGM will be appropriately responded to by the Company at the earliest, post the conclusion of the AGM.

30. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their name, DP ID and Client ID/ folio number, PAN, and mobile number at investors@bgrenergy.com **between Friday, August 02, 2024 (9:00 a.m. IST) and Tuesday, August 06, 2024 (5:00 p.m. IST)**. Only those Members who have pre-registered themselves as a speaker on the dedicated e-mail address investors@bgrenergy.com will be allowed to express their views/ask questions during the AGM. When a pre-registered speaker is invited to speak at the meeting but he/she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera along with good internet speed. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

31. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, VOTING DURING THE MEETING, AND JOINING THE ANNUAL GENERAL MEETING ARE AS UNDER:**

The remote e-voting period begins on Tuesday, August 06, 2024, at 9:00 a.m. (IST) and ends on Thursday, August 08, 2024, at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners **as on the record date (cut-off date) i.e. Friday, August 02, 2024** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as of the cut-off date, **Friday, August 02, 2024**.

How to vote electronically using the NSDL e-voting system? The way to vote electronically on the NSDL e-voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

(A) Login method for e-voting and joining the virtual meeting for individual shareholders holding securities in demat mode



In terms of the SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
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<p>Individual shareholders holding securities in demat mode with NSDL.</p>	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e-services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a personal computer or on a mobile. Once the home page of e-services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on options available against company name or e-voting service provider - NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting</p>
	<p>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p>
	<p>3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verifi Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on options available against company name or e-voting service provider</p>

Type of Shareholders	Login Method
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	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p>AppStore Google Play</p>  
<p>Individual shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi/Easiest, they can login through their User ID and Password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasinew/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & e-mail as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.
<p>Individual shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on options available against company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>
<p>Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.</p>	
<p>Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. NSDL and CDSL:</p>	
<p>Individual shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or contact at 022 - 4886 7000 and 022 - 2499 7000</p>
<p>Individual shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33</p>

(B) Login Method for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode: **How to Log-in to NSDL e-voting website?**

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- 4 Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or	Your User ID is:
For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
For Members holding shares in physical form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 123901 then user ID is 123901001***

- 5 Password details for shareholders other than individual shareholders are given below:
 - a. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - i. If your e-mail address is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail address. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a.pdf file. Open the.pdf file. The password to open the.pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The.pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your e-mail address is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail address are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - (a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - (b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - (c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home Page of e-voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM

How to cast your vote electronically and join General Meeting on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "**EVEN 125942**" of company (BGR Energy Systems Limited) for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-voting as the Voting Page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

- a) Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than individuals, HUF's, NRI's etc.) who are intending to appoint their authorized representatives pursuant to sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC / OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at rsaevoting@gmail.com with a copy marked to evoting@nsdl.co.in and investors@bgreenergy.com, **not later than 48 hours before the scheduled time of the commencement of the Meeting.** Corporate Members/ Institutional Shareholders (i.e. other than Individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-voting" tab in their login.
 - b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 - c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in.
30. **THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**
- a. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 - b. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
 - c. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
 - d. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

31. **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL e-voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join General Meeting**" menu against company name. You are requested to click on VC/ OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice to avoid last minute rush.
- ii. Members are encouraged to join the Meeting through laptops for better experience.
- iii. Further, speakers will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

By Order of the Board of Directors

For BGR Energy Systems Limited

S. Sundar

Company Secretary & Compliance Officer

(Membership No. A9926)

Place: Chennai

Date :04-07-2024

Registered Office:

A-5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet Taluk,
Nellore District, Andhra Pradesh – 524 401 CIN – L40106AP1985PLC005318
E-mail id: investors@bgrenergy.com. Website address: www.bgrcorp.com

BRIEF PARTICULARS & EXPERIENCE IN SPECIFIC FUNCTIONAL AREA OF THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/ RE-APPOINTED AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARD ON GENERAL MEETINGS

1. Mr. ARJUN GOVIND RAGHUPATHY (FOR ITEM NO.03)

Mr ARJUN GOVIND RAGHUPATHY, is a Graduate in Mechanical Engineering from Anna University, Chennai. Prior to his appointment as Deputy Managing Director & COO in BGR Energy Systems Limited, he was the Managing Director of GEABGR Energy systems Limited and was responsible for business development, sales, contracts, delivery, client interaction, financial management and human resources

2. Mr. SADASIVAM DEIVANAYAGAM (FOR ITEM NO.04)

Mr. SADASIVAM DEIVANAYAGAM (DIN: 07622466) aged 63 years, holds B. Com degree from Madras University, Chennai. He is a Chartered Accountant, Company Secretary & Cost Accountant and holds membership in ICAI, ICSI, ICAI & CMA, IMA, USA.

He has handled Finance, Accounts, Taxations, Consolidation of Multi-company's financials, all kind of Company Secretarial Activities, corporate governance, Compliance, reverse merger and amalgamation, Sick company revival, MIS, Strategic and Business Plan, leadership, working Capital Management (Inventories, Customers, Suppliers, Bank and Payroll), Cash Flow Management, Internal audits and Treasury operation and Arranging both long term and short term finance, Fund raising, financing of new projects and finalization of year end accounts.

3. Mr. KRISHNAMOORTHY MEYYANATHAN (FOR ITEM NO.05)

Mr. KRISHNAMOORTHY MEYYANATHAN (DIN: 07845698) aged 72 years holds degree B.G.L. from Madurai Kamarajar University. He is a Company Secretary, a Fellow Member of the Institute of Company Secretaries of India, New Delhi.

He is one of the senior Practicing Company Secretaries in Chennai carrying on the practice for the past 14 years after about 30 years of experience in employment in reputed State Government Public Sector Undertakings (Tamilnadu Cements Corporation Ltd, TAPCO, AAVIN) in various capacities and retired as Senior Company Secretary (DGM cadre) in January 2010. His experience during employment and practice is in various fields such as Secretarial, Accounts, finance and banking, administration, budgeting and control, inventory control, general administration and management.

4. Mr. SURILISUBBU VASUDEVAN (FOR ITEM NO.06)

Mr. SURILISUBBU VASUDEVAN (DIN: 10388399) is a Fellow Member of the Institute of company secretaries of India, holds a Post Graduate degree in Commerce and is a Chartered Financial Analyst (CFA). He also holds a L.L.B. Degree and a Post Graduate in Law - M.L (International Law and Constitution) from The Department of Legal Studies, University of Madras. He is currently pursuing a PhD (Corporate Restructuring — Mergers and Acquisitions) from Vels University, Chennai.

He has an Overall Managerial Experience spread over three Decades with the first fourteen years being spent in core accounting and MIS in the Middle management Cadre, 25 years post qualification experience in leading textile Mills and Garment manufacturing Units, Steel and power Plants, and service industries, IT infrastructure companies with focus on end to end Finance and Accounts and Secretarial management. He has also handled activities relating to imports and exports & Understanding of all aspects governing operational and production activities and up to date knowledge on regulations/ guidelines and statutory compliances in the industry. He further explored Sourcing of Finance from Banks and institutions right from identification of banks to disbursement including preparation of proposals, project reports, Appraisal reports, loan

documentation, follow up for disbursement and submission of periodical returns to banks, IPO Management, Venture capital and Private Equity, Debt Restructuring, DRT/SARFAESI/ Dealing with senior Advocates for conducting cases in High Court/NCLT.

5. Mr. JEYAKRISHNA GANESAN (FOR ITEM NO.07)

Mr. JEYAKRISHNA GANESAN (DIN: 03208035) aged about 59 years, Graduated in Business Administration from Madurai Kamaraj University in the year 1985; has a Post Graduate Diploma in Personnel Management & Industrial Relations from Annamalai University in the year 1987. He was working in Manali Petrochemicals Ltd & SPIC Electric Power Corporation Ltd, both SPIC group for 11 years and was holding various positions. Mr. Jeyakrishna Ganesan is a HR Professional having more than 3 decades of experience; He is with BGR for the last 20+ years. Currently he is holding the position of President -HR.

6. Mrs. SASIKALA RAGHUPATHY (FOR ITEM NO.08)

Mrs. Sasikala Raghupathy (DIN: 00490686), wife of founder, Mr. B.G. Raghupathy, is the Chairperson. She has been associated with the company since inception and has been a Director on the Board. She is also a Director on the Board of many group companies.

OTHER DETAILS

Name of Director	Mr. ARJUN GOVIND RAGHUPATHY	Mrs. SASIKALA RAGHUPATHY	Mr. JEYAKRISHNA GANESAN
Director Identification Number (DIN)	02700864	00490686	03208035
Type of Directorship/Designation	Managing Director	Non-Executive - Non Independent Director, Chairperson related to Promoter	Executive - Non Independent Director
Date of Birth	26/12/1989	14/05/1956	08/06/1965
Age	34 years	68 years	59 years
Date of First Appointment on the Board	11/11/2016	20/08/1985	14/05/2024
Qualification	B.E.	Graduate	Graduated in Business Administration from Madurai Kamaraj University & Post Graduate Diploma in Personnel Management & Industrial Relations from Annamalai University
Details of remuneration sought to be paid	No increase proposed	Except, Sitting Fee for attending the Board and/or Committee Meetings, which may be paid as approved by the NRC or the Board of Directors, no	Not Applicable

		other remuneration is payable	
Last Remuneration Drawn	Rs. 18.46 lakhs	Not Applicable	Not Applicable
Relationship with other directors and KMP	Son of Mrs. Sasikala Raghupathy, Chairperson of the Board.	Mother of Mr. Arjun Govind Raghupathy, Managing Director of the Company	
Directorship in Companies	<ol style="list-style-type: none"> 1. BGR TURBINES COMPANY (P) LTD 2. BGR INVESTMENT HOLDINGS COMPANY LTD 3. SASIKALA ESTATE (P) LTD 4. ARJUN GOVIN ESTATE (P) LTD 5. SRAVANAA PROPERTIES LTD 6. MENMAI ESTATE (P) LTD 7. MEGA FUNDS INDIA LTD 8. VAANI ESTATES (P) LTD 9. PRAGATI COMPUTERS LTD 10. NANNILAM PROPERTY (P) LTD 11. BGR BOILERS (P) LTD 12. BGR AQUAATECH INDIA LTD 	<ol style="list-style-type: none"> 1. BGR POWER MACHINES LTD 2. VAANI ESTATE DEVELOPERS (P) LTD 3. ARJUN GOVIN ESTATE (P) LTD 4. MENMAI ESTATE (P) LTD 5. SASIKALA ESTATE (P) LTD 6. BGR ESTATE HOLDINGS LTD 7. BGR INVESTMENT HOLDINGS COMPANY LTD 8. ANI CONSTRUCTIONS (P) LTD 9. BGR TURBINES COMPANY (P) LTD 10. MEGA FUNDS INDIA LTD 	No Directorship in other companies
Listed entities from which the Director resigned in the past 3 years*	NIL	NIL	NIL
Chairman/ Member in the Committee of the Boards of Other Public Companies	NIL	NIL	NIL
No of Shares held in Company	4,320 Equity Shares of Rs.10/- each	NIL	NIL
Number of meetings of the Board attended during the year	5	4	Not Applicable
Terms and Conditions	Mr. Arjun Govind Raghupathy shall be re-appointed as Director liable to retire by rotation.	Mrs. Sasikala Raghupathy shall be re-appointed as Director not liable to retire by rotation.	Mr. Jeyakrishna Ganesan shall be appointed as Executive Director liable to retire by rotation.

***Excl*Excludes BGR Energy Systems Limited**

Name of Director	Mr. SADASIVAM DEIVANAYAGAM	Mr. KRISHNAMOORTH MEYYANATHAN	Mr. SURILISUBBU VASUDEVAN
Director Identification Number (DIN)	07622466	07845698	10388399
Type of Directorship/Designation	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director
Date of Birth	28/08/1961	15/01/1952	31/05/1956
Age	63 years	72 years	68 years
Date of First Appointment on the Board	14/05/2024	14/05/2024	14/05/2024
Qualification	B. Com degree from Madras University, Chennai, holds membership in ICAI, ICSI & ICMAI	B.G.L. from Madurai Kamarajar University and FCS	Post Graduate degree in Commerce, CFA, L.L.B. Degree, Post Graduate in Law - M.L (International Law and Constitution) from The Department of Legal Studies, University of Madras and FCS
Details of remuneration sought to be paid	Except, Sitting Fee for attending the Board and/or Committee Meetings, which may be paid as approved by the NRC or the Board of Directors, no other remuneration is payable	Except, Sitting Fee for attending the Board and/or Committee Meetings, which may be paid as approved by the NRC or the Board of Directors, no other remuneration is payable	Except, Sitting Fee for attending the Board and/or Committee Meetings, which may be paid as approved by the NRC or the Board of Directors, no other remuneration is payable
Last Remuneration Drawn	Not Applicable	Not Applicable	Not Applicable
Relationship with other directors and KMP	NIL	NIL	NIL
Directorship in Companies	1. KSUBRA GLOBAL SERVICES (P) LTD	1. MONOTECH SYSTEMS LTD 2. OLYMPIC CARDS LTD	ABS MARINE SERVICES LTD
Listed entities from which the Director resigned in the past 3 years	NIL	NIL	NIL
Chairman/ Member in the Committee of the Boards of Other Public Companies	NIL	Chairman of Audit Committee in CHENNAI MEENAKSHI MULTISPECIALITY HOSPITAL LIMITED & OLYMPIC CARDS LTD.	NIL

		Member of Stakeholders Relationship Committee in M/s. OLYMPIC CARDS LTD.	
No of Shares held in Company	NIL	NIL	NIL
Number of meetings of the Board attended during the year	Not Applicable	Not Applicable	Not Applicable
Terms and conditions	Mr. Sadasivam Deivanayagam shall be appointed as Director (Non-Executive Independent), not liable to retire by rotation.	Mr. Krishnamoorthi Meyyanathan shall be appointed as Director (Non-Executive Independent), not liable to retire by rotation.	Mr. Surilisubbu Vasudevan shall be appointed as Director (Non-Executive Independent), not liable to retire by rotation.

***Excludes BGR Energy Systems Limited**

EXPLANATORY STATEMENT FOR ITEM.NO.4 TO ITEM 11 OF THE NOTICE

As required by section 102 of the Act, the following explanatory statement sets out all material facts relating to the special business mentioned under Item No.4 to Item No. 11 of the accompanying Notice.

ITEM NO. 04: APPOINTMENT OF MR. SADASIVAM DEIVANAYAGAM (DIN: 07622466) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company had appointed of Mr. Sadasivam Deivanayagam (DIN: 07622466) as an Additional Director (Non-Executive Independent) of the Company, w.e.f. May 14, 2024, pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 (the "Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"). As per the provisions contained under Section 161 of the Companies Act 2013, Mr. Sadasivam Deivanayagam holds office as an Additional Director (Independent) of the Company up to the date of this Annual General Meeting ("AGM").

Accordingly, the Company has received a notice from a member proposing the candidature of Mr. Sadasivam Deivanayagam, for the office of Director in terms of Section 160 of the Act.

Brief Profile of Mr. Sadasivam Deivanayagam is mentioned above under the head "BRIEF PARTICULARS & EXPERIENCE IN SPECIFIC FUNCTIONAL AREA OF THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/ RE-APPOINTED AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARD ON GENERAL MEETINGS"

Mr. Sadasivam Deivanayagam has given his consent in form DIR-2 to act as Director in terms of Section 152(5) of the Act and declaration in form DIR-8 that he is not disqualified from being appointed as a Director in terms of Section 164(2) of the Act. The Company has also received a declaration from Mr. Sadasivam Deivanayagam stating that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. He does not hold any equity shares by himself or on beneficial basis for any other person in the Company as on the date of this Notice. Also, in compliance with the SEBI Order dated June 14, 2018, to the Stock Exchanges and further SEBI Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, this is to confirm that Mr. Sadasivam Deivanayagam has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority.

In the opinion of the Board of Directors, Mr. Sadasivam Deivanayagam fulfils the conditions specified in the Act read with the rules made thereunder and the SEBI Listing Regulations, for his appointment as an Independent Director of the Company and is independent of the Management. All relevant documents in respect of the said item i.e., appointment of Mr. Sadasivam Deivanayagam as an Independent Director are open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the AGM (i.e., August 9, 2024) as well as at the website of the Company.

Mr. Sadasivam Deivanayagam is interested in the resolution set out in Item No. 4 of the Notice with regard to his appointment as a director (non-executive independent) The relatives of Mr. Sadasivam Deivanayagam may be deemed to be interested in the aforesaid resolution to the extent of their shareholding, if any, in the Company. Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives is in anyway concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Accordingly, the Board recommends the Special Resolution as set out in item no. 4 of the accompanying Notice for the appointment of Mr. Sadasivam Deivanayagam as an Independent Director (Non-Executive) to hold office for a period of one year from May 14, 2024 till May 13, 2024 on such terms as stated therein for approval of the Members of the Company. All relevant documents and papers relating to Item No. 4 and referred to in this Notice and Explanatory Statement, shall be open for inspection by the Members of the Company. Members can request inspection of such documents by sending an e-mail to investors@bgrenergy.com.

ITEM NO. 05: APPOINTMENT OF Mr. KRISHNAMOORTHY MEYYANATHAN (DIN: 07845698) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company had appointed of Mr. Krishnamoorthi Meyyanathan (DIN: 07845698) as an Additional Director (Non-Executive Independent) of the Company, w.e.f. May 14, 2024, pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 (the "Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"). As per the provisions contained under Section 161 of the Companies Act 2013, Mr. Krishnamoorthi Meyyanathan holds office as an Additional Director (Independent) of the Company up to the date of this Annual General Meeting ("AGM").

Brief Profile of Mr. Krishnamoorthi Meyyanathan is mentioned above under the head "BRIEF PARTICULARS & EXPERIENCE IN SPECIFIC FUNCTIONAL AREA OF THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/ RE-APPOINTED AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARD ON GENERAL MEETINGS"

Mr. Krishnamoorthi Meyyanathan has given his consent in form DIR-2 to act as Director in terms of Section 152(5) of the Act and declaration in form DIR-8 that he is not disqualified from being appointed as a Director in terms of Section 164(2) of the Act. The Company has also received a declaration from Mr. Krishnamoorthi Meyyanathan stating that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. He does not hold any equity shares by himself or on beneficial basis for any other person in the Company as on the date of this Notice. Also, in compliance with the SEBI Order dated June 14, 2018, to the Stock Exchanges and further SEBI Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, this is to confirm that Mr. Krishnamoorthi Meyyanathan has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority.

In the opinion of the Board of Directors, Mr. Krishnamoorthi Meyyanathan fulfils the conditions specified in the Act read with the rules made thereunder and the SEBI Listing Regulations, for his appointment as an Independent Director of the Company and is independent of the Management. All relevant documents in respect of the said item i.e., appointment of Mr. Krishnamoorthi Meyyanathan as an Independent Director are open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the AGM (i.e., August 9, 2024) as well as at the website of the Company.

Mr. Krishnamoorthi Meyyanathan is interested in the resolution set out in Item No. 5 of the Notice with regard to his appointment as a director (non-executive independent) The relatives of Mr. Mr. Krishnamoorthi Meyyanathan may be deemed to be interested in the aforesaid resolution to the extent of their shareholding, if any, in the Company. Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives is in anyway concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Accordingly, the Board recommends the Special Resolution as set out in item no. 5 of the accompanying Notice for the appointment of Mr. Krishnamoorthi Meyyanathan as an Independent Director (Non-Executive) to hold office for a period of one year from May 14, 2024 till May 13, 2024 on such terms as stated therein for approval of the Members of the Company. All relevant documents and papers relating to Item No. 5 and referred to in this Notice and Explanatory Statement, shall be open for inspection by the Members of the Company. Members can request inspection of such documents by sending an e-mail to investors@bgrenergy.com.

ITEM NO. 06: APPOINTMENT OF Mr. SURILISUBBU VASUDEVAN (DIN: 10388399) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company had appointed of Mr. Surilissubbu Vasudevan (DIN: 10388399) as an Additional Director (Non-Executive Independent) of the Company, w.e.f. May 14, 2024, pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 (the "Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"). As per the provisions contained under Section 161 of the Companies Act 2013, Mr. Surilissubbu Vasudevan holds office as an Additional Director (Independent) of the Company up to the date of this Annual General Meeting ("AGM").

Accordingly, the Company has received a notice from a member proposing the candidature of Mr. Surilissubbu Vasudevan, for the office of Director in terms of Section 160 of the Act.

Brief Profile of Mr. Surilissubbu Vasudevan is mentioned above under the head "BRIEF PARTICULARS & EXPERIENCE IN SPECIFIC FUNCTIONAL AREA OF THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/ RE-APPOINTED AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARD ON GENERAL MEETINGS"

Mr. Surilissubbu Vasudevan has given his consent in form DIR-2 to act as Director in terms of Section 152(5) of the Act and declaration in form DIR-8 that he is not disqualified from being appointed as a Director in terms of Section 164(2) of the Act. The Company has also received a declaration from Mr. Surilissubbu Vasudevan stating that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. He does not hold any equity shares by himself or on beneficial basis for any other person in the Company as on the date of this Notice. Also, in compliance with the SEBI Order dated June 14, 2018, to the Stock Exchanges and further SEBI Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, this is to confirm that Mr. Surilissubbu Vasudevan has not been debarred from holding the office of director by

virtue of any SEBI order or any other such authority.

In the opinion of the Board of Directors, Mr. Surilishubbu Vasudevan fulfils the conditions specified in the Act read with the rules made thereunder and the SEBI Listing Regulations, for his appointment as an Independent Director of the Company and is independent of the Management. All relevant documents in respect of the said item i.e., appointment of Mr. Surilishubbu Vasudevan as an Independent Director are open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the AGM (i.e., August 9, 2024) as well as at the website of the Company.

Mr. Surilishubbu Vasudevan is interested in the resolution set out in Item No. 6 of the Notice with regard to his appointment as a director (non-executive independent) The relatives of Mr. Surilishubbu Vasudevan may be deemed to be interested in the aforesaid resolution to the extent of their shareholding, if any, in the Company. Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives is in anyway concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

Accordingly, the Board recommends the Special Resolution as set out in item no. 6 of the accompanying Notice for the appointment of Mr. Surilishubbu Vasudevan as an Independent Director (Non-Executive) to hold office for a period of one year from May 14, 2024 till May 13, 2024 on such terms as stated therein for approval of the Members of the Company.

All relevant documents and papers relating to Item No. 6 and referred to in this Notice and Explanatory Statement, shall be open for inspection by the Members of the Company. Members can request inspection of such documents by sending an e-mail to investors@bgrenergy.com.

ITEM NO. 07: APPOINTMENT OF Mr. JEYAKRISHNA GANESAN (DIN: 03208035) AS AN EXECUTIVE DIRECTOR (EXECUTIVE-NON INDEPENDENT) OF THE COMPANY:

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company had appointed of Mr. Jeyakrishna Ganesan (DIN: 03208035) as an Additional Director (Executive Non Independent) of the Company, w.e.f. May 14, 2024, pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 (the "Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"). As per the provisions contained under Section 161 of the Companies Act 2013, Mr. Jeyakrishna Ganesan holds office as an Additional Director (Executive Non Independent) of the Company up to the date of this Annual General Meeting ("AGM").

Brief Profile of Mr. Jeyakrishna Ganesan is mentioned above under the head "BRIEF PARTICULARS & EXPERIENCE IN SPECIFIC FUNCTIONAL AREA OF THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/ RE-APPOINTED AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARD ON GENERAL MEETINGS"

Mr. Jeyakrishna Ganesan has given his consent in form DIR-2 to act as Director in terms of Section 152(5) of the Act and declaration in form DIR-8 that he is not disqualified from being appointed as a Director in terms of Section 164(2) of the Act. He does not hold any equity shares by himself or on beneficial basis for any other person in the Company as on the date of this Notice. Also, in compliance with the SEBI Order dated June 14, 2018, to the Stock Exchanges and further SEBI Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, this is to confirm that Mr. Jeyakrishna Ganesan has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority.

In the opinion of the Board of Directors, Mr. Jeyakrishna Ganesan fulfils the conditions specified in the Act read with the rules made thereunder and the SEBI Listing Regulations, for his appointment as an Executive Director of the Company. All relevant documents in respect of the said item i.e.,

appointment of Mr. Jeyakrishna Ganesan as an Executive Director are open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the AGM (i.e., August 9, 2024) as well as at the website of the Company.

Mr. Jeyakrishna Ganesan is interested in the resolution set out in Item No. 7 of the Notice with regard to his appointment as a director (Executive Non independent) The relatives of Mr. Jeyakrishna Ganesan may be deemed to be interested in the aforesaid resolution to the extent of their shareholding, if any, in the Company. Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives is in anyway concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

Accordingly, the Board recommends the Special Resolution as set out in item no. 7 of the accompanying Notice for the appointment of Mr. Jeyakrishna Ganesan as an Executive Non Independent Director on such terms as stated therein for approval of the Members of the Company. All relevant documents and papers relating to Item No. 7 and referred to in this Notice and Explanatory Statement, shall be open for inspection by the Members of the Company. Members can request inspection of such documents by sending an e-mail to investors@bgrenergy.com.

ITEM NO. 08: APPROVAL FOR CONTINUATION OF APPOINTMENT OF MRS. SASIKALA RAGHUPATHY (DIN: 00490686), CHAIRPERSON, AS NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR OF THE COMPANY:

JUSTIFICATION FOR APPOINTMENT UNDER REG 17(1D) OF SEBI (LODR)

The Members may note that pursuant to SEBI's amendment dated July 15, 2023, applicable with effect from April 1, 2024 read with Regulation 17(1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the continuation of a Director serving on the Board of Directors of a listed entity shall be subject to the approval by the Members at a general meeting at least once in every five (5) years from the date of their appointment or reappointment, as the case may be.

Further, the continuation of director serving on the Board of Directors of a listed entity as on March 31, 2024, without the approval of the Members for a period of last five (5) years or more shall be subject to the approval of Members in the first general meeting to be held after March 31, 2024.

Therefore, MRS. SASIKALA RAGHUPATHY (DIN: 00490686) can continue as Director and chairperson of the Company w.e.f. April 01, 2024 only if Members approve continuation of her appointment as Director of the Company.

MRS. SASIKALA RAGHUPATHY (DIN: 00490686) has been associated with the Company since inception as a Director on the Board. Pursuant to the provisions of the Articles of Association of the Company, MRS. SASIKALA RAGHUPATHY (DIN: 00490686) has been nominated by BGR INVESTEMENT COMPANY HOLDINGS LIMITED as a Director on the Board of Directors of the Company, not liable to retire by rotation.

Members may note that MRS. SASIKALA RAGHUPATHY (DIN: 00490686), has played a pivotal role as the Board Member of Company.

The Board believes that her continuation and guidance on the Board will significantly contribute to Company's growth and long-term value creation.

In view of the above and after careful consideration of her performance over the past years and on recommendation of the Nomination and Remuneration Committee, the Board recommends the continuation of MRS. SASIKALA RAGHUPATHY (DIN: 00490686) as Non-Executive and Non-Independent Director w.e.f. March 31, 2024, not be liable to retire by rotation by way of Ordinary Resolution as set out in Item no 8 of this Notice.

Save and except Mrs. Sasikala Raghupathy and her relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 09: INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE COMPANY AND CONSEQUENTIAL ALTERATION TO MEMORANDUM OF ASSOCIATION OF THE COMPANY

At present, the Authorised Share Capital of the Company is ₹1,00,00,00,000 (Rupees One Hundred Crore only) divided into 10,00,00,000 (Ten Crore only) equity shares of ₹10/- (Rupees Ten only) each, out of which the issued, subscribed and paid-up equity share capital of the Company is ₹72,16,15,600 (Rupees Seventy Two crore Sixteen Lakhs and Fifteen Thousand Six Hundred Only) divided into 7,21,61,560 (Seven Crore Twenty one Lakhs Sixty One Thousand Five Hundred and Sixty only) equity shares of ₹10/- (Rupees Ten only) each.

Members may note that the Company's business is capital intensive, and for future expansion of the business and other capex / opex requirements, from time to time, the Company may raise the funds by way of issuing equity shares or by convertible debt instruments/ any other securities.

The Board of Directors, at its meeting held on July 04, 2024, approved increase in the Authorised Share Capital of the Company from ₹1,00,00,00,000 (Rupees One Hundred Crore only) divided into 10,00,00,000 (Ten Crore only) equity shares having face value of ₹10/- (Rupees Ten only) each to ₹17,00,00,00,000 (Rupees One Thousand Seven Hundred Crore only) divided into 1,70,00,00,000 (One Hundred Seventy Crore only) equity shares having face value of ₹10/- (Rupees Ten only), subject to approval of the members. Further, in view of increasing the Authorised Share Capital, it is also necessary to amend Clause V of the Memorandum of Association relating to the Authorised Share Capital of the Company.

A copy of the Memorandum of Association of the Company along with the proposed amendment is available for inspection by the members at the Registered Office of the Company between 11:00 AM and 5:00 PM on all working days between Monday to Friday from the date of dispatch of the AGM Notice till August 09, 2024. As per the provisions of Sections 13 & 61 of the Companies Act, 2013, approval of the shareholders is required to be accorded for alteration in the Memorandum of Association and for increasing the Authorised Share Capital of the Company by way of passing an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board of Directors, therefore, recommends the resolution as set out in Item No. 09 of the Notice for approval of members of the Company by way of an Ordinary Resolution.

ITEM NO. 10: RATIFICATION AND APPROVAL OF MATERIAL RELATED PARTY TRANSACTION:

In the backdrop of losses in the previous and current financial year and considering the critical need to shore up liquidity position of the Company and to discharge of statutory liabilities and payments to banks in due time, the Company borrowed moneys from M/s. ARGO RAIMENT LLP, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations.

Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended effective 01st April, 2022 requires that all material related party transaction shall require prior approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

A transaction with a related party shall be considered material if the transactions(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or 10% of the annual consolidated turnover of the Company as per last audited financial statements, whichever is lower.

The Company has sought unsecured loans amounting to Rs 76.95 Crores from the said related party. However, the value of aggregate transactions with M/s. ARGO RAIMENT LLP after considering the interest components i.e. rate of interest of 9.75% p.a payable monthly amounted to Rs. 81.89 crores has exceeded the threshold limit of 10% of the annual consolidated turnover of the Company (Rs. 80.62 crores) and thus a material related party transaction. Hence, ratification of the shareholders is being sought for the said material Related Party Transaction(s) entered into by your Company.

Further, all related party transactions are undertaken after obtaining prior approval of the Audit Committee. The Audit Committee of the Company currently comprises majority of independent directors. All related party transactions have been approved by the Audit Committee after satisfying itself that the related party transactions are at arm's length and in the ordinary course of business. The Audit Committee of the Company reviews on a quarterly basis, the details of all related party transactions entered into by the Company during the previous quarter, pursuant to its approvals.

The Audit Committee and Board of Directors in their meeting held on 10th November 2023 had already considered and approved the related party transactions. As per the recommendations of the Audit Committee, the transactions with ARGO RAIMENT LLP is in ordinary course of business and at arm's length price and beneficial to the Company. Hence, these transactions are in the best interest of the Company and its shareholders.

The details as required under Regulation 23(4) of the Listing Regulations read with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 ("SEBI Circular") are set forth below:

TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTY:

S. No.	Particulars	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	ARGO RAIMENT LLP
2.	Name of Director(s) or Key Managerial Personnel who is related, if any	Mr. Arjun Govind Raghupathy, Managing Director
3.	Type, tenure, material terms and particulars of the proposed transactions	Ratification of shareholders is being sought for unsecured loan(s) in one or more tranches
4.	Value of the transaction	The monetary value of transactions – Actual principal amount – Rs. 76.95 crores Total Amount of unsecured loan including rate of interest: Rs. 81.898 crores
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is	10.15%

	represented by the value of the transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	
6.	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
7.	Justification as to why the RPT is in the interest of the listed entity	The Material RPTs mentioned in the Resolution with ARGO RAIMENT is in ordinary course of business and at arm's length price. The material RPTs being of operational and critical nature, play a significant role in the Company's business. The transactions were undertaken with a view to ensure continuity of existing operations, achieving synergies and economies of scale, reducing operational and working capital requirements costs, etc.
8.	Any valuation or other external report relied upon by the listed entity in relation to the transactions	Not Applicable
9.	Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

All the Promoters and members of Promoter Group will be deemed to be interested in this resolution, hence shall not vote for this item. No other directors or Key Managerial Personnel and their relative is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item no. 10 of this Notice as an Ordinary Resolution.

ITEM NO. 11 : RATIFICATION OF COST AUDITOR'S REMUNERATION FOR FY 2024-25

As per the provisions of section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have an audit of its cost records conducted by a cost accountant in practice for products covered under the Companies (Cost Records and Audit) Rules, 2014. The Board, based on the recommendation of the Audit Committee, has approved the appointment of M/s. JV Associates, Cost & Management Accountants (Firm Registration No.100212), as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2025, at a remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and reimbursement of reasonable out-of-pocket expenses.

In accordance with section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in Item No.11 of the Notice.

The Board recommends ratification of remuneration of Cost Auditors, as set out in Resolution No. 11 of the Notice for approval by the Members as an Ordinary Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

**By Order of the Board of Directors
For BGR Energy Systems Limited**

Place: Chennai

Date :04-07-2024

S.Sundar

Company Secretary & Compliance Officer

(Membership No. A9926)

Registered Office:

A-5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet Taluk,
Nellore District, Andhra Pradesh – 524 401 CIN – L40106AP1985PLC005318
E-mail id: investors@bgreenergy.com. Website address: www.bgrcorp.com



38th ANNUAL REPORT 2023-24



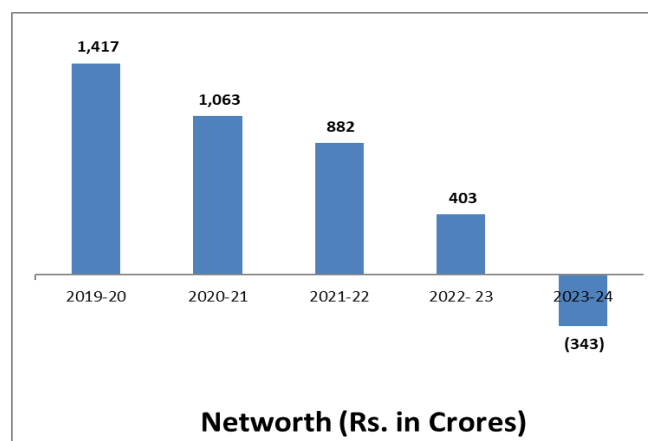
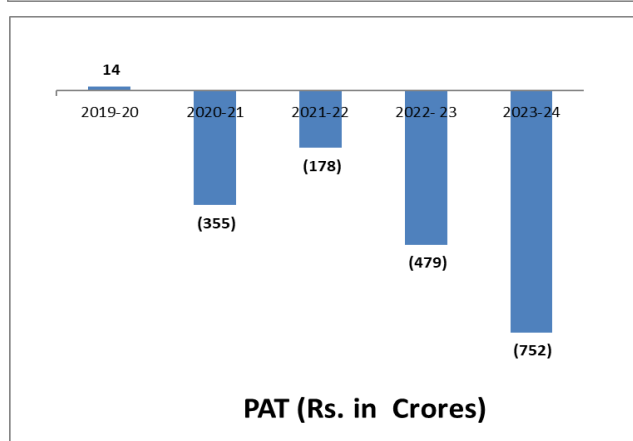
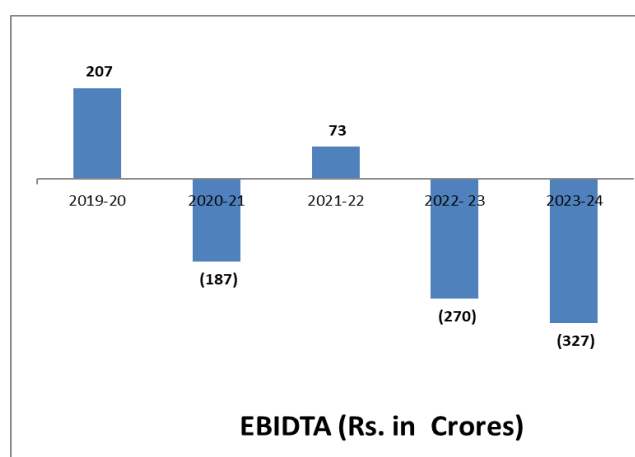
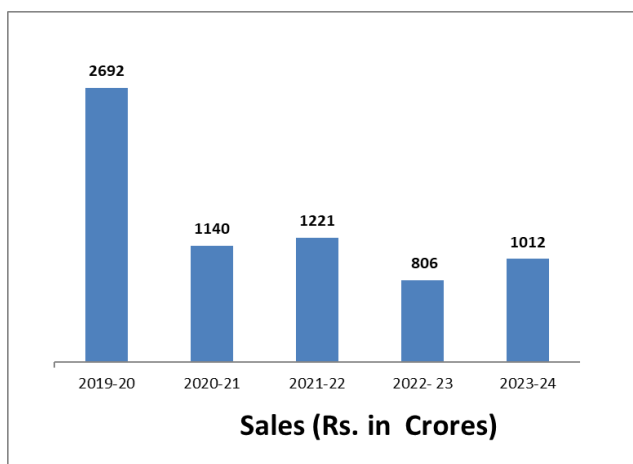
BGR ENERGY SYSTEMS LIMITED

BOARD OF DIRECTORS	REGISTERED OFFICE	STATUTORY AUDITORS
Sasikala Raghupathy Non Executive Chairperson	A-5, Pannamgadu Industrial Estate Ramapuram Post, Sullurpet Taluk Nellore District, Andhra Pradesh – 524401	Anand & Ponnappan Chartered Accountants No.46B 'Krishna Complex' 4 th Floor South Boag Road, T.Nagar Chennai – 600 017
Sadasivam Deivanayagam Independent Director	CIN : L40106AP1985PLC005318	
Krishnamoorthy Meyyanathan Independent Director	CORPORATE OFFICE	INTERNAL AUDITORS
Surulisubbu Vasudevan Independent Director	443, Anna Salai, Teynampet Chennai – 600 018 India Phone : 91 44 24301000 Email : investors@bgrenergy.com	R Bupathy & Co Chartered Accountants VIBGYOR, First Floor, #139, Kodambakkam High Road Nungambakkam, Chennai – 600 034
Jeyakrishna Ganesan Director	Website www.bgrcorp.com	SECRETARIAL AUDITORS
Arjun Govind Raghupathy Managing Director	REGISTRAR & SHARE TRANSFER AGENT Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli (West) Mumbai - 400083	Mohan Kumar & Associates Flat F-1, Sudarsan Apartments, 72, VGP Selva Nagar Second Main Road, Velachery Chennai - 600042
CHIEF FINANCIAL OFFICER S. Pattabiraman		BANKERS
COMPANY SECRETARY S. Sundar		State Bank of India Axis Bank Bank of Baroda Bank of India Central Bank of India Canara Bank Export Import Bank of India ICICI Bank IDBI Bank Indian Bank Kotak Mahindra Bank Punjab National Bank Union Bank of India

FINANCIAL HIGHLIGHTS

(Rs. in Crores except per share data)

DESCRIPTION	2019-20	2020-21	2021-22	2022- 23	2023-24
SALES & EARNINGS:-					
Sales	2692	1140	1221	806	1012
Other Income	41	6	8	51	108
EBIDTA	207	(187)	73	(270)	(327)
PAT	14	(355)	(178)	(479)	(752)
ASSETS					
Fixed Assets	163	130	96	84	60
Investments	359	360	360	360	361
Other Asset (Net)	3,283	2,651	2,386	1,800	1,066
Total Assets	3,806	3,141	2,842	2,245	1,487
FUNDED BY					
Equity Share Capital	72	72	72	72	72
Reserves & Surplus	1,345	991	810	331	(416)
Networth	1,417	1,063	882	403	(343)
Deferred Taxes	259	140	81	-	-
Borrowings	2,130	1,938	1,878	1,841	1,830
Total Liabilities	3,806	3,141	2,842	2,245	1,487
EPS (RS.)	1.87	(49.25)	(24.68)	(66.32)	(104.23)
Dividend per equity Share (Rs.)	-	-	-	-	-



BGR ENERGY SYSTEMS LIMITED

Your directors have pleasure in presenting their 38th Annual Report together with the audited financial statements for the year ended March 31, 2024.

FINANCIAL RESULTS

The highlights of the standalone financial performance of the Company during the financial year ended March 31, 2024 as compared with the previous financial year ended March 31, 2023 are given below:

	(Rs. in Crore)	
Description	2023-24	2022-23
Income from operations	1012.21	806.27
Other income	108.14	51.29
Total income	1120.35	857.56
Earnings before interest, depreciation, tax and amortization	(326.52)	(270.32)
Profit before exceptional item and tax	(676.80)	(635.19)
Tax expense	75.35	(156.65)
Net profit after tax	(752.15)	(478.54)
Other comprehensive income(net)	5.46	(0.18)
Profit/(Loss) after OCI	(746.69)	(478.72)

DIVIDEND AND APPROPRIATION

In view of losses for the financial year 2023-24, the Board of Directors have not recommended any dividend for the year.

TRANSFER TO RESERVE

Due to losses in the financial year 2023-24, no amount has been transferred to reserves.

COMPANY'S OPERATING PERFORMANCE AND STATE OF AFFAIRS

The Company's operating performance and state of affairs here been discussed in Management Discussion and Analysis Report which is enclosed as **Annexure-I** of the Directors Report.

SUBSIDIARIES AND JOINT VENTURES

M/s. BGR Boilers Private Limited, which supplies 660 MW super critical steam generators, made an operating income of Rs. 1.07 crore and incurred a loss of Rs. 8.80 crore in the year 2023-24. M/s. BGR Turbines Company Private Limited, which supplies 800MW super critical steam turbine generators, has

recorded an operating income of Rs. 0.89 crores and a profit of Rs.0.07 crore in the year 2023-24. M/s. Sravanaa Properties Limited, the wholly owned subsidiary had an income of Rs. 16.15 lakhs and a profit of Rs. 1.54 lakhs in the year 2023-24.

A report on the performance and financial position of each of the subsidiaries and joint venture as per rule 5 of the Companies (Accounts) Rules, 2014 is provided as annexure to the consolidated financial statement as required under Rule 8(1) of the Companies (Accounts) Rules, 2014.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with Companies Act, 2013 and implementation requirements of Indian Accounting Standards (Ind AS) Rules on accounting and disclosure requirements, the Audited Consolidated Financial Statements are provided in this Annual Report.

As required under Section 129 of the Companies Act, 2013, a separate statement containing the salient features of the financial statements of subsidiaries is enclosed along with the financial statements.

In terms of Section 136 of the Companies Act, 2013, the Company has placed on its website the standalone and consolidated financial statements and the separate audited and unaudited annual financial statements of subsidiary companies, as the case may be. The Company will provide a copy of separate financial statements in respect of each of its subsidiary, to any shareholder of the company who asks for it.

COMPOSITION OF BOARD OF DIRECTORS AND KMP:

CHANGES IN THE BOARD OF DIRECTORS:

During the year under review, Mr. M. Gopalakrishna (DIN: 00088454), Mr. S A Bohra (DIN: 00791861), Mr. S.R. Tagat (DIN: 01632756), and Mr. Gnana Rajasekaran (DIN: 03194244) all Independent Directors of the Company have resigned from the Board during the last week of February, 2024.

Subsequently in compliance with Section 174 of the Companies Act, 2013 read with Secretarial Standard-1 issued by the ICSI, the Board comprising of the continuing directors have appointed Mr. Sadasivam Deivanayagam (DIN: 07622466), Mr. Krishnamoorthi Meyyanathan (DIN; 07845698) and Mr. Surulisubbu Vasudevan (DIN; 10388399) as Independent Additional Directors and Mr. Jeyakrishna Ganesan (DIN: 03208035), Director was appointed as Additional Director on 14th May 2024 and members' approval of their appointment is recommended and placed in the ensuing Annual General Meeting of the Company.

In accordance with the provisions of Companies Act, 2013, Mr. Arjun Govind Raghupathy, (DIN: 02700864) Director retires by rotation at the ensuing Annual General Meeting and being eligible offers

himself for re-appointment. The Board of Directors recommends the proposed re-appointment of Mr. Arjun Govind Raghupathy (DIN: 02700864) as a Director of the Company.

In accordance with Regulation 17 (1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Sasikala Raghupathy, (DIN: 00490686) Director not liable to retire by rotation needs to be approved by the shareholders once in every five years for continuation as Director. Accordingly, Mrs. Sasikala Raghupathy (DIN: 00490686) offers herself for continuation as Director for a period of five years. The Board of Directors recommends the proposed continuation of Mrs. Sasikala Raghupathy as a Director of the Company.

The composition of Board of Directors of the Company is in conformity with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The disclosure required pursuant to regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 on General Meetings are given in the notice convening the 38th Annual General Meeting.

CHANGES IN THE KEY MANAGERIAL PERSONNELS (KMP):

Mr. Vinod Kumar S, Manager-Secretarial was appointed as interim Compliance Officer with effect from January 04, 2023 consequent to resignation of Mr. Ramesh Kumar, Company Secretary and Chief Compliance Officer with effect from January 02, 2023

During the year under review, Mr. S. Krishna Kumar was appointed by the Board as President and Company Secretary w.e.f May 30, 2023 and subsequently resigned from the post of Company Secretary w.e.f March 30, 2024. As on date, Mr. S Sundar is appointed by the Board as the Company Secretary of the Company.

Further, Mr. P. R. Easwar Kumar resigned from the post of Chief Financial Officer (CFO) w.e.f March 30, 2024 and subsequently, the Company has appointed Mr. S. Pattabiraman as the Chief Financial Officer w.e.f May 30, 2024.

DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has received necessary declaration from all the Independent Directors of the Company under Section 149 (7) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, affirming that they meet the criteria of their independence laid down in Section 149(6) including the confirmation that their names are included in the data bank pursuant to Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

Your Company follows the practice of conducting Independent Director's Meeting, during the month of March of every financial year. However, during this financial year, all the independent directors had resigned in February 2024. Hence, the Company could not convene the Independent directors' meeting.

The Board is of the opinion that all the present and past independent directors of the Company uphold highest standards of integrity and possess requisite expertise and experience required to meet their duties as Independent Directors.

MEETINGS OF BOARD

During the year, five Board meetings were convened and held. The details of these meetings are given in the Corporate Governance Report. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013 and SEBI Regulations.

ANNUAL EVALUATION OF BOARD

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and having due regard to the SEBI's Guidance Note on Board Evaluation, the Board was having an effective evaluation process. However, the evaluation of the Board and Board Committee were carried out partially with the continuing directors as all the four Independent Directors were resigned from the Board during the last week of February 2024.

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND OTHER DETAILS:

The Nomination and Remuneration Committee framed a policy on appointment of Directors including criteria for determining qualification, positive attributes and other matters. The main objectives of the policy are given below:

- (i) Enhancement of performance of the Board and facilitate effective Corporate Governance.
- (ii) Encourage diversity of thoughts, expertise and perspectives.
- (iii) Usher in independence in the performance of the Board.
- (iv) Eliminate gender bias, if any, in the constitution and functioning of the Board of Directors.
- (v) Provide and create an environment for succession planning.
- (vi) Identification of senior/key management personnel for appointment as Executive Directors.

- (vii) Provide for appropriate mix of promoter directors, professional directors and independent directors.

On the recommendation of the NRC, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other employees pursuant to the provisions of the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Company's policy on diversity of Board of Directors is available on the Company's website at http://www.bgcorp.com/policy/Policy_Diversity_Board.pdf.

AUDIT COMMITTEE

The Audit Committee of the Board comprises of four directors of which three members are independent directors and all the members of Audit Committee are financially literate. More details of the Audit Committee are provided in the Corporate Governance Report. All key recommendations and observations of the Audit Committee were accepted and acted upon by the management and compliance thereof are regularly monitored and reviewed by the Committee.

SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2024 was Rs.72.16 Crore. During the year under review, there were no changes in the Share Capital of the Company.

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

e. DEBENTURES

The Company has not made any issue of Debentures during the year 2023-2024.

HUMAN RESOURCES

An overview on the Company's human resources development and efforts to acquire and nurture talent is given in the Management Discussion and Analysis Report forming part of this Directors report.

For prevention, prohibition and redressal of sexual harassment of women at workplace, the Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The following is the summary of the sexual harassment complaints received and disposed during the Financial Year:

No. of complaints received: NIL

No. of complaints disposed: NIL

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided elsewhere in the Annual Report.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the annual report. Having regard to the provisions of the first proviso to Section 136(1) of the Act, the annual report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the corporate office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

DEPOSITS

The Company did not accept any deposits from the public within the meaning of Chapter V of the Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 for the year ended March 31, 2024.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-II**. During the FY 2023-24, the foreign exchange earnings and outgo were Rs. 5411 lakhs and Rs.82 lakhs respectively.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Your Company has in place adequate internal controls system which includes financial control, commensurate with the size, scale and complexity of company's operations. The internal audit function evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective and remedial action in their respective areas of responsibility and thereby strengthen the controls. Significant audit observations and corrective actions thereon are periodically reviewed by the Audit Committee. During the year no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was noticed. The Audit Committee based on the advice of the internal auditors directed the Company to improve the internal financial controls in few areas to ensure that the internal financial controls are operating more effectively.

CORPORATE SOCIAL RESPONSIBILITY

The Company has Corporate Social Responsibility Committee constituted by the Board of Directors with Mrs. Sasikala Raghupathy as Chairperson and Mr. Arjun Govind Raghupathy and Mr. Jeyakrishna Ganesan as members of the Committee. The CSR Policy formulated and recommended by the Committee is in place.

REMUNERATION POLICY

The Remuneration Policy formulated under section 178 of the Companies Act, 2013 by the Nomination and Remuneration Committee is given in **Annexure - III**.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company has established a vigil mechanism for directors and employees to report genuine concerns as required by Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the policy/mechanism has adequate safeguards against victimization of persons who use such mechanism and provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

The Company's policy on Whistle Blower Policy cum Vigil Mechanism is available on the Company's website at https://www.bgrcorp.com/policy/WhistleBlowerPolicyCircular2024_V0.pdf.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013 are disclosed in the note No.3 to the Financial Statements.

RELATED PARTY TRANSACTIONS

The transactions with related parties entered into during the financial year, which were in the ordinary course of business and on an arm's length basis were placed before the Audit Committee and approved. The Policy on related party transactions as approved by the Board is uploaded on Company's website at <https://www.bgrcorp.com/policy/policy-on-related-party-transactions-and-its-materiality.pdf>

DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the Financial year 2023-24, all lender banks have classified the loan facilities extended to the Company, under Default category as specified by RBI, despite the Company remitting the interest regularly. Your company is making all efforts to clear this issue and to become a regular normal account. Various measures for raising Capital and plans for increasing business are planned and will be implemented during the financial year 2024-25.

RISK MANAGEMENT POLICY

The Company as part of Standard Operating System and Procedure institutionalized risk management covering risk identification, mitigation and management measures. The Risk Charter and Policy have been brought to practice as part of internal control systems and procedures. The Management has applied the risk management policy to business activities and processes, and this is reviewed to ensure that executive management manages risk through means of a properly defined framework. The Company is taking steps to make the risk management process more robust and institutionalized.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) In the preparation of the annual accounts for the Financial year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the loss of the Company for the Financial year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2014 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts for the year ended March 31, 2024 on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS' AND AUDITORS' REPORT

M/s. Anand and Ponnappan, Chartered Accountants, Chennai were appointed as Statutory Auditors for term of five financial year from 2022-23 to 2026-27 at the AGM held on September 29,2022 and the reports of Statutory Auditors forms a part of this Annual Report.

The Auditors have given an Adverse opinion on Material Uncertainty relating to Going Concern on the following basis and the Management reply are as below:

1) *Classification of Working capital borrowings by all lender Banks as Non-performing asset (NPA)–*

Management Reply: Company was regular and punctual in servicing interest obligation till our account was classified as NPA by the Banks. Due to RBI instructions only, all Banks have classified our account as NPA. Management hopes to strengthen the financial position and come out of liquidity crunch in the ensuing years.

2)) *Operational Cash losses and working capital deficit*

Management Reply: Company is planning to reduce expenses and bring in additional capital to overcome the losses and working capital deficit.

3) *Termination/Short closure of Orders and invocation of bank guarantees*

Management Reply: Once our liquidity position improves, company is confident about getting new orders. Company is getting orders in Manufacturing segment even now and is executing them well. Management hopes to come out of this issue at the earliest.

4) *Erosion of Networth due to continued losses*

Management Reply: Managements plan of bringing additional capital will negate this point in the near future.

5) *Resignation of Independent Directors and Key Managerial Personnel*

Management Reply : In May 2024 three independent directors along with one executive director were appointed in the Board and also appointed two Key Management Personnel viz i) Chief Financial Officer and ii) Company Secretary to strengthen the Management.

Apart from the above the Statutory Auditors on their Consolidated Audit Report and the Secretarial Auditors on their report have qualified that:

- 6) *The Company is in the process of appointing an Independent director in the Material Subsidiary, M/s. BGR Turbines Private Limited as per R. 16(1) (c) and Reg 24(1) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.*

Management Reply: During the last week of February 2024 all the Independent Directors were resigned from the Board and the said Regulation is silent on the due date for the appointment and the Company is in the process of appointing an Independent Director of the Company in the Board of Material Unlisted Subsidiary

- 7) *The Financials were consolidated as per the unaudited and provisional financials of the subsidiaries as qualified by the statutory auditors.*

Management Reply: Audited accounts were not ready for these Companies for 2023-24. However, the unaudited financial statements were uploaded on the Company's website.

- 8) *Independent Director's meeting was not conducted during the Financial Year, Only two directors have submitted their evaluation of the performance of the directors & Stakeholder Relationship Committee meeting was not conducted during the financial year under review.*

Management Reply: The Company follows the practice of conducting Independent Director's Meeting, SRC meeting & evaluation of directors during the month of March of every financial year. However, during this financial year, all the independent directors were resigned in February 2024 itself. Hence, the Company could not conduct the Independent directors meetings, SRC meeting and evaluation of directors.

- 9) *The related party transaction with M/s. Argo Raiment LLP, taken together for the financial year being 8189.8 lakhs exceeds ten percent of the annual consolidated turnover (8062.7 lakhs) of the Company. However, prior shareholders' approval was not obtained as required under Regulation 23(4) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.*

Management Reply: Due to operational exigencies, Company borrowed from a Related Party for making emergency payments. Unsecured loan from M/s. Argo Raiment LLP for Rs.76.95 crore does not exceed the threshold of 10% of Consolidated turnover being Rs. 80.63 crores. However, as payment of interest for loan- "obligations between the related parties" falls under the definition of related party transactions (Regulation 2(zc) of The SEBI (LODR), 2015), Unsecured Loan taken together with the interest paid amounting to Rs. 81.89 crores is qualified as a material related party transaction and the Company has sought the ratification of members in the ensuing Annual General Meeting.

- 10) *Four Independent Directors of the Company resigned during the last week of February 2024; the Company has filled the vacancy caused in the Board of Directors by appointing 3 Independent Directors and one Executive Director on May 14, 2024. The Company had only two directors during the intermittent period.*

Management Reply: In Compliance with Section 174 of the Companies Act, 2013, the continuing directors in their meeting held on 14th May 2024 have duly appointed requisite number of Independent directors and one executive director to increase the number of directors in the board & board committees. No other resolutions were passed by the Board during the intermittent period.

11) MCA e-forms for Change in Directors and Key Managerial Personnel were filed after the due date.

Management Reply: The Ministry of Corporate Affairs site did not allow to file the form DIR-12 for the resignation of all the Independent Directors and Key managerial Personnel at once. Hence, the appointment forms were filed first and then resignation of directors & KMP were filed after the due date.

12) As per the management, the Company has been maintaining the Structural Digital Database Software provided by Orion Legal Supplies, Mumbai. However, the validity of the software got expired on 09.12.2023, which was missed out to be renewed at that point of time inadvertently. The Company later renewed its SDD software license on 3rd July 2024 for the period from 09.12.2023 to 08.12.2024.

Management Reply: As on the date of this report, the Company has duly renewed the SDD software.

13) Certain disclosures such as resignation of Independent Directors (Mr. Gopalakrishna, Mr. Bohra), Shareholders agreement, Initiation of CIRP were intimated after 12/24 hours.

Management Reply: Due to non-availability of secretarial team, some of the disclosures were intimated after the due date. The Company has taken necessary actions to intimate the stock exchange disclosures within the stipulated timeline.

COST RECORDS AND COST AUDITORS

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly during the year such accounts and records were made and maintained by the Company. The Board of Directors have appointed J.V. Associates, Cost Accountants as the Cost Auditor of the Company for the Financial year 2023-24, under Section 148 of the Companies Act, 2013. The Cost Audit Report for the financial year ended March 31, 2024 issued by A. N. Raman & Associates, Cost Accountants was submitted to the Central Government within due date. The audit report is unqualified and without reservation or adverse comment on compliance.

SECRETARIAL STANDARDS AND SECRETARIAL AUDIT

The Board of Directors confirm that your Company has complied with the applicable Secretarial Standards during the year 2023-24.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed M/s. Mohan Kumar & Associates, Company Secretary in practice to undertake the secretarial audit of the Company. The Report of secretarial audit is annexed as **Annexure – IV**.

M/s. BGR Turbines Company Private Limited and M/s. Sravanaa Properties Limited are material subsidiaries of the Company for the Financial Year 2023-2024. The secretarial audit report of M/s. BGR Turbines Company Private Limited and M/s. Sravanaa Properties Limited for the financial year 2023-24 as required under Regulation 24A(1) of SEBI (Listing Obligations and Disclosure Requirements) is enclosed as **Annexure-V** of the Directors Report.

REPORTING OF FRAUD BY AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditor have not reported any instance of fraud committed in the Company by its officers or employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be reported.

CORPORATE GOVERNANCE

Corporate Governance report under SEBI (LODR) and the certificate from the auditors confirming compliance of the conditions of Corporate Governance are included in this Annual Report as **Annexure-VI**.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

Due to downgrading by Banks and rating Agency, the Statutory Auditors have given an adverse report which affects the overall position of the Company. Your Company is making strenuous efforts to overcome this and devising various options to raise funds and capital to come out of the issue.

ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134 (3) (a) of the Act, the Annual Return of the company as on March 31, 2024 is available on the company's website. The link is provided here under http://www.bgrcorp.com/annual_report.php

Disclosures:

1. There has been no change in the nature of business of the Company during the year under review.
2. Pursuant to Section 197 (14) of the Act, 2013, the Managing Director of the Company did not receive any remuneration or commission from any of its subsidiaries.
3. As on March 31, 2024, there are 27 pending proceedings filed against the Company under the Insolvency and Bankruptcy Code, 2016 and the Company has not filed any proceedings under the aforementioned Act.

4. The Company has complied with the applicable secretarial standards as amended from time to time.
5. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof: NIL
6. During the financial year 2023-24, the requirement of transferring the unpaid/unclaimed dividends nor the shares is not applicable to the Company.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the valuable support and co-operation extended by customers, vendors, collaborators, business partners/associates, statutory authorities, Central and State Governments during the year under review.

Your Directors also record their appreciation to the bankers for their financial support and trust reposed in the Company. The Board further wish to acknowledge the commitment and contribution made by the employees at all levels during current tough times. Your Board conveys its gratitude to the shareholders for their continued patronage and co-operation.

For and on behalf of the Board

Place: Chennai
Date: 4th July, 2024

G.Jeyakrishna
Director

Arjun Govind Raghupathy
Managing Director

ANNEXURES FORMING PART OF BOARD'S REPORT

The annexures referred to in this report and other information which are required to be disclosed are annexed herewith and form part of this Report of Directors

Annexure	Particulars
I	Management Discussion & Analysis Report
II	Energy conservation and Technology absorption
III	Remuneration Policy
IV	Secretarial Audit Report
V	Secretarial Audit Report of Material Subsidiaries
VI	Corporate Governance Report
VII	Details of Material Related Party Transaction (Form AOC-2)

ANNEXURE I - MANAGEMENT DISCUSSION & ANALYSIS REPORT
PERFORMANCE HIGHLIGHTS OF FY 2023-24

During the year 2023-24 the company's revenue is stagnant. The progress was hampered due to material and labour cost increase. Company's inability to get additional working capital limits from

its lenders/ banks and Banks classifying our loan as Non performing asset disrupted the Company's progress. Due to these developments, some of our contracts were either pre closed or terminated.

Project progress of Engineering and Construction Business

Power Projects Division (PPD) - During the year 2023-24, the company in North Chennai Thermal power project had achieved significant progress and was synchronized with the Grid in March 2024.

The 1 x 800 MW thermal power project at Vijayawada started Commercial Operation in December 2023 and the plant is in operation. The 1 x 800 MW North Chennai Thermal Power Project was synchronized with the Grid in March 2024.

Civil Projects Division (CPD) – One work order for Tata Steel Limited in Kalinganagar, Odisha was completed during last year. Two orders got rescinded later.

Environmental Engineering Division (EED) - 10 MLD (Million Litres per Day) Tertiary treatment ultrafiltration (TTUF) plant in Nesapakkam was commissioned and subsequently, the contract has been terminated.

The First of the Three Induced Draft Cooling Towers @ Ghatampur 3x660w Project was Commissioned In August 2023. Also, the 765kv Gas Insulated Switchgear Was Energized in November 2023 and the First the Three 660 Mw Units Synchronized In November 2023 and the works related to the other units are progressing well. The 4th unit Of Kakarapar Atomic Power Plant was Commissioned in Feb 24 and since then the Plant is in Operation. All works related to the 7th unit Of Rawatbhatta atomic

Power Plant was completed and completion certificate received. Work related to the 8th unit is in full swing.

Electrical Project Division – For JUSNL Projects work is under progress.

Manufacturing Business (Product Business Division)

The capital goods segment, which manufacturers equipment for power, oil, gas and infrastructure industries, the Company made the highest ever turnover of Rs. 207 Crores during 2023-24.

During this year Factory assembly testing of Tallest (13 meters) and Heaviest (400 MT) equipment completed for Cameron, UK customer.

27 Inconel tube bundles were completed during the last financial year which is a record for the Division with a total turnover of Rs. 113 crores.

INDUSTRY ANALYSIS & PROSPECTS IN DOMESTIC AND INTERNATIONAL MARKETS

The demand for power is increasing substantially. Despite the increase in renewable energy capacities, and despite the Renewable Purchase Obligation (RPO) set at 21%, thermal power has contributed more than 80% of the overall power consumption. The unprecedented power demand and the relative low contribution of renewable and nuclear power generation have brought to fore the urgent need to add significant capacity by way of new super critical & ultra-super critical thermal power projects with much lower heat rates. As per CEA, the annual Electrical Energy requirement will be 3,175,400 MU by FY 2037 while the current generation is only covering 35% of the requirement. This demand cannot be met alone with renewable sector. With state-run genco NTPC announcing addition of 4.8 Gigawatts power projects in next three years, there is huge growth forecasted in thermal power sector which augurs well for the company's growth.

There is also huge scope in renovation & modernization of existing power plants, including replacement of old units with new power plants. In order to comply with the new emission standards, installation of Flue Gas Desulfurization units in existing power plants presents a new market segment to capitalize for the company.

The global energy crisis arising due to Russia's invasion of Ukraine, has also forced countries worldwide to relook at coal based power plants. Denmark asked its biggest energy firm Rsted to restart operations at three fossil fuel facilities to ensure energy security.

The Pradhan Mantri Gatishakti Bharat Master Plan for integrated infrastructure growth will offer robust growth potential in various sectors in the years to come. The National Infrastructure Pipeline, aimed at easier interconnectivity between road, rail, air and waterways to reduce travel time and improve industrial productivity, announced previously and re-emphasized again are envisaged to create multiplier effects on the economy. The flagship Jal Jeevan mission of GoI will see huge development under the rural and urban water supply infrastructure development in next couple of years. With our Civil Projects Division and Environmental Engineering Division, the company is in prime position to tap into this huge market.

The company is also exploring various business opportunities in Extra High Voltage (EHV) underground cabling projects, Traction Substation projects from Railways, Electrification packages for upcoming private projects, etc.

LOOKING INTO FUTURE AND STRATEGIC BUSINESS SHIFT

In the backdrop of challenges in thermal power sector in India and global markets as well, your Company initiated number of strategic initiatives. The Company identified critical need for shift

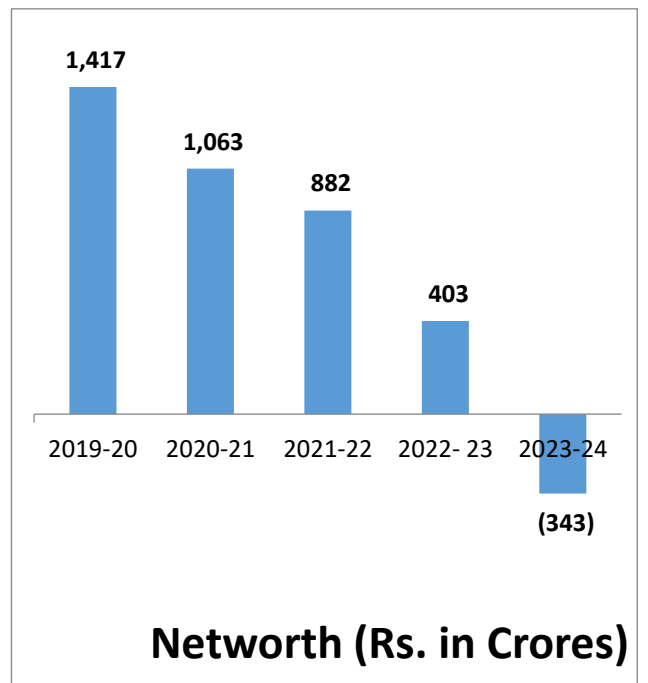
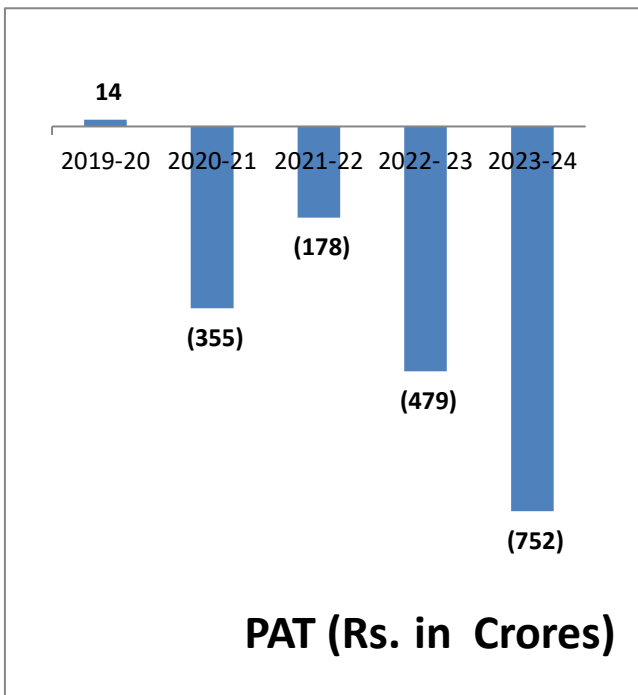
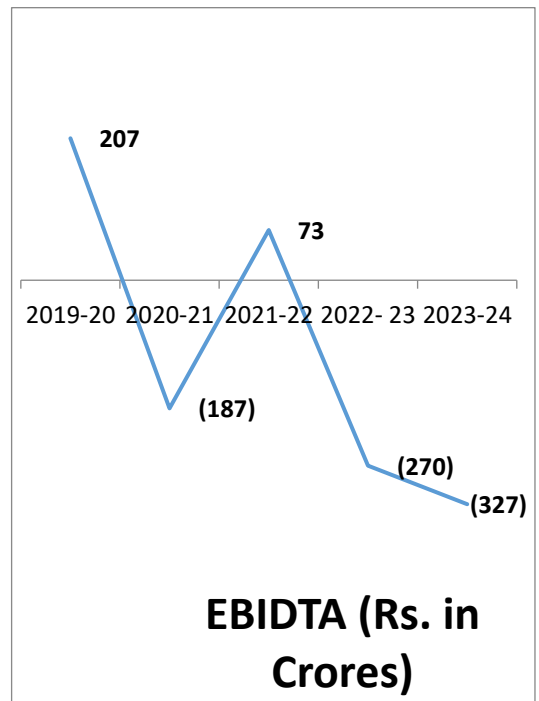
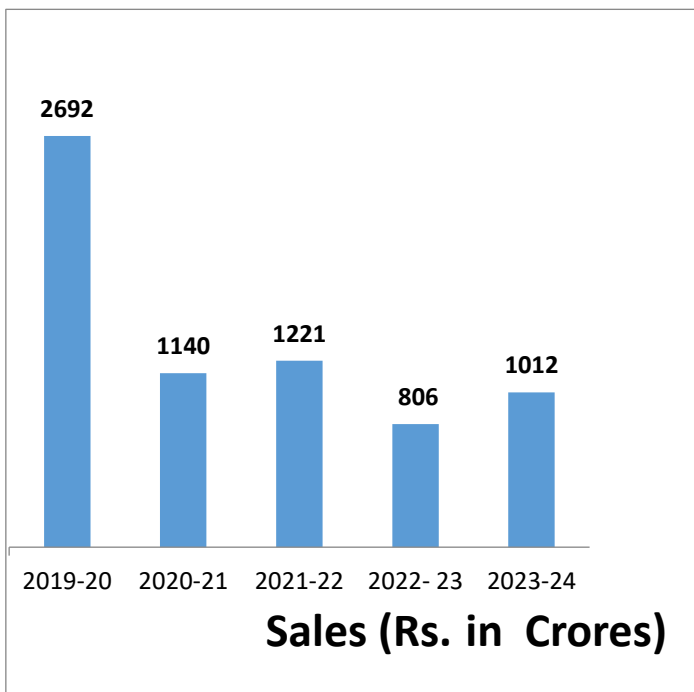
from current business segments and identified some sectors as key drivers for growth in the medium term and diversify into adjacent business sectors to in which public and private investments. The company's proven and successful track record and competencies could be leveraged for growth in these emerging industrial, core and infrastructure sectors. These segments include: (i) Water and water treatment solutions (ii) Electricity Transmission & Distribution (iii) Transport infrastructure viz., Metro, Railways and Highways (iv) Civil construction; (v) Project exports and (vi) Oil & Gas and manufacture of equipment and systems for Indian industry and international markets. The Company would continue as a significant market player in thermal generation sector, being selective in order booking and would leverage its competencies in focusing and seeking orders from Nuclear power projects and power transmission activities. In capital goods / manufacturing businesses, the Company has taken measures to expand the geographical market reach in international markets by identifying key opportunities for expanding the product portfolio.

Financial Performance (standalone)

Description	Unit	FY 22-23	FY 23-24	% Change
Income from operations	Rs. Crores	806	1012	20%
EBIDTA	Rs. Crores	-270	-327	17%
EBIDTA	%	-33.53%	-32.26%	-4%
PBT	Rs. Crores	-635	-677	6%
PAT	Rs. Crores	-479	-752	36%
Networth	Rs. Crores	403	-343	217%
PBT Ratio	%	-78.78%	-66.86%	-18%

Financial Performance (Standalone)

Description	Unit	FY 22-23	FY 23-24	% Change
PAT Ratio	%	-59.35%	-74.31%	20%
Return on networth	%	-118.68%	-217.40%	155%
Employee cost to Turnover	%	15.57%	11.18%	-39%
Overheads cost to Turnover	%	31.34%	27.36%	-15%
Interest Cost to Turnover	%	49.54%	43.97%	-13%
Debtors Turnover	Days	898	663	-35%
Debtors Turnover(Excluding Retention)	Days	387	251	-54%
Inventory Turnover	Days	22	16	-38%
Interest coverage ratio	Times	-0.59	-0.73	19%
Current Ratio	Times	1	0.92	-9%
Debt equity ratio	Times	4.57	-5.33	186%



SIGNIFICANT CHANGES IN FINANCIAL PERFORMANCE METRICS

The Operating margin for the year 2023-24 was negative due to lower turnover and higher cost of operations.

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE PREVIOUS FINANCIAL YEAR

During the year Return on Net worth further decreased to Negative 217.4% from the previous year figure of Negative 118% in 2022-23. The reduction in return on net worth is due to loss of 677 crores due to reduction in turnover, increase in cost, cancellation of orders due to classification of our accounts as Non Performing Assets by Banks.

STRENGTH AND OPPORTUNITIES

The company has after review of the current macro level developments and competition landscape planned foray into the Infrastructure, Highways Construction, Transmission. The experienced and competent manpower, proven project delivery of the Company is a rare strength. These rich credentials will enable qualification and successful breakthrough in all business segments. The strategic teams of experienced personnel formed recently are working on bids for these strategic segments.

INTERNAL CONTROL SYSTEMS AND AUDIT

As part of the audit system, the company has an in-house system with a works auditor. Experienced external firm of auditors carries out internal audit. The detailed audit plan is well documented and audit scope is reviewed every year to include key processes that need improvements and address new compliance requirements. The detailed audit plan approved by the Audit Committee is rolled out at the beginning of each year. In addition, all payments to vendors are subjected to pre-audit by an external audit team. The statutory auditors carry out the required audit and compliance checks and review the control systems. The Chairman of Audit committee, key project personnel and the finance team review the audit reports of the internal auditors, pre auditors and in-house auditors in detail every quarter and a time bound action plan is initiated to address the key audit issues that need improvement and resolution. A summary of key audit observations, action taken to fix the gaps and the status is reviewed by the Audit Committee members in the quarterly audit committee meeting. The present internal control and audit systems are adequate.

RISK MANAGEMENT

The business of the Company encompasses design at office, manufacturing at factories and project sites, civil and mechanical construction, erection, and commissioning of equipment's / packages. The company has a well-documented Standard Operating Systems and Procedures (SOSP). The SOSP mandates concerned officers of the company to review, identify and take timely steps to manage these risks on an ongoing basis. Delegation of Authority is reviewed each year to ensure that adequate controls are in place and required flexibility is available for effective operations at work site and that the commitments made to customers and vendors are met

on time. Periodic review of procedural checks and balances are undertaken with a view to improve operational controls and productivity matrix. An experienced team of contract specialists in the Company review all contractual documents with the customers and the vendors in detail to ensure that all risks associated with the terms of contract are fully understood, documented, and reviewed for ensuring effective implementation of the contracts.

HUMAN RESOURCE DEVELOPMENT

With the Pandemic threat fading away during the year 2023 – 24, there was a strong need to retain the critical manpower resources in the Company and rewarding them suitably. Accordingly, the Company carried out an exercise to identify the critical manpower across the Company and such critical employees were rewarded suitably.

During the year 2023 – 24 there were 11 employees who had completed more than 20 years' service in our Organization. These employees were honored with long service awards during the Founder's Day celebrations.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

The Company treats EHS as its core need to carry on and grow the business on a sustained basis. The Company has adopted a structured approach towards implementation of EHS policy and plans to integrate EHS with critical operating processes to continually improve the environment in which the Company operates as well as the safety and health of all employees, workmen, general public and the society. The Company established EHS structure for developing, implementing, and improving EHS Management Systems. These systems are designed to imbibe and enhance safety culture and to mitigate high potential risks among the employees and contractors through appropriate intervention and guidance.

The Company took up many EHS initiatives viz., monitoring and control of air, noise and water pollution, fitness of all employee's premedical screening, regular health awareness camps, blood donation, safety orientation to all new employees and contractors' men before engaging at work, hazard identification and risk assessment for all critical activities, safety evaluation of contractors and adoption of EHS code of Practices by contractor, enhancement of behavior based safety programs, on spot motivation to safety conscious workers and recognition of creditable EHS performance. The EHS team strived to keep up good health of employees at offices, works and sites by strictly following the Standard Operating Procedures and guidelines issued by various Government and health authorities.

ANNEXURE – II

ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

Manufacturing units of the Company have implemented energy conservation measures during the year 2023-24 as given below.

A) ENERGY CONSERVATION

i. The steps taken or impact on conservation of energy

1. Advanced Finning Machine - G type is introduced which can deliver the productivity with 20% lesser Electrical Power consumption
2. Actions initiated to Power off of all machines especially welding machines during break times to avoid transformer losses
3. Initiated actions to Ensure No leakage of Compressed Air and Water
4. Ensure AC's Temperature to maintain at 26 Degree Centigrade for Power saving
5. Proposed to introduce LED lights at the time of replacement of Existing lights
6. Planned to introduce Solar Power generation system.

ii. The steps taken by the Company for using alternate source of energy

Our building has glass windows all around and we also use the ambient light for lighting purposes as much as possible. This reduces the electricity consumption due to lesser need of lighting during the day.

iii. The capital investment on energy conservation equipment's: NIL.

B) TECHNOLOGY ABSORPTION:

The details under rule 8(3)(B) of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of foreign exchange and outgo are provided in the Directors Report.

ANNEXURE III

REMUNERATION POLICY

1. APPLICABILITY

This remuneration policy applies to all Directors, Key managerial Personnel and designated employees of the Company.

2. OBJECTS

This policy seeks to achieve the following objectives viz.,

- a. The directors, key managerial personnel and designated employees of the Company are governed by a compensation criteria that fosters meritocracy and industry standards.
- b. Attract and retain high calibre professionals/personnel required to manage the business, operations and strategic growth of Company successfully.
- c. The remuneration shall be competitive and based on the individual responsibilities, contribution and performance.
- d. To attract, retain and motivate talent and a balance of fixed and variable so as to incentivise high level of performance.

The Remuneration Policy is guided by a common reward framework and set of principles and objectives as morefully and particularly envisaged under Section 178 of the Companies Act, 2013 and principles pertaining to determining qualifications, positives attributes, integrity and independence.

2. REMUNERATION TO DIRECTORS

a. Fee to Non-executive directors

A non-executive director may receive remuneration by way of sitting fee for attending meetings of the Board or Committee thereof. The amount of fees shall not exceed the amount as may be prescribed under The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and any amendment thereto.

- b. The amount of fee to Independent directors and women directors shall not be less than the fee payable to other directors.

- c. No sitting fee shall be paid to the executive directors for attending Board or Committee meetings.
- d. The Board may review the fee at reasonable length of time and in doing so consider industry trends, practices, Company's performance, shareholder's interest and regulatory provisions and environment.
- e. No director, other than Chairman of the Board, shall be entitled to commission on profits of the Company and such commission shall be determined by the Board for each financial year and such payment shall be subject to the provisions of the Companies Act, 2013.
- f. Directors shall be entitled to reimbursement of expenses on travelling, lodging, boarding and other out-of-pocket expenses incurred for participation in the Board and Committee meetings and other work related to the Company's business.

4. REMUNERATION TO KEY MANAGERIAL PERSONNEL

- a. The remuneration to key managerial personnel (Managing Director, Deputy Managing director, Whole Time Director, Company Secretary, and Chief Financial Officer) shall be determined with due regard to the individual's educational and professional qualifications, age, experience, expertise, knowledge and contribution and competition for such talents in the industry/corporate sector.
- b. The remuneration payable to key managerial personnel may comprise of ;
 - a. Fixed salary, variable salary, bonus/ex-gratia,
 - b. Perquisites and Allowances, performance-linked incentive and other compensation as the Board may determine.
- c. Remuneration to any one executive director shall not exceed five per cent of the net profits of the Company and the total remuneration payable to all executive directors together shall not exceed ten per cent of the net profits of the Company.
- d. Incase of inadequacy of profits the remuneration to executive directors shall be in accordance with Schedule V of Companies Act, 2013.

5. REMUNERATION TO DESIGNATED EMPLOYEES:

- a. For the purpose of this policy, an employee, who is employed by the company and designated as a member of core management, but not a director, and all Head of functional responsibility or management and holding office one level below executive directors are Designated Employees.
- b. The remuneration shall be determined in an equitable manner having regard to qualifications, age, experience, and contribution to the Company, need to retain talent and industry/market trends.
- c. Remuneration to Designated Employees shall include fixed salary, variable salary, bonus/ex-gratia, perquisites and allowances, performance-linked incentive and other compensation as the Board may determine.

6. REMUNERATION TO OTHER EMPLOYEES:

The nature of job and market parity of similar talent will be key factor in pay determination for different levels of employees.

1. Wage and salary structure will be simple and easy to link performance and compensation.
2. Discretionary retention bonus may be given in deserving cases as may be decided by management.
3. Annual Pay increases will be based on a combination of appraisal of competency and performance rating.

(Appointment and Remuneration Personnel) Rules, 2014]and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
M/s. BGR ENERGY SYSTEMS LIMITED.

I have conducted the Secretarial Audit of the Compliances with regards to applicable statutory provisions and the adherence to good corporate practices followed by **M/s. BGR ENERGY SYSTEMS LIMITED** (hereinafter called "the Company") bearing Corporate Identification Number **L40106AP1985PLC005318**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. BGR Energy Systems Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31stMarch 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2024 ("Review period") according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a)** The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018-***During the financial year under review the Company has not issued any shares;***
 - d)** The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- **Not applicable during the financial year under review.**
 - e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 - ***During the financial year under review the Company has not issued any Non-convertible securities and hence not applicable;***
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993regarding the Companies Act and dealing with client- The Company is not registered as transferor to issue and Share Transfer Agent during the financial year under review and hence **not applicable;**

- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- ***Not applicable during the financial year under review as the Company has not delisted its equity shares from any stock exchange;***
- i) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013- ***Not applicable during the financial year under review as the Company has not issued any Non-Convertible and Redeemable Preference Shares from any stock exchange;***
- a) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- ***The Company has not bought back any of its securities during the financial year under review and hence not applicable;*** and
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
- c) The Laws as applicable specifically to the Company

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited(NSE).

I further report that the applicable financial laws, such as Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory auditor and by other designated professionals.

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

1. The Company is in the process of appointing an Independent director in the Material Subsidiary, M/s. BGR Turbines Private Limited as per R. 16(1) (c) and Reg 24(1) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
2. The Financials were consolidated as per the unaudited and provisional financials of the subsidiaries as qualified by the statutory auditors.
3. Independent Director's meeting was not conducted during the Financial Year.
4. Only two directors have submitted their evaluation of the performance of the directors.
5. Stakeholder Relationship Committee meeting was not conducted during the Financial year under review.
6. The related party transaction with M/s. Argo Raiment LLP, taken together for the financial year being 8189.8 lakhs exceeds ten percent of the annual consolidated turnover (8062.7 lakhs) of the Company. However, prior shareholders' approval was not obtained as required under Regulation 23(4) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
7. Four Independent Directors of the Company resigned during the last week of February 2024; the Company has filled the vacancy caused in the Board of Directors by appointing 3 Independent Directors and one Executive Director on May 14, 2024. The Company had only two directors during the intermittent period.
8. MCA e-forms for Change in Directors and Key Managerial Personnel were filed after the due date.
9. As per the management, the Company has been maintaining the Structural Digital Database Software provided by Orion Legal Supplies, Mumbai. However, the validity of the software got expired on 09.12.2023, which was missed out to be renewed at that

point of time inadvertently. The Company later renewed its SDD software licence on 3rd July 2024 for the period from 09.12.2023 to 08.12.2024.

10. Certain disclosures such as resignation of Independent Directors (Mr. Gopalakrishna, Mr. Bohra), Shareholders agreement, Initiation of CIRP were intimated after 12/24 hours.

I further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except as provided above.
- b) Adequate Notice is given to all Directors to Schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) All decisions were carried through with requisite majority and details of dissenting members of the Board were recorded in the minutes.

I further report that during the audit period, the following major transactions were identified:-

1. Mr. S. Krishna Kumar was appointed as the Company Secretary and Compliance officer (Key Managerial Personnel) of the Company with effect from May 30, 2023. Mr. S. Vinod Kumar who was officiated as Compliance Officer as an interim measure was relieved with effect from May 30, 2023.
2. An agreement was entered into by way of Minutes of Meeting of Board of Trustees of BGR Investments and Management Trust on 08/06/2022 amongst the shareholders, promoters, related parties, directors and key managerial personnel of BGR Energy Systems Limited to which BGR Energy Systems Limited is not party and the said agreement impact the management and control, business, operations, impose restriction and create liability upon BGR Energy Systems Limited. The Board noted that the decisions taken at the said Minutes are subject matter of litigation that is pending before the Hon'ble High Court of Madras. If the contents of the said Minutes are held by the Hon'ble High Court of Madras to be correct, the same would constitute an agreement among the promoters that may have an impact on the management and control of the Company.
3. Some of the operational creditors of the Company filed CIRP petition and upon settlement of dues, the petitions were withdrawn.
4. The Company has received communication from 10 of its bankers downgrading the accounts of the Company maintained with them as Non-Performing Asset.
5. TANTRANSCO, U.P. Power Transmission Corporation Limited, TANGEDCO, Mangalore Refinery and Petrochemicals Limited (MRPL) have terminated their contract with the Company.
6. Mr. P.R. Easwar Kumar, Chief Financial Officer and Mr. S. Krishna Kumar, Company Secretary of the Company resigned with effect from 30th March 2024.
7. Mrs. Sasikala Raghupathy, one of the promoters of the Company sold 1,73,14,450 shares and Mr. S. K. Sridhar, one of the promoters of the Company sold 896 shares during the period under review.
8. Mr. Gopalakrishna, Mr. S.A. Bohra, Mr. Gnana Rajasekaran, Mr. S.R. Tagat, Independent Directors of the Company resigned with effect from 23rd February 2024, 24th February 2024, 26th February 2024, 26th February 2024 respectively.

9. State Bank of India, Stressed Assets Management Branch, Chennai informed the Company that Chaturvedi & Company have been entrusted with conducting forensic audit for the Company.
For Mohan Kumar & Associates

Place: Chennai.
Date: 04-07-2024

A. Mohan Kumar
Practicing Company Secretary
Membership Number: FCS 4347
Certificate of Practice Number: 19145
Peer Review Certificate Number: 2205/2022
UDIN: F004347F000657593

This Report is to be read with my testimony of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure A

To,
The Members,
M/s. BGR Energy Systems Limited.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mohan Kumar & Associates

Place: Chennai.
Date: 04-07-2024

A. Mohan Kumar
Practicing Company Secretary
Membership Number: FCS 4347
Certificate of Practice Number: 19145
Peer Review Certificate Number: 2205/2022

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Regulation 24A(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- The Company being a material unlisted subsidiary of M/s. BGR Energy Systems Limited]

To,
The Members,
M/s. BGR TURBINES COMPANY PRIVATE LIMITED.

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. BGR TURBINES COMPANY PRIVATE LIMITED** (hereinafter called "the Company") bearing Corporate Identification Number **U40300TN2009PTC070541**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. BGR TURBINES COMPANY PRIVATE LIMITED**'s books, papers, Minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned as above subject to the following observations:

- a) *The Company, being a deemed public company (Private Company which is a subsidiary of Public Company) is yet to comply the following provisions of the Companies Act, 2013*
- *Appointment of One-Woman Director (Sec 149)*
 - *Appointment of Independent Directors (Sec 149(4))*
 - *Appointment of Internal Auditor (Sec 138)*
 - *Constitution of Audit Committee and Nomination and Remuneration Committee (Sec 177 & 178)*
 - *Framing of Vigil Mechanism Policy (Sec 177(9) & (10))*
 - *Facilitation of Dematerialization of Securities*
 - *Formal Annual Evaluation (Section 134(3)(p))*
- b) *The Company has filed the MCA e-forms beyond the due dates with the payment of additional fees.*
- c) *The Company has not filed the following forms with MCA:*
- i. *Form DIR-12 & Form MR-1 for appointment of key managerial personnel (KMP) i.e. Manager Mr. A. Sreedhar*
 - ii. *Form DIR-12 for vacation of office for Mrs. Sasikala Raghupathy who has not attended any board meeting during the FY 20-21*
 - iii. *Form DIR-12 for regularization of Mr. Ram Singh Tomar as Director.*
 - iv. *Form MGT-14 for resolutions passed by the board of directors.*
 - v. *Form AOC-4 XBRL and MGT-7 for the FY 21-22 & FY 22-23.*
- d) *The Company has not finalized the Audited Annual Accounts and has not conducted the Annual General Meeting for the FY 2022-2023.*

e) *The Director Identification Number (DIN) of the following directors are deactivated due to non-filing of KYC*

- i. *Mr. Tsuyoshi Takano (DIN: 03560951)*
- ii. *Mr. Kazuyuki Okuzawa (DIN: 07851484)*

I further report that the applicable financial laws, such as Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory auditor and by other designated professionals.

Date: 04-07-2024
Secretary
Place: Chennai
A62741

Sneha Mohan Kumar
Practicing Company

Membership Number:

Certificate of Practice Number: 25698
(Peer review certificate No.3172/2023)
UDIN: A062741F00067049

*This Report is to be read with my testimony of even date which is annexed as **Annexure A** and forms an integral part of this report.*

Annexure A

To,
The Members,
M/s. BGR TURBINES COMPANY PRIVATE LIMITED.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai.
Date: 04-07-2024

Sneha Mohan Kumar
Practicing Company Secretary
Membership Number: A62741
Certificate of Practice Number: 25698
(Peer review certificate No.3172/2023)

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

[Pursuant to Regulation 24A(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- The Company being a material unlisted subsidiary of M/s. BGR Energy Systems Limited]

To,
The Members,
M/s. SRAVANAA PROPERTIES LIMITED.

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. SRAVANAA PROPERTIES LIMITED** (hereinafter called "the Company") bearing Corporate Identification Number **U70200TN2002PLC049497**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. SRAVANAA PROPERTIES LIMITED's** books, papers, Minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned as above subject to the following observations:

- f) The Company has filed the MCA e-forms beyond the due dates with the payment of additional fees.*
- g) The Company has not filed form MGT-14 for resolutions passed by the board of directors.*
- h) The Company is yet to file its Audited Annual financials for the FY 2022-2023 with MCA in Form AOC-4 and Form MGT-7.*
- i) As on date of this report, the minimum requirement of board composition is not fulfilled.*

I further report that the applicable financial laws, such as Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory auditor and by other designated professionals.

Date: 04-07-2024
Place: Chennai

Sneha Mohan Kumar
Practicing Company Secretary
Membership Number: A62741

*This Report is to be read with my testimony of even date which is annexed as **Annexure A** and forms an integral part of this report.*

Annexure A

To,
The Members,
M/s. SRAVANAA PROPERTIES LIMITED.

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

7. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
8. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I have followed provide a reasonable basis for my opinion.
9. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
10. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
11. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
12. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

*Place: Chennai.
04-07-2024*

*Sneha Mohan Kumar Date:
Practicing Company Secretary
Membership Number: A62741
Certificate of Practice Number: 25698
(Peer review certificate No.3172/2023)*

**ANNEXURE VI TO THE DIRECTORS REPORT
REPORT ON CORPORATE GOVERNANCE
COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time on Corporate Governance, your Company is committed to practice high standards of corporate governance across all its business activities, processes and dealing with all stakeholders. The Board of Directors constantly endeavors to create an environment of fairness, equity

and transparency in all its affairs. The Company's governance policy framework is designed to secure and enhance long term shareholder value, while respecting the rights and expectations of all other stakeholders viz., Customers, Vendors, Banks, Employees, Central and State Governments and the Society at large. The Company is in constant compliance with the requirements of the guidelines on corporate governance stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

BOARD OF DIRECTORS

COMPOSITION OF BOARD

The Company's Board of Directors comprise of 2 directors as on March 31, 2024 of whom one is promoter non-executive director and the other one is promoter executive director. All the four independent directors were resigned during the last week of February 2024 and subsequently three independent directors and executive director were appointed on 14th May 2024 in compliance with Section 174 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. As on date of this report, the composition of the Board was in conformity with the requirements stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 ("Regulations").

In line with corporate governance philosophy, all statutory and other significant material information and reports are placed before the Board of Directors ("the Board") to enable it to discharge its responsibility of superintendence, control and direction of the business, management and strategic affairs of the Company. The Board comprises of Directors drawn from diverse fields of expertise viz., Business Management, Finance, Public Administration, Power, Technology, Arts, Culture and International Business. The Board at present consists of four independent directors, and one non-independent directors and one non-executive promoter director, who is the Chairperson of the Board.

The Company has defined guidelines and established framework for the meetings of the Board and Committees. The Board critically evaluates business strategies, performance, policies and its effectiveness. The Board reviews all strategic and operating plans, financial reporting, budgets and capital expenditure and matters of exception.

None of the Directors on the Board is a member of more than ten committees or chairman of more than five committees across all the companies in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2024 have been made by the Directors. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are independent of the management.

MEETINGS AND ATTENDANCE OF THE BOARD DURING THE YEAR

During the year under review Board meetings were conducted physically and through video conferencing. The Agenda for the meeting is prepared by the Director & Secretary in consultation with the Chairperson and Managing Director of the Company. There is constant endeavor to improve the practices with regard to the Board and its Committee meetings. The agenda and the relevant supporting papers are circulated in advance to facilitate the members of the Board and Committees to make informed decisions and discharge their fiduciary responsibility effectively. Where it is not practicable to attach or forward any document / information as part of the agenda papers, the same is tabled at the meeting or presentation by the concerned President of the division to the Board. The Company is continuously improving these practices so as to enable effective strategy formulation, direction, monitoring and reviews by active participation by the Board. The Company Secretary records minutes of proceedings of each Board and Committee meetings. Draft minutes are circulated to the Board/ Committee members within 15 days from the meeting for their comments. Directors communicate their comments, if any on the draft minutes within seven days from the date of circulation. The minutes are then entered in the minutes book within 30 days from the conclusion of the meeting and signed by the Chairperson of the Board or Committee, as the case may be. The certified copy of the approved minutes are then circulated to all the Board / Committee members and to the concerned executives for follow on action.

The Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board / Committee meetings are communicated promptly to the concerned President or Executive. Action-taken report on decisions / minutes of the previous meeting(s) is placed at the subsequent meeting of the Board / Committee for review or noting.

Apart from Board members and the Company Secretary, the Board and Committee meetings are also attended by the Chief Financial Officer and wherever required by the heads of business divisions and corporate functions. The Audit Committee meetings upon invitation are attended by the Statutory Auditors and the Internal Auditors of the Company.

BOARD PROCESS, DECISION MAKING AND REVIEW

The following information is regularly placed before the Board to enable the Board to make decision and review of operating and strategic performance of the Company:

- i) Appointment, resignation and retirement of directors.
- ii) Constitution and reconstitution of committees of the Board.
- iii) Disclosure of interest of Directors.

- iv) Minutes of the meetings of the Board and its Committees viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Share Transfer and Committee of Directors.
- v) Statutory compliance including non-compliance with regulatory and statutory requirements.
- vi) Corporate Governance compliance.
- vii) Statement on investor complaints filed with stock exchanges and investor services.
- viii) Action taken on the minutes of the previous meetings of the Board and Committees.
- ix) Corporate Budget including Annual operating budget, Capital expenditure budget and revisions thereof.
- x) Review of Project wise and division wise budget Vs actual performance.
- xi) Progress of the EPC, BOP and Capital goods business segments.
- xii) Quarterly, Half yearly and Annual financial results/statements of the Company and annual financial statement of Subsidiary Companies.
- xiii) Appropriation of profits to dividend and reserves.
- xiv) Investment in and progress of Joint ventures and Subsidiaries including divestments.
- xv) Audit Committee's recommendations on appointment of internal and statutory auditors, auditor recommendation.
- xvi) Accidents, untoward incidents, dangerous occurrences, judgements, orders and matters arising from vigil mechanism.
- xvii) Show cause notices, prosecution notice, penalty notices and other material legal action against the Company.
- xviii) Approval of related party transaction, where approval of the Board is required.
- xix) Reimbursement and remuneration of KMP and other senior officers' one level below Directors.
- xx) Material default in financial obligations to creditors of and by the Company.
- xxi) Significant labours and human resources, industrial relations, transactions which are not in the ordinary course of business or exceptional in nature, including payment for goodwill, brand or intellectual property.

MEETINGS OF THE BOARD

During the Financial Year 2023-24, 5 (five) Board Meetings were held on May 30, 2023, August 11, 2023, September 25, 2023, November 10, 2023 and February 14, 2024 and not more than 120 days have elapsed between any two meetings. The information as specified in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are regularly made available to the Board, wherever applicable for discussion and consideration.

MEETING OF INDEPENDENT DIRECTORS

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of Independent Directors of the Company. The Company follows the practice of conducting Independent Director's Meeting during the month of March of every financial year. However, during this financial year, all the independent directors were resigned in February 2024 itself. Hence, the Company could not conduct the Independent directors meetings for the Financial Year.

PARTICULARS OF THE DIRECTORS' ATTENDANCE AT THE BOARD MEETINGS AND AT THE ANNUAL GENERAL MEETING HELD ON SEPTEMBER 29, 2023 AND PARTICULARS OF THEIR DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS IN OTHER COMPANIES ARE GIVEN BELOW:

Name & Category of the Director	Attendance at meetings during 2023-24		No. of Directorship in other Companies @	No. of Committee Membership & Chairmanship in other Companies #
	Board Meetings	At Last AGM held on September 29, 2023		
Mr. Arjun Govind Raghupathy, Managing Director, Promoter / Executive	5	Yes	6	-
Mrs. Sasikala Raghupathy, Chairperson, Promoter / Non-Executive	5	Yes	5	-
Mr. M.Gopalakrishna, Director, Independent **	5	Yes	6	5
Mr. S.A.Bohra, Director, Independent @@	5	Yes	-	-
Mr. S.R.Tagat, Director, Independent ##	5	Yes	-	-
Mr. Gnana Rajasekaran, Director, Independent !!	5	Yes	1	1

Yes – Present, No – Absent, NA – Not Applicable

@ Excludes private companies and foreign companies.

Includes only membership of Audit Committee and Shareholders Relationship Committee.

**** Resigned from the Board w.e.f : 23rd February 2024**

@@ Resigned from the Board w.e.f : 24th February 2024

Resigned from the Board w.e.f : 26th February 2024

!! Resigned from the Board w.e.f : 26th February 2024

NAME OF OTHER LISTED ENTITIES WHERE DIRECTORS OF THE COMPANY ARE DIRECTORS AND THE CATEGORY OF DIRECTORSHIP:

Name of the Director	Name of listed entities in which the concerned Director is a Director	Category of Directorship
Mr. M. Gopalakrishna Director Independent*	i. PITTI ENGINEERING LTD ii. AVRA SYNTHESIS (P) LTD iii. OLECTRA GREENTECH LTD iv. THE ANDHRA PETROCHEMICALS LTD v. PRABHAT AGRI BIOTECH LTD	Non – Executive Independent Director
Mr. Gnana Rajasekaran# Director Independent	Odyssey Technologies Limited	Non – Executive Independent Director

None of other directors hold directorship in any other listed entity

***- Resigned from the Board w.e.f : 23rd February 2024**

- Resigned from the Board w.e.f : 26th February 2024

(iii) SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

The following is the list of core skills / expertise /competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- a) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities, industry trends, macro-economic and industrial policy impact and knowledge of the industry in which the Company operates.
- b) Behavioural skills-attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- c) Business Strategy, Sales & Marketing, Corporate Governance, Financial and Forex Management, Administration, Decision Making.

d) Financial and Management skills.

e) Technical / Professional skills and specialized knowledge in relation to Company's business

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

Name of Director	Areas of Skills, Expertise and Competencies				
	Knowledge on Company's business, policies & Culture	Behavioural Skills	Business Strategy, Sales & Marketing etc.,	Financial and Management Skills	Technical/Professional skills
Mrs.Sasikala Raghupathy, Chairperson	Y	Y	Y	Y	-
Mr.Arjun Govind Raghupathy, Managing Director	Y	Y	Y	Y	Y
Mr.M.Gopalakrishna **	Y	Y	Y	Y	-
Mr.S.A.Bohra @@	Y	Y	Y	Y	Y
Mr.S.R.Tagat ##	Y	Y	Y	Y	-
Mr. Gnana Rajasekaran !!	Y	Y	Y	Y	-

** Mr M. Gopalakrishna resigned w.e.f 23.02.2024

@@ Mr. S.A.Bohra resigned w.e.f 24.02.2024

Mr.S.R.Tagat resigned w.e.f 26.02.2024

!! Mr. Gnana Rajasekaran resigned w.e.f 26.02.2024

Except Mr.Arjun Govind Raghupathy, son of Mrs. Sasikala Raghupathy, Chairperson, no other directors have any *inter-se* relationship with other directors of the Company.

The Company has not granted stock options to any of its directors or employees during the year under review. Except Mr. S. R. Tagat, resigned from the Board on 26.02.2024, who holds 135 shares, no independent director hold shares in the Company.

The Company has formulated and adopted a familiarization program for independent directors and the same is administered by the Nomination and Remuneration committee. The familiarization program for

independent directors is uploaded in the website of the company and web link for the same is http://www.bgcorp.com/policy/familiarization-programme_2022-23.pdf

COMMITTEES OF THE BOARD

The Board constituted the following committees:

AUDIT COMMITTEE

The Audit Committee of the Board comprises of four directors of which three members are independent directors and all the members of Audit Committee are financially literate.

The members of the Audit Committee upto 23.02.2024 are:

Mr. S. R. Tagat	Chairperson	Independent Director
Mr. M. Gopalakrishna	Member	Independent Director
Mr. S. A. Bohra	Member	Independent Director
Mr. Arjun Govind Raghupathy	Member	Non-Independent Director

The Composition of the Audit Committee is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Managing Director, Chief Financial Officer and Statutory Auditor of the Company are invited to the Audit Committee Meetings, where found necessary and essential. The internal auditors are also invited as are relevant for consideration of audit reports and review of compliance. The quorum for Committee Meeting is two members or one third of the total strength of the Committee, whichever is higher, and such quorum comprise of at least two independent Directors present. The Committee enables the Board to discharge its responsibility for overseeing accounting, financial, auditing, disclosure and reporting process and for ensuring legal and regulatory compliance and oversight.

The Powers and terms of reference of the Audit Committee are as given below, which cover following matters specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

POWERS OF AUDIT COMMITTEE:

The Audit Committee shall have such powers to effectively discharge its role and terms of reference, which includes the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Such other powers as may be necessary for due and proper discharge of role of Audit Committee.

THE ROLE AND TERMS OF REFERENCE OF THE AUDIT COMMITTEE:

1. Oversight of the company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company and scope of respective audit viz., Statutory Audit, Internal Audit, Tax Audit and Cost Audit.
3. Approval of payment to statutory auditors for services other than statutory audit rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Formulation and approval/adoption of new accounting policy.
 - c. Changes, if any, in accounting policies and practices and reasons for the same.
 - d. Major accounting entries involving estimates based on the exercise of judgment by management.
 - e. Significant adjustments or treatments made in the financial statements arising out of audit findings.
 - f. Compliance with listing and other legal requirements relating to financial statements.

- g. Disclosure of related party transactions.
 - h. Qualifications, observations and adverse comments if any in the draft audit report and response or explanations therefor.
-
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 7. Approval of transactions of the company with related parties, including modification thereof;
 8. Scrutiny of inter-corporate loans and investments;
 9. Valuation of undertakings or assets of the company, wherever necessary;
 10. Evaluation of internal financial controls and risk management systems and process;
 11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
 12. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the officer heading the department, reporting structure coverage and frequency of internal audit;
 13. Review with internal auditors of any significant findings and follow up action thereon;
 14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 16. To look into the reasons for substantial defaults, if any in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 17. To review the functioning of the Whistle Blower/Vigil mechanism;
 18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and suitability of the candidate;

19. In addition, reviewing of all other functions as envisaged under Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There were 6 (six) meetings of the Audit Committee held during Financial Year 2023-24 on April 01, 2023, May 29, 2023, August 11, 2023, September 19, 2023 November 10, 2023 and February 14, 2024.

The number of meetings attended by each member of the Audit Committee is as follows:

Name of the Member	No. of Meetings attended
Mr. S.R. Tagat *	6
Mr. S.A. Bohra *	6
Mr. M. Gopalakrishna *	6
Mr Arjun Govind Raghupathy	6

*Resigned from the Board

The Chairperson of the Audit Committee Mr. S. R.Tagat attended the previous Annual General Meeting of the Company held on September 29, 2023.

COMMITTEE OF DIRECTORS

As on March 31, 2024, Committee of Directors comprise of the following members;

1. Mrs. Sasikala Raghupathy - Chairperson
2. Mr. Arjun Govind Raghupathy, Managing Director
3. Mr P R Easwar Kumar, President and Chief Financial Officer*
(Resigned with effect from 30.03.2024)

The quorum for Committee meetings is three.

There were 6 (Six) meetings of Committee of Directors held during Financial Year 2023-24 on August 21, 2023, September 27, 2023, October 24, 2023, December 11, 2023 and March 13, 2024.

The number of meetings attended by each member of the Committee is as follows:

Name of the Member	No. of Meetings attended
---------------------------	---------------------------------

Mr. Arjun Govind Raghupathy	6
Mrs. Sasikala Raghupathy	6
Mr P R Easwar Kumar *	6

* Resigned w.e.f. 30.03.2024

SCOPE OF THE COMMITTEE

The Board has delegated the following powers to the Committee of Directors:

1. To exercise superintendence, direction, guidance and control over the affairs of the company and subsidiaries and to exercise all such powers and to do all such acts and things as the Company and Board are authorised to exercise and do in respect of any business or transaction for which the Managing Director is not vested with power and authority or other matters of importance; provided that the Committee shall not exercise any power or do act or thing which is directed or required to be exercised or done by the Board or at a general meeting under the provisions of the Companies Act, 2013 or Memorandum and Articles of Association of the company or by any other law for the time being in force or by any statutory authority.
2. The Committee of Directors is vested with powers relating to oversight of operating performance of the Company in general and specifically the following:
 - 1) Review of execution and delivery of Power Projects
 - 2) Review of closure of completed power project contracts
 - 3) Review of operating performance of Product Divisions
 - 4) Progress of BGR Boilers and BGR Turbines – operating performance and capital project implementation
 - 5) Cash flow management, including collections and borrowings
 - 6) Closure of working capital facilities of completed projects
 - 7) Taxation – Compliance and completion of assessments
 - 8) Litigation and legal matters
 - 9) Progress of Capital Expenditure
 - 10) Transactions of exceptional nature
 - 11) Decisions on matters envisaged under Article 42 of the Articles of Association of the Company.
3. Borrowing moneys from Banks, NBFCs, companies, firms, and other institutions by way of overdraft, cash credit, hire purchase, lease and other funded and non-funded facilities (i.e., guarantees, letters of credit), lines of credit or otherwise and hire purchase, leasing,

bills discounting or any other form of borrowings; provided that the total amount so borrowed and outstanding at any time shall not exceed Rs.10,000 Crore (Rupees Ten Thousand crore) and all such borrowings shall be in the ordinary course of business and be repayable on demand except hire purchase and lease or the like transactions.

4. To open, close banking accounts for the company; and to determine the day to day operations of all banking accounts of the company and to authorise such persons, as the Committee may determine from time to time, for operating such accounts.”
5. To delegate and empower officers of the Company and its subsidiaries and other persons to do such acts, deeds and things as may be necessary in carrying on the business of and in the interest of the Company and to comply with statutory requirements and such officers and persons may be empowered by a deed of power of attorney, which shall be executed by any member of the Committee for and on behalf of the Company.
6. To affix the Common Seal of the company to any document, instrument in the presence of Mrs.Sasikala Raghupathy, Chairperson or Mr. Arjun Govind Raghupathy, Managing Director of the company wherever necessary and countersigned by Mr. S.Krishna Kumar, President & Company Secretary of the company in terms of article 63 of Articles of Association of the company.
7. To constitute sub-committee or working group or task force to carry into effect any business or transaction together with such power and authority and discretion in respect of matters delegated to them.

NOMINATION AND REMUNERATION COMMITTEE (TILL 23RD FEBRUARY 2024)

The Nomination and Remuneration Committee comprises of Mr. S. A. Bohra, Chairperson of the Committee, Mr. S. R. Tagat, Mr. Gnana Rajasekaran and Mrs. Sasikala Raghupathy, Members of the Committee.

The terms of reference, powers and other matters in relation to the Nomination and Remuneration Committee are in accordance with the applicable provisions of the Companies Act, 2013 read with Companies (Meetings of Board & its Powers) Rules, 2014 as amended from time

to time and with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

ROLE OF NOMINATION AND REMUNERATION COMMITTEE:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel, and other employees;
2. Formulation of criteria for evaluation for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to the management.

During the financial year 2023-24 one nomination and remuneration committee meeting was held on May 29, 2023 and all the Directors were present at the meeting.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The following are the performance evaluation criteria for independent directors:

1. Ability to understand and contribute to the Board process.
2. Ability to understand and deliberate on agenda/business.
3. Ability to bring about independent judgment to the transactions.
4. Ability to resolve conflict vis-a-vis interest of the company.
5. Ability to advice, guide and provide insight into business, markets and competition.
6. Ability to see through risks, compliance, fraud, litigation, abuse of office.
7. Ability to bring and fix responsibility for operating performance/ failures/accomplishments.
8. Ability to protect the interest of minority shareholders.
9. Sharing of knowledge and expertise on industry, technology, financial markets and taxation.
10. Attendance in Board Meetings and time spent.
11. Ability to critically analyse financial statements and operating performance data.

12. Ability to act as custodian of the Board and resolve conflicts inter-se directors and with management.
13. Confidentiality of secrets and commercial information and data.

REMUNERATION PAID TO DIRECTORS DURING FY 2023-24 AND NUMBER OF THE SHARES HELD BY DIRECTORS

Name of Director	Remuneration		Sitting Fees* (RS. In Lakhs)
	Salary & Allowances (RS.in lakhs)	Bonus/ Ex-gratia	
Mr. Arjun Govind Raghupathy, Deputy Managing Director & COO	18.46*	-	-
Mrs. Sasikala Raghupathy, Chairperson	-	-	5.00
Mr. M. Gopalakrishna, Director	-	-	6.20
Mr. S.A. Bohra, Director	-	-	6.40
Mr. S.R. Tagat, Director	-	-	6.40
Mr. Gnana Rajasekaran, Director	-	-	5.20

* Includes eligible reimbursements & Company's contribution to EPF.

Details of Shares of the Company held by Directors as on March 31, 2024.

Name	Number of Shares held
Mr. Arjun Govind Raghupathy	4,320

STAKEHOLDERS RELATIONSHIP COMMITTEE (TILL 23RD FEBRUARY 2024)

In terms of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Shareholders and Investors Grievance Committee was constituted by the Board on May 30, 2014 and the Committee comprises of Mr. M. Gopalakrishna, Chairman of the Committee, Mr. S. A. Bohra and Mr Arjun Govind Raghupathy as the Members of the Committee. The Committee reviews and redresses all investors' grievances and complaints in general including non-receipt of dividend warrants, annual report, etc. There is no pending investor complaints during the financial year ended March 31, 2024.

The Company has redressed all the Investor Complaints received during the year under review, there were no pending investor complaints as on March 31, 2024.

Pursuant to Securities and Exchange Board of India's (SEBI) circular dated June 3, 2011 processing of investor complaints is web based redressal system "SCORES" and all complaints pertaining to the company, if any are sent electronically through SCORES. The Company views and submits Action Taken Reports ("ATRs") along with the supporting documents electronically in SCORES. As on March 31, 2024 there were no pending complaints in SEBI Scores.

The Company follows the practice of conducting SRC meeting during the month of March of every financial year. However, during this financial year, all the independent directors were resigned in February 2024 itself. Hence, the Company could not conduct the SRC meeting.

ALL THE ABOVE COMMITTEE OF BOARD OF DIRECTORS OF THE COMPANY WERE RE-CONSTITUTED IN MAY 2024.

COMPANY SECRETARY AND COMPLIANCE OFFICER TILL 30.03.2024

Mr. S. Krishna Kumar, President & Company Secretary was the Compliance Officer of the Company and acts as the Secretary for Committees of the Board except Committee of Directors of which he is the member and secretary. Subsequently, he resigned from the post with effect from 30th March 2024.

As on date of this report, Mr. S Sundar was appointed as the Vice-president and Company Secretary of the Company with effect from 10th June 2024.

GENERAL MEETINGS

1. The last three Annual General Meetings were held as per details given below:

Financial Year	Date	Time	Venue
2022 –23	September 29,2023	12.30 PM	Through Video Conference / Other Audio-Visual means
2021 –22	September 29,2022	12 Noon	Through Video Conference / Other Audio-Visual means
2020 – 21	September 17, 2021	12 Noon	Through Video Conference / Other Audio-Visual means

2. Special resolution passed in the previous three annual general meetings;

Financial Year	Date of AGM	Details of special resolution
2022-23	29.09.2023	NIL
2021-22	29.09.2022	Re-appointment of Mr Arjun Govind Raghupathy as Managing Director
2020-21	17.09.2021	NIL

3. No special resolution was passed through postal ballot during the Financial Year 2023-24. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

MEANS OF COMMUNICATION

- i. **Results:** The quarterly, half-yearly and annual results are normally published in one leading national (English) business newspaper and in one vernacular (Telugu) newspaper. The results and presentations are also displayed on the Company's website [www. bgrcorp.com](http://www.bgrcorp.com).
- ii. **Website:** The Company's website contains a dedicated section "Investors" which displays details/information of interest to various stakeholders.
- ii. **News releases:** Material information and official press releases are sent to the Stock Exchanges and the same is hosted on the website of the Company.

GENERAL SHAREHOLDER INFORMATION

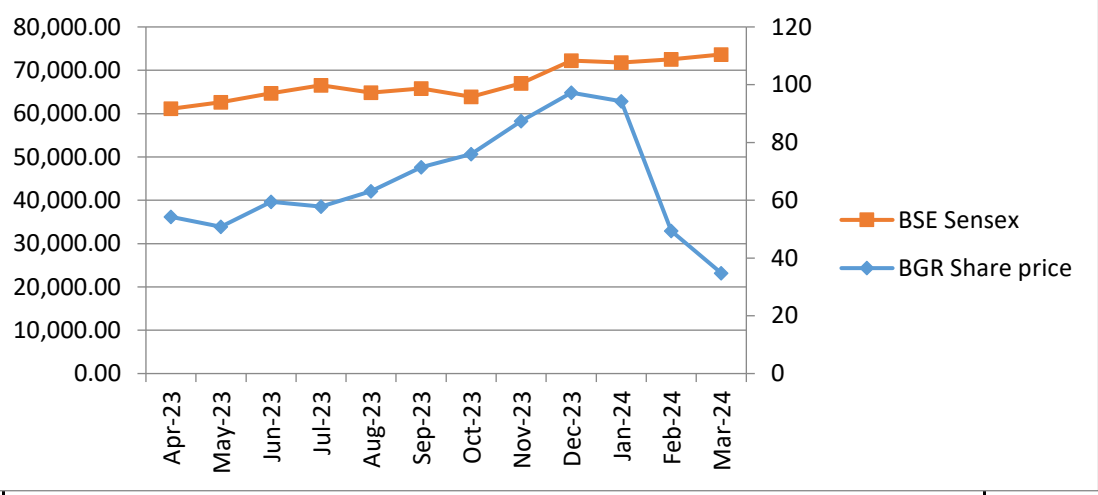
Day, date, time and venue of the 38th Annual General Meeting:

AGM Date & Time	:	August 9 , 2024 @ 12.30 PM.
Venue	:	Through Video Conferencing- No.443, Anna Salai, Teynampet, Chennai-600 018

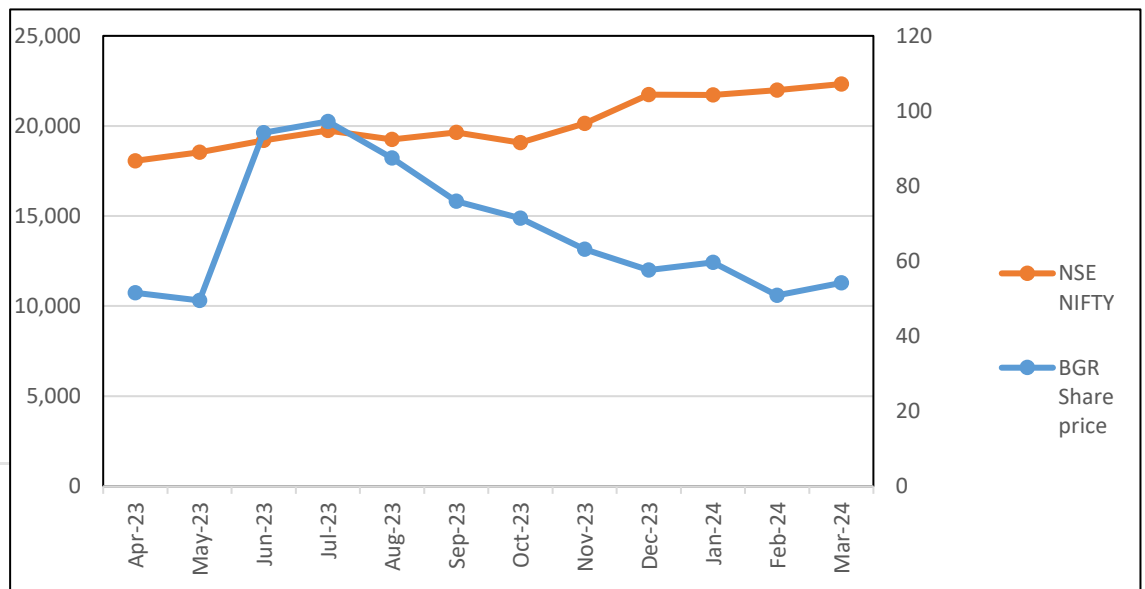
The details about the financial year and listing:

Financial Year	:	April 1, 2024 to March 31, 2025 First Quarter Results- On or before August 14,2024. Second Quarter Results- On or before November 14,2024. Third Quarter Results- On or before February 14,2025. Fourth Quarter Results- On or before May 30,2025.
Listing on Stock Exchanges	:	National Stock Exchange of India Limited BSE Limited The listing fees for the Financial Year 2023-24 have been paid to the above stock exchanges.
Stock Code	:	India Limited – BGREENERGY BSE Limited – 532930
Demat ISIN	:	INE661I01014

Month	BGR Share price	BSE Sensex
Apr-23	54.29	61,112.44
May-23	50.86	62,622.24
Jun-23	59.5	64,718.56
Jul-23	57.84	66,527.67
Aug-23	63.16	64,831.41
Sep-23	71.41	65,828.41
Oct-23	75.95	63,874.93
Nov-23	87.42	66,988.44
Dec-23	97.24	72,240.26
Jan-24	94.31	71,752.11
Feb-24	49.43	72,500.30
Mar-24	34.77	73,651.35



Month	BGR Share price	NSE NIFTY
Apr-23	51.55	18,065
May-23	49.5	18,534
Jun-23	94.15	19,189
Jul-23	97.2	19,754
Aug-23	87.45	19,254
Sep-23	75.95	19,638
Oct-23	71.4	19,080



Nov-23	63.15	20,133
Dec-23	57.6	21,731
Jan-24	59.65	21,726
Feb-24	50.85	21,983
Mar-24	54.2	22,327

Registrar and Share Transfer Agent : Link Intime India Private Limited
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400083
Phone No: 022 – 4918 6000
E-Mail: rnt.helpdesk@linkintime.co.in
Contact Person: Ms. Suman Shetty
Associate – Client Relations

Shareholders are requested to correspond with the Registrar and Share transfer agent for transfer / transmission of shares, demat, remat, change of address, nomination, all queries pertaining to their shareholding, dividend, shares transferred to the Demat Account of IEPF Authority etc., at the address given above.

SHARE TRANSFER SYSTEM

Share transfers in physical mode are processed and approved, subject to receipt of all requisite documents. The Company ensures that all transfers are approved for registration within the stipulated period. With a view to expediting the approval process, the Board of Directors has constituted Share Transfer Committee to approve registration of transfer of physical shares.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2024

Shareholding	No. of Shareholders	% of total	No. of Shares	% of total
1 – 500	88003	89.2996	7776747	10.7767
501 – 1000	5436	5.5161	4360823	6.0431

1001 – 2000	2828	2.8697	4285968	5.9394
2001 – 3000	861	0.8737	2199672	3.0483
3001 – 4000	371	0.3765	1332674	1.8468
4001 – 5000	314	0.3186	1486753	2.0603
5001 – 10000	452	0.4587	3338029	4.6258
10001 and above	283	0.2872	47380994	65.6596
TOTAL	98548	100.00	72161560	100.00

SHAREHOLDING PATTERN AS ON MARCH 31, 2024

SI No	Category	Shares	Holders	Percent
1	Promoter group - Individuals	4320	1	0.006
2	Promoter group - Corporate Bodies	36802400	1	51.000
3	Mutual Funds	0	0	0
4	Foreign Portfolio Investor	54697	1	0.076
5	Financial Institutions & Banks	0	0	0
6	Insurance Companies	184971	1	0.256
7	Investor Education and Protection Fund Authority (IEPF)	77475	1	0.107
8	Other Bodies Corporate	1552853	220	2.152
9	Hindu Undivided Family	1529280	2471	2.119
10	NRIs incl Non Repatriable	436900	660	0.605
11	Trusts	84	1	0.0001
12	Public & Others	31517431	95180	43.678
13	Clearing Members	794	10	0.001
14	Key Managerial Personnel	355	1	0.0005
	Total	72161560	98548	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2023, except 3 equity shares, the entire paid up equity share capital were held in dematerialisation form of which NSDL constitutes 87.13% and CDSL constitutes 12.86%. The ISIN of the Company's equity shares is INE661I01014. The Shares of the Company are actively traded in National Stock Exchange of India Limited and BSE Limited.

OUTSTANDING GDRS/ ADRS

The Company has not issued Global Depository Receipt / American Depository Receipt/ Warrant or convertible instruments.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company has the Risk management policy on foreign currency transactions adopted by the Board. During the Financial Year 2023-24, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into derivative financial instruments such as forward contracts for hedging the required foreign exchange exposures. The substantial fluctuations in exchange rates have impacted the Company's operations. The details of foreign currency exposure are disclosed in Note 33 the standalone financial statements.

The Company's activities are exposed to commodity risks like price volatility, availability and quality and liquidity risk. These risks have a bearing on the operating profit of the Company. The Company's senior management oversees the management and mitigative measures, including firm purchase contracts and price escalation clauses in contracts with clients.

The Audit Committee regularly reviews the effectiveness of the risk identification and mitigative process and the steps taken by the Company to identify, address and mitigate foreign exchange and commodity related risks.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT:

As per Regulation 34(3) and 53(f) of SEBI (LODR) Regulations, 2015, the Company reports the following details in respect of Equity shares lying in the "Unclaimed Suspense Account"

PARTICULARS	No. OF SHAREHOLDERS	No. OF EQUITY SHARES
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL	NIL
No. of Shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL	NIL
No. of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL	NIL

Since there is no shares lying in suspense account, the voting rights are not frozen.

PREVENTION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE

The company is committed to provide a work environment which ensures that every employee is treated with dignity, respect and afforded equal treatment. The objective of the company is to promote an environment, which will create awareness about and deter acts of sexual harassment of women so as to enable prevention of sexual harassment at workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee and has a policy for the same.

The disclosures regarding the Sexual Harassment of Women at Workplace are as follows:

PARTICULARS	DETAILS DURING THE YEAR 2023-24
No. of complaints filed during the year financial year.	NIL
No. of complaints disposed of during the financial year.	NIL
No. of complaints pending as on end of financial year.	NIL

CREDIT RATING

During the year the Company's Credit rating was downgraded to BWR -D ie to Default category by Credit Rating Agency. Your Management is planning to implement various measures for fund infusion and promoters have infused substantial amount to stabilize the operations of the Company and devising other options also to improve the financial position.

INFORMATION ON COMPANY'S WEBSITE:

Sl. No.	PARTICULARS	WEBSITE LINK FOR DETAILS / POLICY
1.	Details of Company's business	https://www.bgrcorp.com/index.php
2.	Terms and conditions of appointment of independent directors	https://www.bgrcorp.com/board_of_directors.php
3.	Composition of various committees of Board of Directors	https://www.bgrcorp.com/corporate_governance.php
4.	Code of conduct of Board of directors and senior management personnel	https://www.bgrcorp.com/policy/Code_of_Conduct.pdf
5.	Whistle Blower policy and Vigil mechanism	https://www.bgrcorp.com/policy/Whistle-Blower-Policy-Amended-2020.pdf
6.	Criteria of making payments to non-executive directors, if the same has not been disclosed in Annual Report	Disclosed in Annual report
7.	Related party transaction policy	http://www.bgrcorp.com/policy/policy-on-related-party-transactions-and-its-materiality.pdf
8.	Material subsidiaries policy	http://www.bgrcorp.com/policy/Material_subsidary_policy.pdf
9.	Familiarisation programme imparted to independent directors	http://www.bgrcorp.com/policy/policy-on-familiarization-programme.pdf
10.	Grievance redressal and other relevant details	https://www.bgrcorp.com/general_information.php
11.	Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	https://www.bgrcorp.com/general_information.php
12.	Financial information a) Notice of Board Meeting b) Financial Results c) Annual report	https://www.bgrcorp.com/corporateannouncements.php https://www.bgrcorp.com/financials.php https://www.bgrcorp.com/annual_report.php
13.	Shareholding pattern	https://www.bgrcorp.com/share_ownership.php
14.	Details of agreements entered into with the media companies and / or their associates	NIL
15.	Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors	NIL
16.	Audio or Video recordings and transcripts of post earnings / quarterly calls	NIL
17.	Financial results	https://www.bgrcorp.com/financials.php Published regularly

Sl. No.	PARTICULARS	WEBSITE LINK FOR DETAILS / POLICY
	Notices given to shareholders by advertisement	
18.	Credit ratings of the company	https://www.bgrcorp.com/corporateannouncements.php
19.	Audited / Unaudited financial statement of subsidiaries	https://www.bgrcorp.com/financials.php
20.	Secretarial Compliance report	https://www.bgrcorp.com/secretarial_compliance_report.php
21.	Disclosure of the policy for determination of materiality of events or information and contact details of KMP who is authorized.	https://www.bgrcorp.com/policy/Determination_of_Materiality_of_events.pdf
22.	Disclosure of events disclosed to Stock exchange	https://www.bgrcorp.com/corporateannouncements.php
23.	Annual Return	http://www.bgrcorp.com/annual_report.php

Plant Locations

1. Panjetty Village, Ponneri Taluk, Ponneri, Tamil Nadu. (Two factories).
2. 22, Kamaraj Salai, Thattanchavadi Industrial Estate, Oulgaret Municipality, Puducherry.

Major Project Locations

1. 2 x 660 MW Boiler and its auxillary project of NTPC at Solapur, Maharashtra.
2. 2 x 660 MW Boiler and its auxillary project of NTPC at Meja, Uttarpradesh.
3. 2 x 800 MW STG and its auxillary plant at NTPC at Lara, Chhattishgarh.
4. 2 X 660 MW BoP project of OPGCL at Banaharpalli Village, Jhasarguda District, Odisha.
5. 1 x 800 MW – Dr. Narla Tata Rao Thermal Power Station, Stage – V (1X800 mw), unit-8 at Ibrahimpatnam, Krishna District, Andhra Pradesh.
6. 1 x 800 MW – North Chennai Supercritical Thermal Power Project, Stage III, in Puzhudhivakkam village, Ponneri Taluk, Tiruvallur District, Tamil Nadu.
7. 3 x 660 MW – Super Critical Ghatampur Thermal Power Project at Ghatampur, Kanpur Nagar District, Uttar Pradesh.
8. 2X 1000 MW NPCIL- Kudankulam Project for electrical and C&I, Kudankulam village, Tamil Nadu
9. 1 X 660 MW – Supercritical ETPS Expansion Project, Ennore, Tamil Nadu

Name of the Compliance Officer and Address for Correspondence

Mr S SUNDAR

Company Secretary & Compliance Officer

BGR Energy Systems Limited

443, Anna Salai, Teynampet, Chennai 600 018

Tel : 044-24301000

Fax: 044-24364656

E-mail: investors@bgrenergy.com

DISCLOSURES

a) Risk Management

The business of the Company encompasses design at offices, manufacturing at factories and project sites, civil and mechanical construction, erection and commissioning of equipment's / packages and manufacturing at factories. The company has a well-documented Standard Operating Systems and Procedures (SOSP). The SOSP mandates concerned officers of the company to review, identify and take timely steps to manage these risks on an ongoing basis. A detailed review and up gradation of the existing SOSP was undertaken during the year. Delegation of Authority is reviewed each year to ensure that the adequate controls are in place and required flexibility are available for effective operations at work site and the commitments made to customers and vendors are met on time. Periodic review of procedural checks and balances are undertaken with a view to improve operational controls and productivity matrix. An experienced team of contract specialists in the Company review all contractual documents with the customers and the vendors in detail to ensure that all risks associated with the terms of contract are fully understood, documented and reviewed for ensuring effective implementation of the contracts.

b) Related Party Transactions

The company has not transacted any material significant related party transactions during the year that may have potential conflict with the interests of the Company at large. The related party transaction policy of the Company is uploaded in the website of the company and the web link for the same is http://bgrcorp.com/policy/Related_party_transactions_policy.pdf

c) Compliance with Securities Law

The Company diligently complies with laws relating to securities and capital markets. The Company is fully compliant with the Corporate Governance requirements as specified by Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

d) Establishment of vigil mechanism and Whistle Blower Policy

The Company established a vigil mechanism as per Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177(9) of the Companies Act, 2013 for directors and employees to report genuine concerns relating to transactions and affairs of the Company. This Vigil (Whistle Blower) mechanism provides a channel to the Employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and directors who avail of the mechanism and also provide for direct access to the Vigilance and Ethics Committee and Chairman of the Audit Committee in exceptional cases. The Whistle blower policy cum Vigil Mechanism has been amended in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and the amended Whistle blower policy cum Vigil Mechanism of the Company is uploaded in the website of the company. The Company affirms that no personnel has been denied access to the audit committee.

e) Other Disclosures

The Board of Directors reviewed periodically compliance reports pertaining to all laws applicable to the company. The Board of Directors has adopted a Code of Conduct applicable to the directors and to employees of the company as per the Companies Act, 2013. This has been uploaded on the company's website www.bgrcorp.com for strict compliance. All Board members and the senior management personnel have affirmed compliance to the Code. The declaration by Managing director under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 affirming compliance with code of conduct by all members of the Board and the senior management personnel for the year ended March 31, 2024 is provided elsewhere in the annual report. The senior management personnel disclosed to the Board of Directors relating to all material, financial and commercial transactions wherein they have personal interest that may have a potential conflict with the interest of the company at large. The Directors of the Company are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies. Mr. Mohan Kumar, Practicing Company Secretary, has submitted a certificate to this effect.

f) Non-Mandatory Requirements

The company has complied with certain non-mandatory requirements viz., the post of Chairperson and Chief Executive Officer separate, and the internal auditors of the Company are reporting directly to the Audit Committee. The Company is taking steps to comply with the other non-mandatory requirements.

g) Subsidiary Companies

The Company has the following subsidiary companies:

1. BGR Boilers Private Limited;
2. BGR Turbines Company Private Limited and
3. Sravanaa Properties Limited.

BGR Turbines Company Private Limited and Sravanaa Properties Limited are material subsidiaries, during the financial year 2023-24 as per the material subsidiary policy of the Company. The material subsidiary policy is uploaded in the website of the company and the link for the same is http://www.bgrcorp.com/policy/Material_subsidary_policy.pdf

The Company monitors the performance of its subsidiary, *inter alia*, by the following means:

1. The financial statements, of subsidiary companies are reviewed by the Audit Committee as well as by the Board on annual basis.
2. The minutes of Board meetings of the subsidiaries are placed and noted at the Board meetings of the Company.
3. The progress, including material developments, of the subsidiaries namely BGR Boilers Private Limited and BGR Turbines Company Private Limited are discussed by the Board.

h) Fees to Statutory Auditors:

Total fees of Rs. 45,32,500/- has been paid by the Company for all services provided by the statutory auditors during the Financial Year 2023-24.

- i) The Company has complied with all requirements of Corporate governance report.
- j) The Company has disclosed the extent of adoption of discretionary requirements of Part E of Schedule II of SEBI LODR.
- k) The Company and its unlisted subsidiaries has not granted any loans and advances in the nature of loans to firms/Companies in which Directors are interested.

REQUEST TO INVESTORS

- (a) Investors holding shares in physical form are requested to communicate change of address, if any directly to the Registrar and Share Transfer Agent of the Company.
- (b) Investors holding shares in electronic form are requested to deal only with their respective depository participant for change of address, nomination facility and bank account number.

DECLARATION ON CODE OF CONDUCT

To,

The Members of BGR Energy Systems Limited

Declaration to the Members pursuant to Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Arjun Govind Ra

ghupathy, hereby declare that all the Board Members and Senior Management personnel have affirmed compliance with the code of business conduct and ethics formulated by the Company for the financial year ended March 31, 2024.

Arjun Govind Raghupathy
Managing Director

Place: Chennai

Date: July 04, 2024

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members of **BGR ENERGY SYSTEMS LIMITED.**

I have examined the compliance of conditions of Corporate Governance by **BGR ENERGY SYSTEMS LIMITED [CIN: L40106AP1985PLC005318]**(hereinafter referred to as 'the Company'), for the year ended March 31, 2024 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations except as provided under:

- *The Company is in the process of appointing an Independent director in the Material Subsidiary, M/s. BGR Turbines Private Limited as per R. 16(1) (c) and Reg 24(1) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.*
- *The Financials were consolidated as per the unaudited and provisional financials of the subsidiaries as qualified by the statutory auditors.*
- *Independent Director's meeting was not conducted during the Financial Year.*
- *Only two directors have submitted their evaluation of the performance of the directors.*
- *Stakeholder Relationship Committee meeting was not conducted during the Financial year under review.*
- *The related party transaction with M/s. Argo Raiment LLP, taken together for the financial year being 8189.8 lakhs exceeds ten percent of the annual consolidated turnover (8062.7 lakhs) of the Company. However, prior shareholders' approval was not obtained as required under Regulation 23(4) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.*

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Mohan Kumar & Associates

Place: Chennai
Date: 04-07-2024

A. Mohan Kumar
Practicing Company Secretary
Membership Number: FCS 4347
Certificate of Practice Number: 19145
Peer Review Certificate No. 2205/2022
UDIN: F004347F000657802

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,

BGR Energy Systems Limited,

Plot No A5, Pannamgadu Industrial Estate,

Ramapuram Post, Sullurpet (T), Nellore Dist,

Andhra Pradesh - 524401.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BGR Energy Systems Limited** having Corporate Identification Number (CIN) **L40106AP1985PLC005318** and having registered office at Plot No A5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet (T), Nellore District, Andhra Pradesh - 524401 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other such Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment at current designation	Original Date of appointment in Company
1.	Mrs. Sasikala Raghupathy	00490686	20-08-1985	20-08-1985
2.	Mr. Raghupathy Arjun Govind	02700864	11-11-2016	11-11-2016

Four Independent Directors of the Company resigned during the last week of February 2024; the Company has filled the vacancy caused in the Board of Directors by appointing three Independent Directors and one Executive Director on May 14, 2024. The Company had only two directors during the intermittent period.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mohan Kumar & Associates

Place: Chennai
Date: 04-07-2024

A. Mohan Kumar
Practicing Company Secretary
Membership Number: FCS 4347
Certificate of Practice Number: 19145
Peer Review Certificate No. 2205/2022
UDIN: F004347F000657857

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis during the FY 2023-24

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2024 which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis during the FY 2023-24

The company has only one material contract or arrangement or related party transaction during the year ended 31st March 2024 as per the provisions of Regulation 23 of SEBI (LODR) Regulation, 2015 as per the stipulated benchmark. This contract is in ordinary course of business and at arm's length. The Company has also obtained the approval for related party transactions from the Audit Committee for the FY 2023-24. They have duly noted that the transactions are in the ordinary course of business and at arm's length and in the best interest of the Company.

Following are the details of material related party transactions during the FY 2023-24:

Name(s) of the related party and nature of relationship	Argo Raiment LLP (Designated partners of the LLP are in the Board of the Company)
Nature of contracts/ arrangements/ transactions	Unsecured Loan and interest thereon
Duration of the contracts/ arrangements/ transactions	Financial Year 2023-2024
Salient terms of the contracts or arrangements or transactions including the value, if any	<ol style="list-style-type: none"> 1. Aggregate amount of loan Rs.76.95 crore, Interest paid amounting to Rs. 4.95 crore. 2. The period of borrowing is for the financial year 2023-24. 3. The Lender recognise that the funds borrowed under this agreement shall not be repayable except with the permission of the bankers of the borrower and hence repayment separately negotiated and agreed. 4. The borrowal under this agreement shall be unsecured. 5. The Lender shall have an option to convert the loan and unpaid interest into equity/quasi equity/preference share as may be permissible under and subject to compliance with the Companies Act, 2013 and SEBI Regulations and other rules and regulations as are relevant and applicable. 6. The Lender shall have right to assign this agreement without the consent of the borrower. 7. In case the borrower delays any repayment when demanded by the Lender, in terms of approval given by the banker, the loan shall carry a penal interest of 2% over the agreed rate of interest. The Lender shall have a right to call back the loan and in case of default the lender has right to recover the sums due in accordance with law.
Justification for entering into such contracts or arrangements or transactions	The Company has borrowed funds to meet the commitment towards operational expenditure.
Date of approval by the Board	30 th May 2023 and 10 th November 2023
Amount paid as advances, if any	--

Date on which the special resolution was passed in general meeting as required under first proviso to section 188

Members approval (Ratification for the material related party transaction) is proposed in the AGM to be held for the FY 2023-24.

Unsecured loan from M/s. Argo Raiment LLP for Rs.76.95 crore does not exceed the threshold of 10% of Consolidated turnover being Rs. 80.63 crores. However, as payment of interest for loan- "obligations between the related parties" falls under the definition of related party transactions (Regulation 2(zc) of The SEBI (LODR), 2015), Unsecured Loan taken together with the interest paid amounting to Rs. 81.89 crores is disclosed as a material related party transaction.

All related party transactions including material related party transactions are provided in notes to accounts forming part of financial statement and may be treated as part of the Board Report. As pointed out, all the related party transactions of the company are in ordinary course of business and at arm's length and beneficial to the company.

For and on behalf of the Board

Place : Chennai

G. Jeyakrishna

Arjun Govind Raghupathy

Dated : 4th July 2024

Director

Managing Director

INDEPENDENT AUDITORS' REPORT

To

The Members of BGR Energy Systems Limited
Report on Audit of the Standalone Financial Statements

Adverse Opinion

We have audited the accompanying Standalone Financial Statements of BGR Energy Systems Limited (referred to as the "Company") which comprises the Balance Sheet as at March 31,2024, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and Statement of changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policy information and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the "Basis for Adverse Opinion" section of our report, the aforesaid Standalone financial results give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31,2024, the Loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Adverse Opinion

Material Uncertainty relating to Going Concern:

The following events and/or transactions occurred during the period has created substantial doubt about the company's ability to continue as a going concern in the future, typically one year from the date of this financial statements, mainly:

- Classification of working capital borrowings held with Banks as "non-performing assets", by all the lender Banks, despite regular servicing of interest obligation;
- Operational cash losses and working capital deficit on account of variable and fixed overheads (incl. finance cost and admin expenses);
- Termination/Short-Closure of material orders of the company other than present ongoing projects, which are under near completion and invocation of performance and advance bank guarantees issued thereon;
- The company has incurred net loss of Rs.74669 lakhs during the period ended 31st March,2024 and has accumulated losses amounting to Rs.41563 lakhs, which resulted in erosion in net worth of the company;
- Resignation of Company's Key Managerial Personnel and Non-Executive Independent Directors of the Company on the Board of the Company;

The Company's Board of Directors are proposing to overcome the adverse conditions without elaborating on access to additional capital, infusion of funds by the promoter group and plans to reduce or delay expenditures.

In light of the significant events or conditions outlined above, we are of the view that the assumption as going concern of the company made by the management is inappropriate.

As a result of the aforesaid matters and on account of material uncertainties, we could not readily ascertain the possible material adjustments that may be required to be made in the value of recorded assets and liabilities and contingent liabilities, as at March 31,2024 and in respect of corresponding possible impact on the statement of profit and loss account (ie., financial performance) for the period ended on that date, could not be recorded in this standalone financial statements.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our adverse opinion on the standalone financial statements.

Emphasis of Matters:

Attention is drawn to the Note No. 42 of the Standalone financial results, Revenue from operations includes claim settlement of Rs.66,325.15 lakhs received on account of final settlement with M/s Damodar Valley Corporation (DVC), Raghunathpur Project.

A Provision of Rs.55,000.00 lakhs was recognised towards contractual obligations with vendors/suppliers on account of sub-contracting the work during the third quarter

Further, an agreement was reached with counter parties, towards contractual obligations has been finalised amounting to Rs.18,985.70 lakhs during the Month of May 2024, which resulting in reversal of provision to the extent of Rs.36,014.30 lakhs during the last quarter, being an adjusting event to the financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31,2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis of the Adverse Opinion and Emphasis of Matter paragraphs, we have determined the matters described below to be the Key Audit matter to be communicated in our report.

Revenue Recognition in case of Construction Contracts:

The Company recognises revenue on the basis of stage completion in proportion of the contract costs incurred at balance sheet date, relating to the total estimated costs of the contract at completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract. Significant accounting judgements are involved which include estimates of cost of completion of the Contract, the stages of completion and timing of revenue recognition. In determining the expected losses, when such losses become probable based on the expected total contract cost. Cost contingencies are included in these estimates to consider specific risks of uncertainties or disputed claims against the Company, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the life of the contract and adjusted where appropriate. The revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognised when the recovery of such consideration is highly probable as revenue recognition involves aforesaid significant judgement and estimation, we therefore determined this to be a key audit matter.

Response to Key Audit matter and Conclusion:

Our principal audit procedures included but were not limited to:

- We assessed the appropriateness of the Company's revenue recognition policies, including those related to variable considerations by comparing with applicable accounting standards;
- We tested the effectiveness of controls relating to the evaluation of performance obligations and identification of those that are distinct; estimation of costs to complete each of the performance obligations including the contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders; the impact of change orders on the transaction price of the related contracts; and evaluation of the impact of variable consideration on the transaction price.
- We selected a sample of contracts with customers and performed the following procedures:
 - Obtained and read contract documents for each selection, change orders and other documents that were part of the agreement/arrangement.
 - Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations; (ii) changes to costs to complete as work progresses and as a consequence of change orders; (iii) the impact of change orders on the transaction price; and (iv) the evaluation of the adjustment to the transaction price on account of variable consideration.
 - Compared costs incurred with Company's estimates of costs incurred to date to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract.
 - Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligation
- Performed analytical audit procedures for reasonableness of revenues disclosed by type and nature of service.
- Assessed appropriateness of the relevant disclosures made by the company in accordance with Ind AS 115.

We concluded that based on the procedures performed above, we did not find any material exceptions with regards to adoption of Ind AS 115 and timing of revenue recognition.

Information Other than the Standalone 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 Directors' Report and Management Discussion and Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

However, as discussed in the Basis of Adverse Opinion paragraph above, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

Responsibility of Management for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatements, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements:

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

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

- a. Identify and assess the risks of material misstatements of the standalone 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;
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- d. 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 standalone 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;
- e. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters:

The composition of the Board of Directors of the Company is not adequate as per the requirements of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended, for the period between Feb 2024 (ie., 23rd, 24th & 26th Feb, 2024) to mid of May 2024 (ie., 14th May, 2024), on account of resignation of non-executive independent directors on Board. The additional Directors are appointed in May 2024. During the intervening period the number of Directors falls below the statutory limit. It is informed that no significant decision is taken in between requiring approval of full board.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable our report thereon is enclosed as "**Annexure A**".
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except as stated in Basis of Adverse Opinion.
 - b. Except for the effect of the matters described in Basis of Adverse Opinion paragraph above 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 and proper adequate returns have been received from all the regional offices of the company;

- c. The Company's Balance Sheet, the Statement of Profit and Loss (incl. Other Comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts;
- d. Except for the effect of the matters described in Basis of Adverse Opinion paragraph above in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with The Companies (Indian Accounting Standards) Rules, 2015, as amended thereon.
- e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. The matters described in the Basis for Adverse opinion paragraph above, in our opinion, may have adverse effect on functioning of the company.
- h. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements; (*Refer Note No. 36 to the Standalone Financial Statements*)
 - ii. The company has made provision, as required under applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts;
 - 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, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies),

including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,

- 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 it's knowledge and belief, other than as disclosed in the notes to the accounts, 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; and
- c. Based on such audit procedures as considered reasonable and appropriate in these circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. In lieu of carried over previous years' and current year losses, the company has not declared and/or paid any dividend during the year in accordance with Sec.123 of the Companies Act, 2013.
- vi. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 (Revised 2023 Edition) issued by the Institute of Chartered Accountants of India we report that the company has used an accounting software ie.,SAP ERP, for maintaining its books of accounts which has feature of recording audit trail (edit log) facility for all relevant transactions recorded in the software throughout the year. However, we did not come across any instances of audit trail feature being tampered.
Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules,2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

Place: Chennai
Date: 30.05.2024

R.Ponnappan
Partner
UDIN: 24021695BKCBBV6012
Membership No :021695

Annexure - A to the Auditors' Report

Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company of even dated

Based on the audit procedures performed and information and explanations given to us, we report that:

- i. In respect of the Company's Property, Plant and Equipment,
 - a. The company has maintained proper records showing full particulars with respect to
 - A. Property, Plant and Equipment including quantitative details and situation thereon and relevant details of right-of-use assets;
 - B. Intangible Assets;
 - b. The company has a practice of conducting physical verification of property, plant and equipment's mainly every year based on a program designed by the management, which in our opinion are reasonable, having regard to the size and the magnitude of the company.

During the year, the internal committee of the company has conducted physical verification covering 70% of Property, Plant and Equipment and given a report confirming the categories of assets verified with no major adverse comments. Based on our examination of working papers with which the process of verifications is carried out, we have not come across any significant deficiencies in this regard;

- c. The company has clear title deeds of immovable properties held in its name, measuring 16.43 Acres in aggregate; With regard to the premises at Chennai used for Company's corporate office, the lease term has been expired, the company is yet to enter in to a new lease agreement or renew the existing lease for the area under use.
 - d. During the year, the company has not revalued its Property, Plant and Equipment (Inc. Right to Use assets) or Intangible Assets or both. Accordingly reporting under this clause does not arise.
 - e. The Company does not hold any benami property. Accordingly, reporting under this clause does not arise.
- ii. In respect of the Inventories:
 - a. The company has regular program in physical verification of inventories, which is carried out annually. During the year, the management has formed a technical committee for carrying out the physical verification.

Based on documents and reports made available to us and considering the size and nature of industry, the physical verification conducted by the management

and policies adopted thereon are reasonable. However, we have not come across any significant deficiencies (ie., more than 10%) in this regard;

- b. The Company is sanctioned a working capital limit (i.e, both fund and non-fund-based facilities) in excess of Rs.5.00 Crores by the Banks on the basis of the security of current assets and book debts.

In our opinion, the quarterly returns or statements filed by the company with bank are in agreement with books of the accounts.

- iii. During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships or other parties covered under the register maintained under section 189 of the Companies Act, 2013.

Hence, the reporting under the provisions of clause (iii) (a), (b),(c),(d),(e) and (f) of the order are not applicable.

- iv. The company has complied with the provisions of section 185 and 186 of the Companies Act 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The company has not accepted any deposits from the public, hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under, are not applicable.
- vi. The company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act.

We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.

We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- vii. In respect of statutory dues:
 - a. The company has generally been regular in depositing undisputed applicable statutory dues including provident fund, employees' state insurance, income-tax, sales tax, and service tax, duty of customs, duty of excise, GST, cess and any other statutory dues applicable to it with the appropriate authorities. However, the company is yet to remit the Statutory dues namely provident fund, employees' state insurance and Income Tax i.e. TDS from the month of January 2024 to March 2024

There were no outstanding of aforesaid statutory dues as on March 31,2024 for a period of more than six months from the date they became payable.

- b. There were no dues of GST, Income Tax, value added tax, duty of customs, duty of excise and cess which have not been deposited on account of any dispute except in the cases provided as **Annexure-C**;
- viii. We have not come across any transactions that are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, the recording of unrecorded income in the books of accounts does not arise.
- ix.
 - a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender (ie., banks, financial institutions, Government and other lenders). However, during the year, the loans availed by the Company have been classified as Non-Performing Assets (NPA) by the lending banks despite regular servicing of interest obligation;
 - b. To the best of our knowledge, the company has not been declared willful defaulter by any bank or financial institution or government or any government authorities.
 - c. The company has not availed any term loans from Bank/Financial Institutions during the year. Accordingly, reporting for this clause does not arise.
 - d. On overall examination of the financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.
 - e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.
 - f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures.
- x.
 - a. The Company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year. Accordingly, reporting under this clause does not arise.
 - b. During the year, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, reporting under this clause is not applicable to the company.
- xi. To the best of our knowledge,
 - a. No fraud by the company or on the company has been noticed or reported during the year.

- b. No report has been filed by us or the predecessor auditors of the company or cost auditors secretarial auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government in accordance with section 143(12) of the Companies Act,2013 during the year and upto the date of issuance of this report.
- c. As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The company is not a Nidhi company. Hence, the reporting under the provisions of clause (xii) (a), (b) and (c) of the order are not applicable.
- xiii. In our opinion, all the related party transactions during the financial year are in compliance with Section 177 and 188 of Companies Act, 2013 and the details of the said transactions have been disclosed appropriately in the standalone financial statements in accordance with applicable Ind AS.
- xiv.
 - a. In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business.
 - b. We have obtained the internal audit reports for the period under audit on a timely manner and duly considered by us, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us ,in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the company.
- xvi. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1935.

Accordingly, the reporting under the provisions of clause (xvi) (b) and (c) of the order does not arise.

Further, in our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under this clause is not applicable to the company.

- xvii. The company has incurred any cash losses of Rs.52,558.00 lakhs in the financial year and Rs.51,096.98 lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under this clause does not arise.

- xix. According to the information and explanations given to us and 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 of the company, our knowledge of the Board of Directors and management plans and based on our examination of the supporting evidences and our 'Adverse Opinion' in our Independent Audit Report, which causes us to believe that material uncertainty exists as on the date of the audit report 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.
- xx. Even though the company is under the obligation to spend amount in accordance with Sec.135 of the Companies Act,2013, the last three immediately preceding financial years, the company has net losses, hence there is no amount that has been prescribed by the CSR Committee, which needs to be spent during the year.

Further, in our opinion,

- a. there is unspent amount as detailed below in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report.
- b. there are no amount remaining unspent in respect of ongoing projects.
- xxi. The reporting under this clause is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of this clause has been included in this report.

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

**Place: Chennai
Date: 30.05.2024
UDIN: 24021695BKCBBV6012**

**R. Ponnappan
Partner
Membership No :021695**

Annexure – B to the Auditors’ Report

Referred to in Paragraph 2(f) under “Report on Other Legal and Regulatory Requirements’ section of our report to the Members of the Company of even dated.

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

We have audited the Internal Financials Controls over Financial Reporting of BGR Energy Systems Limited (referred to as the “Company”) for the year ended March 31,2024, in conjunction with our audit of the Standalone Financial Statements of the company.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide us for our audit opinion on the company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the company has in all material respects, maintains adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

**Place: Chennai
Date: 30.05.2024
UDIN: 24021695BKCBBV6012**

**R. Ponnappan
Partner
Membership No :021695**

Annexure – C to the Auditors’ Report- CARO 2020

Referred to in Clause vii (b) of Annexure-A to the Auditors’ Report of our report to the Members of the Company of even dated

Name of the Statute	Nature of Dues	Amount (In Lakhs)		Period to which the amount relates	Forum where dispute is pending		
		Disputed	Deposited				
The Finance Act,1994	Classification of Erection, Commissioning and Installation Service as works contract service	Service Tax	36,278.75	1,196.29	June 2007 to June 2017	CESTAT, Chennai	
		Interest	47,565.88	-			
		Penalty	12,670.03	-			
	Levy on Bank Charges	Service Tax	384.18	38.41	April 2007 to March 2017		
		Interest	335.06	-			
		Penalty	123.89	-			
		Service Tax	2.50	0.19	April 2017 to June 2017		Commissioner of Central Excise (Appeals), Chennai
		Interest					
		Penalty	0.25	-			
The Employee Provident Fund & Miscellaneous Provisions Act, 1952	Contribution under Sec.7A of the Act	Provident Fund	521.15	100.00	June 2006 to May 2010	The Honourable High Court, Hyderabad	

Rajasthan Value Added Tax Act,2003	1.Treatment of Contracts entered with RRVUNL as a composite and indivisible contract which tantamount to a works contract. 2.Sale of Onshore Goods and Offshore Goods made by BGR-Chennai, BGR-Gujarat and BGR, Maharashtra to RRVUNL as intra-state sale by BGR, Rajasthan to RRVUNL and accordingly to be taxed under RVAT Act instead of CST. 3.Department having assessed the transaction under Entry tax as goods brought by RRVUNL into the state, is estopped from contending that the sale of the said goods was made by BGR, Rajasthan to RRVUNL in the state of Rajasthan. 4.Levy RVAT on a sale transaction when the assessment in relation to the said sale transaction has already been completed under CST Act in the state of Tamil Nadu, Maharashtra and Gujarat	Tax-\$	7,669.45	27,319.32	2009-10	The Honourable Supreme Court of India.
		Interest	19,649.87			
		Penalty	-			
		Tax	6,159.83	21,194.22	2010-11	
		Interest	15,034.39			
			-	2355.96	2011-12	
		Tax	723.07			
		Interest	1632.88			
		The Central Sales Tax Act,1956 Andhra Pradesh	Classification and Levy of higher rate of tax	Tax	39.20	
Tax	0.12			-	1998-99	The Commercial Tax Officer, Andhra Pradesh
Tax	5.58			0.62	2004-05	Sales Tax Appellate

		Tax	2.07	1.04	March-2007	Tribunal, Visakapatnam, Andhra Pradesh
		Penalty	0.52			
		Tax	5.94	2.97	April-2007	
		Penalty	1.49			
		Tax	109.83	13.74	2016-17	Appellate Deputy Commissioner (CT), Tirupathi, Andhra Pradesh
AP Value Added Tax Act,2005	Determination of Taxable Turnover	Tax	408.97	51.12	AY 2011-12	Appellate Deputy Commissioner (CT), Tirupathi, Andhra Pradesh
Gujarat Goods and Service Tax Act,2017	Difference in Tax Liability and ITC Comparison	Tax	37.57	-	2019-20	The Joint Commissioner GST, Vyara Tapi
		Interest	11.27	-		
		Penalty	37.57	-		
	Excess Claim of ITC	Tax	7.57		2017-18	The Jurisdictional Appellate Authority, Surat
		Interest	7.82			
		Penalty	0.76			
	ITC Wrongly Aailed	Tax	11.98		2020-21	The Jurisdictional Appellate Authority, Surat
		Interest	5.03			
		Penalty	1.20			

The Telegana Goods and Service Tax Act,2017	Excess Claim of ITC	Tax	63.42			The Joint Commissioner GST , Srinagar
		Interest	-			
		Penalty	6.34			
Kerala Value Added Tax Act,2003	Detention of Goods Transported	Tax	1.44	1.76	2006-07	Sales Tax Appellate Tribunal, Kerala
		Interest	1.21			
		Penalty	0.96			
The Maharashtra Value Added Tax Act, 2002	Disallowance of Claim of Sale & Purchases	Tax	59.08	59.08	2013-14	The Joint Commissioner of Sales Tax, Appeal V, Mumbai
		Interest	10.29	10.29		
		Tax	16.90	-	2014-15	
The Orissa Value Added Tax Act, 2004	Determination of Taxable Turnover	Tax	20.39	-	Oct 2015 to June 2017	The Joint Commissioner Commercial Tax Bhubaneswar Range
Penalty		20.39	-			
The Central Sales Tax (Orissa) Rules,1957		Tax	0.17	-		
Interest		0.06	-			
Odisha Goods and Service Tax Act 2017	Transitional Credit wrongly availed and Utilised	Tax	650.43		2017-18	The Commissioner (Appeals), CGST central excise & customs , Bhubaneswar
		Interest	-			
		Penalty	65.04			
	Short paid / Not paid Taxes	Tax	139.45		2017-18	The Commissioner (Appeals), CGST central excise &
		Interest	-			

		Penalty	13.94			customs , Bhubaneswar
	Wrongly availed & Utilised ITC	Tax	400.76		2017-18	The Commissioner (Appeals), CGST central excise & customs , Bhubaneswar
		Tax	929.68		2018-19	The Commissioner (Appeals), CGST central excise & customs , Bhubaneswar
Tamil Nadu General Sales Tax Act, 1959	Determination of Taxable Turnover	Tax	0.11	-	1999-00	Commercial Tax Officer, Tamilnadu
Tamil Nadu Value Added Tax Act, 2006	Disallowance of Input Tax Credit	Tax	31.80	8.00	2011-12	The Honourable Madras High Court, Chennai
		Penalty	15.90			
		Tax	14.36	3.59	2012-13	
		Penalty	7.18			
Tamil Nadu Goods and Service Tax Act 2017	Mismatch in Turnover, Input Tax Credit & TDS	Tax	9,077.84	-	2018-19	Appellate Deputy Commissioner (ST), GST Appeal-I, Chennai-6
		Interest	6,411.56	-		
		Penalty	965.79	-		
	Disallowance of TRAN Credit	Tax	13,310.50	-	2017-18	
	Wrong Availment of ITC	Tax	9.11		2018-19	

		Interest	9.14			
		Penalty	0.91			
	Wrong Availment of ITC	Tax	26.57		2018-19	JC rectification order filed
		Interest	25.71			
		Penalty	2.66			
	Wrong Availment of ITC	Tax	25.64		2018-19	JC rectification order filed
		Interest	23.14			
		Penalty	2.56			
Chattisgarh Goods and Service Tax Act 2017	Ineligible & Wrong Availment of ITC	Tax	1,531.42		2017-18	The Add. Commissioner (Appeals), State GST, Nava Raipur
		Interest	1,681.12			
		Penalty	153.14			
The Central Sales Tax Act, 1956 (Uttar Pradesh)	Determination of Taxable Turnover	Tax	14.80	12.00	2017-18	The Additional Commissioner (Appeal) Commercial Tax, Prayagraj.
Uttar Pradesh Goods and Service Tax Act 2017	Ineligible & Wrong Availment of ITC	Tax	8.68		2017-18	Add. Commissioner Appeal, Kanpur
		Interest	7.95			
		Penalty	0.87			

The Income Tax Act, 1961	Disallowance of Depreciation/ Expenditures Claimed	Income Tax	137.65	-	AY 2007-08	The Honourable High Court, Andhra Pradesh		
		Income Tax	141.55	-	AY 2008-09			
		Income Tax	192.15	-	AY 2009-10			
		Income Tax	101.17	-	AY 2010-11	The Honourable Madras High Court, Chennai		
		Income Tax	112.79	-	AY 2011-12			
		Income Tax	83.20	-	AY 2012-13			
		Income Tax	76.35	-	AY 2013-14			
		Income Tax	1,468.05	-	AY 2008-09 to AY 2014-15			
		Income Tax	575.71	575.71	AY 2015-16	The Honourable Madras High Court, Chennai		
		Income Tax #	377.34	377.45	AY 2016-17			
		Income Tax #	135.33	-	AY 2017-18			
		Income Tax	67.65	67.65	AY 2018-19			
		Income Tax	125.12	125.12	AY 2020-21	Commissioner of Income Tax (Appeals), Chennai		
				Penalty U/s.278	60.87		AY 2018-19	Commissioner of Income Tax (Appeals)

* Interest on Service Tax Cases are computed on approximate basis.

Company is in the process of filling Appeal before Hon'ble Madras High Court with condonation of Delay

\$- The Appeal was dismissed by Rajasthan High Court and SLP filed due for listing July along with condonation petition

BGR ENERGY SYSTEMS LIMITED**Standalone Balance Sheet as at 31.03.2024****Rs.Lakhs**

Particulars	Note No.	As at Mar 31, 2024	As at Mar 31, 2023
ASSETS			
I Non Current Assets			
(a) Property, plant and equipment	1	5769	8191
(b) Investment Property		200	252
(c) Capital work in progress		-	-
(d) Other Intangible assets	2	-	-
(e) Financial assets			
(i) Investments	3 (a)	36098	36019
(ii) Trade receivables	3 (b)	12596	19051
(iii) Loans	3 (c)	917	931

	(iv) Other financial assets	3 (d)	-	4766
	(f) Deferred tax assets (net)		-	7537
			55580	76747
II	Current Assets			
	(a) Inventories	4	4336	4238
	(b) Financial assets			
	(i) Trade receivables	5 (a)	58000	67672
	(ii) Cash and cash equivalents	5 (b)	883	219
	(iii) Bank balance other than (ii) above	5 (b)	6625	28035
	(iv) Loans	5 (c)	43157	40949
	(v) Other financial assets	5 (d)	402	776
	(c) Other current assets	6	259283	269507
			372686	411396
	TOTAL ASSETS		428266	488143
EQUITY AND LIABILITIES				
I	Equity			
	(a) Equity Share Capital	7	7216	7216
	(b) Other Equity		(41563)	33106
	Total Equity		(34347)	40322
II	Liabilities			
	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	8	43213	23107
	(ii) Lease Liabilities	9	223	239
	(iii) Trade payables			

	Total Outstanding dues of micro enterprises and small enterprises		-	-
	Total Outstanding dues of creditors other than micro enterprises and small enterprises	10	10259	9863
(b)	Provisions	11	3534	4605
(c)	Deferred tax liabilities (net)	30	-	-
			57229	37814
Current Liabilities				
(a)	Financial Liabilities			
(i)	Borrowings	8	139787	161033
(ii)	Lease Liabilities	9	37	84
(iii)	Trade payables			
	Total Outstanding dues of micro enterprises and small enterprises		14790	12126
	Total Outstanding dues of creditors other than micro enterprises and small enterprises	10	84180	83154
(iv)	Other financial liabilities	12	138929	134174
(b)	Other Current Liabilities	13	26596	18752
(c)	Provisions	14	1065	684
(d)	Current tax liabilities (net)		-	-
			405384	410007
	Total Liabilities		462613	447821
	TOTAL EQUITY AND LIABILITIES		428266	488143

Corporate overview & Significant accounting policies

1.1

The accompanying notes are integral part of these Standalone Financial Statements

For and on behalf of Board of Directors		As per our report of even date
		For Anand & Ponnappan
		Chartered Accountants
		Firm Registration No. : 000111S
ARJUN GOVIND RAGHUPATHY		R PONNAPPAN
Managing Director		Partner
DIN : 02700864		Membership No.021695
SADASIVAM DEIVANAYAGAM		JEYAKRISHNA GANESAN
Independent Director		Non-Independent Director
DIN : 07622466		DIN:03208035
S.PATTABIRAMAN		Chennai
Vice President & Chief Financial Officer		May 30,2024

BGR ENERGY SYSTEMS LIMITED

Standalone Statement of Profit and Loss for the year ended 31.03.2024

Rs.Lakhs

Particulars		Note No.	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
I	Revenue from operations	15	101221	80627
II	Other income	16	10814	5129
III	Total Income (I + II)		112035	85756
IV	Expenses			
	(a) Cost of raw materials and components consumed	17	84015	55912
	(b) Cost of manufacturing and construction	18	8130	12333
	(c) Other direct costs	19	2720	1471
	(d) Changes in inventories of work in progress		-	118
	(e) Employee benefits expenses	20	11312	12555
	(f) Finance costs	21	44510	39942
	(g) Depreciation and amortization expenses	22	1333	1674
	(h) Other expenses	23	27695	25270
	Total expenses (IV)		179715	149275
V	Profit/(Loss) before exceptional items and tax (III-IV)		(67680)	(63519)
VI	Exceptional items		-	-
VII	Profit/(Loss) before tax (V)+(VI)		(67680)	(63519)

VIII	Tax expenses			
	(i) Current tax		-	-
	(ii) Deferred tax		7535	(15665)
IX	Profit/(Loss) for the year(VII)-(VIII)		(75215)	(47854)
X	Other Comprehensive Income	25		
	(i) items that will not be reclassified to profit or loss (net)		546	(18)
	(ii) items that will be reclassified to profit or loss (net)		-	-
XI	Total Comprehensive Income for the year (IX+X) (Comprising Profit and other Comprehensive Income for the year)		(74669)	(47872)
XII	Earnings per Equity Share :	26		
	1.Basic (Rs.)		(104.23)	(66.32)
	2.Diluted (Rs.)		(104.23)	(66.32)
	Corporate overview & Significant accounting policies	1.1		
	Notes to the Standalone Financial Statements	1-55		

The accompanying notes are integral part of these Standalone Financial Statements

For and on behalf of Board of Directors			As per our report of even date	
			For Anand & Ponnappan	
			Chartered Accountants	
			Firm Registration No. : 000111S	
ARJUN GOVIND RAGHUPATHY				R PONNAPPAN
Managing Director				Partner
DIN : 02700864				Membership No.021695
SADASIVAM DEIVANAYAGAM				JEYAKRISHNA GANESAN
Independent Director				Non-Independent Director
DIN : 07622466				DIN:03208035
S.PATTABIRAMAN				Chennai
Vice President & Chief Financial Officer				May 30,2024

BGR ENERGY SYSTEMS LIMITED			
Standalone Statement of Cash Flows for the year ended 31.03.2024			
		Rs.Lakhs	
S.No	Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax	(67680)	(63519)
	Adjustments for :		
	Depreciation and amortization expenses	1333	1674
	Dividend from investments - quoted	(1)	(1)
	(Profit) / Loss on sale of Property, plant and equipment (net)	1108	32
	Provision for Warranty	(289)	(171)
	Provision for Gratuity	519	
	Provision for ECL on Trade Receivables	(559)	(341)
	Provision for ECL on Contract Asset	(448)	28
	Liquidated damages & Trade receivables written off	-	20422
	Other Comprehensive Income	546	
	Interest paid	28790	
	Other finance costs	15720	39942
		46718	61585
	Operating profit before working capital changes	(20962)	(1934)
	Changes in working capital		
	(Increase) / decrease in trade receivables	16686	20296
	(Increase) / decrease in inventories	(98)	(386)
	(Increase) / decrease in current assets	37222	1229
	(Increase) / decrease in loans and advances	(4932)	1164
	Increase / (decrease) in trade payables and provisions	(15679)	6523
		33200	28827

	Cash generated from operations	12238	26893
	Direct taxes (paid) / refund (net)	2738	3588
	Net cash flow from operating activities	14976	30481
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, plant and equipment	(111)	(213)
	Sale of Property, plant and equipment	92	14
	Dividend from investments - quoted	1	1
	Net cash flow from investing activities	(18)	(198)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Long term borrowings (repaid) / availed	20106	23107
	Short term borrowings (repaid) / availed	(5526)	(20267)
	Payment of lease obligations	(84)	(84)
	Interest paid	(28790)	(33396)
	Net cash flow from financing activities	(14294)	(30640)
	Net increase\ (decrease) in cash and cash equivalents (A+B+C)	664	(357)
	Cash and cash equivalents as at April 1, 2023	219	576
	Cash and cash equivalents as at Mar 31, 2024	883	219
	Cash on hand	4	9

On current accounts

879

50

On deposit accounts

-

160

For and on behalf of Board of Directors

As per our report of even date

For Anand & Ponnappan

Chartered Accountants

Firm Registration No. : 000111S

ARJUN GOVIND RAGHUPATHY

Managing Director

DIN : 02700864

R PONNAPPAN

Partner

Membership No.021695

SADASIVAM DEIVANAYAGAM

Independent Director

DIN : 07622466

JEYAKRISHNA GANESAN

Non-Independent Director

DIN:03208035

S.PATTABIRAMAN

Vice President & Chief Financial Officer

Chennai

May 30,2024

7 Statement of Changes in Equity (2023-24)										Rs.Lakhs
S.No	Particulars	Equity Share Capital	Other Equity							Total (23-24)
			Securities Premium	General Reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Other Items of Other Comprehensive Income		
1	Balance at the beginning of reporting Period (01.04.2023)	7216	31895	14427	(12832)	62	(554)	109	40322	
2	Profit for the year				(75215)				(75215)	
3	Equity Instruments through Other Comprehensive Income					64			64	
4	Effective Portion of Cash Flow Hedges						-		-	
5	Remeasurement of net defined benefit Liability/Asset (net)							482	482	
6	Transfer to General Reserve			-	-				-	
7	Dividend								-	
8	Any other Change								-	
9	Balance at the end of reporting Period (31.03.2024)	7216	31895	14427	(88047)	126	(554)	591	(34347)	
Statement of Changes in Equity (2022-23)										Rs.Lakhs
S.No	Particulars	Equity Share Capital	Other Equity							Total (22-23)
			Securities Premium	General Reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Other Items of Other Comprehensive Income		
1	Balance at the beginning of reporting Period (01.04.2022)	7216	31895	14427	35023	43	(554)	146	88195	
2	Profit for the year				(47854)				(47854)	
3	Equity Instruments through Other Comprehensive Income					19			19	
4	Effective Portion of Cash Flow Hedges						-		-	
5	Remeasurement of net defined benefit Liability/Asset (net)							(37)	(37)	
6	Transfer to General Reserve			-	-				-	
7	Dividend								-	
8	Any other Change								-	
9	Balance at the end of reporting Period (31.03.2023)	7216	31895	14427	(12831)	62	(554)	109	40322	
For and on behalf of Board of Directors					As per our report of even date For Anand & Ponnappan Chartered Accountants Firm Registration No. : 000111S					
ARJUN GOVIND RAGHUPATHY Managing Director DIN : 02700864					R PONNAPPAN Partner Membership No.021695					
SADASIVAM DEIVANAYAGAM Independent Director DIN : 07622466					JEYAKRISHNA GANESAN Non-Independent Director DIN:03208035					
S.PATTABIRAMAN Vice President & Chief Financial Officer					Chennai May 30,2024					

1 Property, plant and equipment											Rs.Lakhs
Particulars	Land	Building	Plant and Equipment	Right of Use Asset	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total	
Cost or valuation											
At 1 April 2023	294	2222	25540	387	764	240	2260	361	910	32978	
Additions	-	-	98		9	-	4		-	111	
Retirement*		1,546	3,853		432	233	2,161	267	369	8,861	
Impairment		-								-	
Disposals		-	562	-	-	-	-	-	44	606	
At 31 Mar 2024	294	676	21223	387	341	7	103	94	497	23622	
Depreciation and impairment											
At 1 April 2023	-	830	19683	38	669	239	2207	328	793	24787	
Depreciation and Impairment charge for the year		58	1,123	38	34	1	30	9	40	1333	
Retirement *		562	3,729		432	233	2,161	267	369	7753	
Disposals			470						44	514	
At 31 Mar 2024	-	326	16607	76	271	7	76	70	420	17853	
Net book value											
At 31 Mar 2024	294	350	4616	311	70	0	27	24	77	5769	
At 31 Mar 2023	294	1392	5857	349	95	1	53	33	117	8191	
The fair value of Immovable properties is approximately equivalent to its carrying value. The Company has clear title for all the immovable properties held in its name.											
*Represents retirement of unuseable and scrapped assets including assets having net book value of Re.1 during the year.											
2 Intangible assets											
										Rs.Lakhs	
Particulars	Technical Knowhow	Software	Total								
Cost or valuation											
At 1 April 2023	1348	2106	3454								
Additions	-	-	-								
Disposals	-	-	-								
At 31 Mar 2024	1348	2106	3454								
Amortisation and impairment											
At 1 April 2023	1348	2106	3454								
Amortisation	-	-	-								
Disposals	-	-	-								
At 31 Mar 2024	1348	2106	3454								
Net book value											
At 31 Mar 2024	-	-	-								
At 31 Mar 2023	-	-	-								

1 Property, plant and equipment											Rs.Lakhs
Particulars	Land	Building *	Plant and Equipment	Right of Use Asset	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total	
Cost or valuation											
At 1 April 2022	546	2222	25663	1208	849	240	2291	358	1161	34538	
Additions	-	-	197	387	-	-	10	6	-	600	
Impairment	-	-	-	-	-	-	-	-	-	-	
Disposals	-	-	320	1208	85	-	41	3	251	1908	
Less : Classified as Investment Property **	252	-	-	-	-	-	-	-	-	252	
At 31 Mar 2023	294	2222	25540	387	764	240	2260	361	910	32978	
Depreciation and impairment											
At 1 April 2022	-	760	18644	1205	687	237	2174	313	991	25011	
Depreciation and Impairment charge for the year	-	70	1331	41	56	2	74	18	46	1638	
Disposals	-	-	292	1208	74	-	41	3	244	1862	
At 31 Mar 2023	-	830	19683	38	669	239	2207	328	793	24787	
Net book value											
At 31 Mar 2023	294	1392	5857	349	95	1	53	33	117	8191	
At 31 Mar 2022	546	1462	7019	3	162	3	117	45	170	9527	
* Buildings include original cost of Rs. 1585 lakhs (Rs. 1585 lakhs), which are constructed on lease hold land, whose carrying value/Net block is Rs.1054 Lakhs (Rs.1104 Lakhs)											
** The fair value of Immovable properties is approximately equivalent to its carrying value.											
Note : The Company has clear title for all the immovable properties held in its name.											
2 Intangible assets											
			Rs.Lakhs								
Particulars	Technical Knowhow	Software	Total								
Cost or valuation											
At 1 April 2022	1348	2187	3535								
Additions	-	-	-								
Disposals	-	81	81								
At 31 Mar 2023	1348	2106	3454								
Amortisation and impairment											
At 1 April 2022	1348	2127	3475								
Amortisation	-	36	36								
Disposals	-	57	57								
At 31 Mar 2023	1348	2106	3454								
Net book value											
At 31 Mar 2023	-	-	-								
At 31 Mar 2022	-	60	60								

BGR ENERGY SYSTEMS LIMITED**1.1. Notes to the Standalone Financial Statements****A. COMPANY OVERVIEW**

BGR Energy Systems Limited ('the Company') is a public limited company incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). The Company is a manufacturer of capital equipment for Power Plants, Petrochemical Industries, Refineries, Process Industries and undertakes turnkey Balance of Plant ('BOP') and Engineering Procurement and Construction ('EPC') contracts for Power plants. The Company has been achieving its objectives through its five business units: Power projects, Electrical projects, Oil and Gas equipment, Environmental engineering and Air Fin Coolers.

The standalone financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on 30.05.2024

B. BASIS OF PREPARATION**i) Statement of Compliance**

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The company adopted Ind AS from 1st April 2015. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard require a change in the accounting policy hitherto in use.

ii) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the applications of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed below:

- a. Recognition of revenue
- b. Recognition of deferred tax asset : availability of future taxable profit
- c. Measurement of defined benefit obligations: Key actuarial assumptions
- d. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- e. Estimation of useful life of property, plant and equipment and intangible assets
- f. Estimation of current tax expense and payable
- g. Estimation on assessing the Lease term as the non-cancellable period of a lease including anticipated renewals and the applicable discount rate.

Accounting estimates are reviewed on an on-going basis from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which change are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency').

The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

The Standalone Financial Statements are presented in Indian Currency which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise stated along with the comparative figures for the previous year ended.

iv) Measurement of fair values			
A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.			
Fair value categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:			
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.			
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)			
Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)			
When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.			
The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.			
Further information about the assumption made in measuring fair values are included in fair value measurement forming part of notes to accounts.			
v) Current versus non-current classification			
The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.			
An asset is treated as current when it is:			
1. Expected to be realised or intended to be sold or consumed in normal operating cycle, or			
2. Held primarily for the purpose of trading, or			
3. Expected to be realised within twelve months after the reporting period, or			
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period			
All other assets are classified as non-current.			
A liability is current when:			
1. It is expected to be settled in normal operating cycle, or			
2. It is held primarily for the purpose of trading, or			
3. It is due to be settled within twelve months after the reporting period, or			
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period			
The Company classifies all other liabilities as non-current.			
Deferred tax assets and liabilities are classified as non-current assets and liabilities.			
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified project life as its operating cycle for construction contracts and twelve months for Capital goods segment .			
Operating cycle for the business activities of the Company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention money) within the agreed credit period normally applicable to the respective lines of business.			
C.MATERIAL ACCOUNTING POLICIES INFORMATION			
i) Property, Plant and Equipment			
<i>a) Recognition & Measurement</i>			
Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase cost, including import duties and non - refundable taxes or levies and any directly attributable cost to bring the item to working condition as intended by management. Further, any trade discounts and rebates are deducted. Any gain or loss on disposal of property, plant and equipment is recognised as profit or loss.			

b) Subsequent Recognition

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

c) Depreciation

The Company depreciates the property, plant and equipment based on the of the useful life prescribed under Part C of Schedule II of the Companies Act, 2013 using Straight-line method. Freehold land is not depreciated. The useful life of the property, plant and equipment are as follows

Assets	Estimate of Useful Life in Years
Tangible Assets	
Buildings	30
Furniture & Fixtures	10
Plant & Equipment *	7.50-15
Office Fixtures	5
Office equipments	3, 5
Electrical Installations	10
Vehicles	8

*The Management believes that the useful lives as given above best represents the period over which Management expects to use these assets, which are different from the useful lives prescribed in the Schedule-II of the Companies Act,2013.

Assets costing not more than Rs.5000/- unit is expensed in the profit and loss account in the year in which there purchased.

d) Capital Work-in-progress

Capital Work-In Progress includes cost of property, plant and equipment under installation/under developments as at the Balance Sheet date.

Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress" at cost, less impairment losses, if any.

e) Transition to Ind AS

On transition to Ind AS, the Company has decided to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such property, plant and equipment.

ii) Intangible Assets

a) Recognition & Measurement

Intangible assets are stated at cost, less accumulated amortisation and impairment losses, if any.

b) Subsequent Recognition

Expenditure is capitalised only if it increases the future economic benefits embodied in the related specific asset. All other expenditure is recognised in profit or loss as incurred.

c) Amortisation

The Company amortises the intangible assets over the estimated useful life made by the Management using Straight-line method, and is included in Depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful life of the intangible assets are as follows

Intangible Assets	
Asset	Estimate of Useful Life in Years
Technical Know-How	6
Softwares	5

d) Transition to Ind AS

On transition to Ind AS, the Company has decided to continue with the carrying value of all its Intangible asset recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such Intangible asset.

iii) Investment Properties				
<p>Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses.</p> <p>Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Part C of Schedule II to Companies Act 2013.</p> <p>Investment properties are de-recognised either on disposal or on permanent withdrawal from use. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.</p>				
iv) Leases				
<p>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. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Company's lease asset classes primarily consist of leases for land and buildings</p> <p><i>a) Recognition & Measurement</i></p> <p>The Company recognizes a right of use (ROU) asset and a corresponding lease liability, at the date of commencement of the lease. The Company recognize ROU asset and lease liability for all lease arrangements except for leases with a term of 12 months or less (Short Term Lease) and low value leases.</p> <p>The ROU assets are initially recognized at cost which is the initial measurement of lease liability adjusted for any lease payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives.</p> <p>The Lease Liability is recognized at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments discounted using the company's incremental borrowing rate.</p> <p>In cases of short-term leases 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.</p> <p><i>b) Subsequent Recognition</i></p> <p>The ROU assets are subsequently measured at cost less accumulated depreciation, impairment loss, if any and adjusted for any re-measurement of the lease liability.</p> <p>The lease liabilities are subsequently measured by adding interest on lease liability to the carrying value, reducing the lease payments made to the carrying value and adjusting any reassessment or lease modification to the carrying value.</p> <p><i>c) Amortization</i></p> <p>The ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the lease assets.</p> <p><i>d) Impairment</i></p> <p>The ROU assets are tested for impairment whenever there is an indication that their carrying value may not be recoverable and impairment loss, if any, is recognized in the statement of profit and loss.</p> <p>The lease liability has been separately presented in the Balance Sheet. The ROU assets have been classified under Property, Plant and Equipment. In the statement of cash flow, the lease payments, which comprises of principal payment of lease liability and interest thereon, have been classified under financing activities. The Lease payment on account of Short-Term Leases or low value lease have been classified under operating activities</p>				
v) Inventories				
<p>Raw materials, Components, Stores and Spares, work-in-progress and Finished Goods are valued at lower of cost and net realizable value. Cost of inventories is determined on a weighted average basis. Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.</p> <p>Raw-materials, Components and other supplies are considered to be realizable at cost if the finished products, in which they will be used are expected to be sold at or above cost</p> <p>In the case of manufactured inventory, cost includes an appropriate share of fixed production overhead based on normal operating capacity.</p>				

vi) Foreign currency transactions				
<p>Transactions in foreign currencies are recorded in the functional currency at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on the historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the profit or loss.</p>				
vii) Employee benefits				
<i>a) Short-term employee benefits :</i>				
<p>Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which related services are rendered.</p>				
<i>b) Post employment benefits:</i>				
<i>i) Defined contribution plan: <input type="checkbox"/></i>				
<p>Company's contributions paid/payable during the year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognized in the statement of profit and loss.</p>				
<i>ii) Defined benefit plan:</i>				
<p>Company's liability towards gratuity in accordance with the Payment of Gratuity Act, 1972 is determined based on actuarial valuation using the Projected Unit Credit Method as at the reporting date. The company contributes all the ascertained liabilities to SBI Life Insurance which administers the contributions and makes the payment at retirement, death, incapacitation or termination of employment.</p>				
<i>c) Other Long-term employee benefits:</i>				
<p>The Company provides for compensated absences subject to certain rules. The employees are entitled to accumulate such absences for availment as well as encashment. As per the regular past practice followed by the employees, it is not expected that the entire accumulated absence shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as other long-term employee benefits. The liability is recognized on the basis of the present value of the future benefit obligations as determined by actuarial valuation.</p>				
<i>d) All actuarial gains/losses in respect of post employment benefits and other long term employee benefits are charged to Other Comprehensive Income.</i>				

viii) Financial instruments				
<i>a. Recognition and initial measurement</i>				
<p>Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instruments.</p>				
<p>The Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.</p>				
<i>b. Financial assets - Classification</i>				
<p>On initial recognition, a financial asset is classified as, measured at</p>				
<ol style="list-style-type: none"> 1. Amortised cost; 2. Fair value through other comprehensive income (FVOCI) - debt instrument; 3. Fair value through other comprehensive income (FVOCI) - equity instrument; 4. Fair value through profit and loss (FVTPL) 				
<p>Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.</p>				
<i>c. Financial assets - Measurement</i>				
<p>A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :</p>				
<ol style="list-style-type: none"> 1. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and 2. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. 				
<p>A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:</p>				
<ol style="list-style-type: none"> 1. The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and 2. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding 				

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise from recognising them as measured at amortised cost or at FVOCI.

d. Financial assets - Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which subsequently all of the risk and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transaction whereby it transfers asset recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

e. Financial liabilities - Classification

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition.

f. Financial liabilities - Measurement

Financial liabilities measured at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

g. Financial liabilities - Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its term are modified and the cash flows under the modified terms are substantially different, where a new financial liability based on the modified terms is recognised at fair value. Any gain or loss on derecognition in these cases, shall be recognised in profit or loss.

h. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

ix) Investments in subsidiaries and joint venture

Investment in subsidiaries and joint ventures are carried at cost less accumulated impairment (i.e., permanent diminution in value), if any in the financial statements.

x) Cash flow hedge

The Company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Statement of Profit and Loss.

xi) Impairment			
<i>a. Financial assets</i>			
<p>The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair value through profit or loss. Loss allowance for trade receivables and contract assets with no significant financing component is measured at an amount equal to lifetime ECL. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.</p>			
<i>b. Non-financial assets (Intangible assets and property, plant and equipment)</i>			
<p>Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.</p> <p>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. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.</p>			
xii) Provisions (other than for employee benefits)			
<p>a) A Provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.</p>			
<p>b) Provision for contractual obligation has been provided for in accounts based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.</p>			
<p>c) The Company makes provision towards warranty obligation arising under the contract, while progressively recognising the revenue, based on management estimate and past experience of similar contracts. Such provision is maintained until the warranty period is completed. The unutilised provision if any, is reversed on expiry of the warranty period.</p>			
xiii) Revenue			
<p>The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with the date of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'.</p>			
<p>a) Sale of goods and services - Performance obligation at a point in time</p> <p>Revenue from the sale of goods in the course of ordinary activities is measured at the transaction price of the consideration received or receivable, net of returns, trade discounts. Revenue is recognised on the basis of despatches in accordance with the terms of sale when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with the goods, and the amount of revenue can be measured reliably. The timing of transfers of risk and rewards varies depending on the individual terms of sale.</p>			

Revenue from services is recognized in accordance with the specific terms of contract on performance.

Other operating revenue includes scrap sale, interest income on margin money deposits etc. arising out of and incidental to the principal operation. The entire income under other operating revenue is recognised on accrual basis except in the case of interest income which is recognised using effective rate of interest method.

b) Construction contracts - Performance obligation over time

The Company uses the 'percentage of completion method' to determine the appropriate amount to recognise revenue in a given period. The stage of completion is measured by reference to the contract costs incurred upto the end of the reporting period as percentage of total estimated costs for each contract. Expected loss, if any, on the construction / project related activity is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of costs and related incidental income not included is taken into consideration. In respect of construction contracts, revenue includes variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

c) Other Income

Other income is comprised primarily of dividend income and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities.

Dividend income: Dividend income is recognised in profit or loss on the date on which the Company's right to receive payments is established.

Others: Any other income is recognised only on accrual basis.

xiv) Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to other comprehensive income.

a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended realise the asset and settle the liability on a net basis or simultaneously.

b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose. Deferred tax is recognised in respect of carried forward losses and tax credits. Deferred tax also not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of transaction.

Deferred tax assets and liabilities are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

xv) Segment Reporting			
<i>a) Segment policies:</i>			
The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.			
<i>b) Identification of segments:</i>			
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company assesses the financial performance and position of the Company and makes strategic decisions.			
<i>c) Segment Revenue and Segment Result:</i>			
Segment revenue includes revenue from operations and other income directly identifiable with / allocable to the segment. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Revenue and expenses which relate to the Company as a whole and are not allocable to a segment on a reasonable basis have been disclosed as unallocable.			
<i>d) Segment Assets and Liabilities:</i>			
Segment assets and liabilities include those directly identifiable with respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.			
xvi) Statement of Cash flows			
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.			
Statement of Cash flows are prepared using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.			
xvii) Cash and cash equivalents			
Cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.			
xviii) Dividends			
Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company' Board of Directors.			
xix) Earnings per share			
<i>a. Basic earning per share</i>			
Basic earnings per share is calculated by dividing			
i. the profit attributable to owners of the Company			
ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares			
<i>b. Diluted earnings per share</i>			
Diluted earning per share adjusts the figures used in the determination of basic earnings per share to take into account:			
i. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and			
ii. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares			

xx) Contingent liabilities			
The company recognizes contingent liability for disclosure in notes to accounts, if any of the following conditions is fulfilled:			
a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or			
b) a present obligation that arises from past events but is not recognized because:			
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or			
- the amount of the obligation cannot be measured with sufficient reliability.			
xxi) Contingent Assets			
Contingent assets has to be recognised in the financial statements in the period in which it is virtually certain that an inflow of economic benefits will arise.			
xxii) Events after reporting date			
Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period , the impact of such events is adjusted within the standalone financial statements .Otherwise events after the balance sheet date of materials size or nature are only disclosed.			

3 (a) Investments**Rs.Lakhs**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Investments at Cost		
Investments in Equity instruments of Subsidiaries		
Unquoted equity shares		
9,49,00,000 BGR Boilers Private Limited (9,49,00,000) of Rs. 10 each (India)	9490	9490
13,61,62,900 BGR Turbines Company Private Limited (13,61,62,900) of Rs. 10 each (India)	13616	13616
1,65,000 Sravanaa Properties Limited (1,65,000) of Rs. 10 each (India)	12787	12787
Total Investments carried at cost (A)	35893	35893
Investments at fair value through OCI (fully paid)		
Quoted equity shares		
13,970 Indian Bank (13,970) of Rs.91 per share (Face value Rs.10)	70	40

Market Value Rs.499.80 (Rs.288.55) per share		
Quoted Investments in Mutual Funds		
50,000 SBI Mutual Fund-Magnum Multi Cap Fund - Dividend (50,000) units	22	17
Market Value Rs.43.1884 (Rs.33.0263) per unit		
2,50,000 SBI Mutual Fund-Infrastructure Fund - I - Growth (2,50,000) units	113	69
Market Value Rs.45.1861 (Rs.27.7633) per unit		
Investments carried at fair value through Other Comprehensive Income (B)	205	126
Total Investments	36098	36019

Current

Non-Current

Aggregate cost of quoted investments
Aggregate market value of quoted investments
Aggregate value of unquoted investments

Information about subsidiaries and joint ventures

The separate financial statements of the Company includes below mentioned subsidiaries and joint venture

3 (b) Trade receivables - Non current

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	12919	19540
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	12919	19540
Less: Allowance for Credit Loss	(323)	(489)

Total Trade receivables	12596	19051
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3 (c) Loans - Non current

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Loans considered good - secured	-	-
Loans considered good - unsecured		
- Deposits	577	607
- Other loans and advances	506	490
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	1083	1097
Less: Allowance for Credit Loss	(166)	(166)
Total loans	917	931

3 (d) Other financial Assets

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Margin money deposit held under lien to banks - maturity more than 12 months	-	4657
Interest accrued on margin money deposits	-	109
Total Other financial Assets	-	4766

4 Inventories

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Raw materials and components	4336	4238
Work-in-progress	-	-
Total Inventories	4336	4238

5 Financial Assets

5 (a) Trade receivables

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured		
- From related parties	1518	1127
- From Others	58518	68974
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	60036	70101
Less: Allowance for Credit Loss	(2036)	(2429)
Total Trade receivables	58000	67672

Ageing of Trade Receivables as on 31.03.2024							Rs.Lakhs
S.No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	11,499	3,557	6,618	4,640	35,671	61,986
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Sub Total (a)	11,499	3,557	6,618	4,640	35,671	61,986

Ageing of Trade Receivables as on 31.03.2023							Rs.Lakhs
S.No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	16,087	6,657	9,833	7,567	40,781	80,925
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Sub Total (a)	16,087	6,657	9,833	7,567	40,781	80,925
4	Disputed Trade Receivables - Considered Good	-	-	-	-	8,716	8,716
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-

5 (b) Cash and Bank Balances

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Cash and Cash equivalents		

Balances with banks:		
– On current accounts	879	50
– On deposits accounts	-	160
Cash on hand	4	9
Total Cash and cash equivalents	883	219
Margin money deposits held under lien to banks	6625	28035
Total Bank Balances other than Cash and Cash Equivalents	6625	28035
Total Cash and Bank Balances	7508	28254

5 (c) Loans

Particulars	Rs.Lakhs	
	As at Mar 31, 2024	As at Mar 31, 2023
Loans considered good - secured	-	-
Loans considered good - unsecured		
- Advance to related party	-	-
- Other loans and advances *	41965	38825
- Deposits	1192	2124
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total loans	43157	40949

* Includes employee loans, travel advances, prepaid expenses, DGFT refund, GST credit and VAT refunds.

5 (d) Other Financial Assets

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Interest accrued on fixed deposits	402	776
Sub Total	402	776

6 Other Current Assets

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Advances other than capital advances		
Advance to suppliers	11359	22131
Others *	36241	11445
Prepayments	27	516
Contract asset **	216012	240219
Sub Total	263639	274311

Less : Allowance for Credit Loss on Contract Asset	(4356)	(4804)
Total Other Current Assets	259283	269507

*Represents bank guarantees encashed by clients amounting to Rs.36241 lakhs including Rs.11445 lakhs related to earlier years and the Company has initiated arbitration proceedings.

** Contract Assets includes Retention money of Rs.115861 Lakhs (Rs.114299 Lakhs)

7 Share Capital				
Authorised Share Capital				Rs.Lakhs
Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Share Capital at the beginning of the year (Face value Rs.10 each)	100,000,000	10,000	100,000,000	10,000
Increase / (Decrease) during the year	-	-	-	-
Share Capital at the end of the year	100,000,000	10,000	100,000,000	10,000
Issued, Subscribed and Paid-up Share Capital				
Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Issued, Subscribed and Paid-up Share Capital	72,161,560	7,216	72,161,560	7,216
a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year				
Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	72,161,560	7216	72,161,560	7216
Issued during the year	-	-	-	-
Outstanding at the end of the year	72,161,560	7216	72,161,560	7216

b. Details of shareholders holding more than 5% shares in the company						
Particulars	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year
Mrs. Sasikala Raghupathy	-	-	(23.99)	17,314,450	23.99	-
BGR Investment Holdings Company Limited	36,802,400	51.00	-	36,802,400	51.00	-
c. Details of shareholdings held by promoters						
Particulars	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% held	% Change	No. of Shares	% held	% Change during
Mrs. Sasikala Raghupathy	-	-	(23.99)	17,314,450	23.99	-
BGR Investment Holdings Company Limited	36,802,400	51.00	-	36,802,400	51.00	-
Mr. Arjun Govind Raghupathy	4,320	0.01	-	4,320	0.01	-

d. Terms/rights attached to equity shares

The Company has one class of shares referred to as equity shares having a Face value of Rs 10. Each holder of equity shares is entitled to one vote per share.

8	Borrowings	Rs.Lakhs	
		As at Mar 31, 2024	As at Mar 31, 2023
	Particulars		
	Unsecured		
	Unsecured Loan from related parties	43213	23107
	Unsecured Loan from Others	-	-
	Secured		
	Term Loans from Banks	-	-
	Borrowings (Non Current)	43213	23107
	Working capital loans from banks	139787	161033
	Borrowings (Current)	139787	161033
	Total Borrowings	183000	184140

a) The balance in project specific escrow,current and EEFC accounts have been netted off against respective project's working capital loan accounts.

b) The Company has availed working capital loan from State Bank of India on sole banking basis for its Product business and project business which have not been specifically funded by other banks. The loan is secured by hypothecation of inventories, trade receivables and movable assets of Product Division viz AFC, ETD, OGED, EED and EPD excluding Project assets specifically charged to the banks / Consortium of banks. The loan from State Bank of India is further secured by first charge on land property at Panjetti Village, Tiruvallur Dist, Tamilnadu and first charge on the fixed assets of the Product Division.

The Loan is further secured by corporate guarantee and collateral of land held by Sravanaa Properties Limited (Subsidiary Company), pledge of shares held by BGR Investment Holdings Company Limited in BGR Energy Systems Limited and the corporate guarantee of BGR Investment Holdings Company Limited.

c) The Company has availed contract specific working capital loans from State Bank of India, IDBI Bank, Punjab National Bank, Canara Bank, Bank of Baroda, Indian Bank, Bank of India, Central Bank of India, Axis Bank, ICICI Bank, Kotak Mahindra Bank Ltd and Union Bank of India. These loans are secured by hypothecation of inventories, trade receivables and movable current assets of the respective contracts. The participating banks share the securities on pari-passu basis.

d) The Company has availed unsecured Loans from Related Parties at the interest rate of 9.75% p.a. These loans are repayable on demand subject to approval from Banks. The details of Loan is tabulated below

S.No	Particulars	Rs Lakhs
1	Managing Director	20000
2	BGR IHCL	9607
3	Argo Raiment LLP	7695
4	Arjun Govin Estate Pvt Ltd	5912
	Grand Total	43213

e) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

9	Financial Liabilities Lease Liabilities	Rs.Lakhs	
		As at Mar 31, 2024	As at Mar 31, 2023
	Particulars		
	Lease Liabilities - Non Current	223	239
	Lease Liabilities - Current	37	84
	Total Lease Liabilities	260	323

10 Trade Payables		Rs.Lakhs	
Particulars	As at Mar 31, 2024	As at Mar 31, 2023	
Micro enterprises and small enterprises	14790	12126	
Others			
Trade Payables	94439	93017	
Total Trade Payables	109229	105143	
Trade Payables Current	98970	95280	
Trade Payables Non Current	10259	9863	

Ageing of Trade Payables as on 31.03.2024

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	2,631	961	1,027	6,677	11,296
2	Others	23,060	5,098	4,943	48,756	81,857
3	Sub Total	25,691	6,059	5,970	55,433	93,153
4	MSME - Disputed Dues	634	68	260	2,532	3,494
5	Others - Disputed Dues	4,072	793	727	6,990	12,582
6	Sub Total	4,706	861	987	9,522	16,076
7	Total	30,397	6,920	6,957	64,955	109,229

Ageing of Trade Payables as on 31.03.2023

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	2,949	1,594	1,236	4,584	10,363
2	Others	25,912	5,730	8,624	37,153	77,419
3	Sub Total	28,861	7,324	9,860	41,737	87,782
4	MSME - Disputed Dues	76	4	220	1,463	1,763
5	Others - Disputed Dues	6,699	1,025	2,206	5,668	15,598
6	Sub Total	6,775	1,029	2,426	7,131	17,361
7	Total	35,636	8,353	12,286	48,868	105,143

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006.

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSME) information available with the Company, the following are the details:

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Principal amount remaining unpaid	18479	14312
Interest due thereon remaining unpaid	5952	5952
Payments made to the supplier beyond the appointed day during the year	3400	3669
Interest paid to the supplier	-	-
Interest due and payable for the period of delay in making payment without adding interest specified under this Act.	-	-
Interest accrued and remaining unpaid	5952	5952
Amount of further interest remaining due and payable in succeeding years	-	-

11 Provisions**Rs.Lakhs**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Employee benefit obligations		
Provision for leave encashment	-	211
Provision for gratuity	-	898
Provision for contractual obligation	1300	1300
Provision for warranty	2234	2196
Total Non Current Provisions	3534	4605

12 Other Financial Liabilities**Rs.Lakhs**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Current maturities of long-term borrowings	-	-
Advance from customers	113110	124075
*Interest accrued	25819	10099
Total Financial liabilities	138929	134174

* Includes interest on working capital loan amounting to Rs.1529 Lakhs (subject to bank confirmation) not debited by bank.

13 Other Current Liabilities

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Other payables *	11085	10952
Contract liability	15511	7800
Total Other Current Liabilities	26596	18752

* Other payables include expenses payable, employee dues, withholding taxes and other statutory dues.

14 Provisions

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Employee benefit obligations		
Provision for bonus	15	8
Provision for leave encashment	112	100
Provision for gratuity	760	326

Others		
Provision for warranty	178	250
Total Provisions	1065	684

Profit and Loss

15 Revenue from operations

Rs.Lakhs

Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Capital goods	20142	19247
Construction and EPC contracts	79704	59760
Other operating revenues		
-Interest on Margin Money Deposits	811	1487
-Income from scrap Sales	564	133
Total Other operating revenues	1375	1620
Total Revenue from operations	101221	80627

16 Other income**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Dividend from investments - quoted	1	1
Others		
Net gain on disposal of property, plant and equipment	-	-
Foreign exchange (net)	651	1991
Interest Income - Tax Refund	156	483
Provision no longer required/Written back	10006	2654
Total Income	10814	5129

17 Cost of raw material and components consumed**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Opening inventory	4238	3734
(Raw materials, consumables, bought outs and components)		

Add : Purchases	84113	56416
	88351	60150
Less: Closing inventory	4336	4238
(Raw materials, consumables, bought outs and components)		
Cost of raw material and components consumed	84015	55912

18 Cost of manufacturing and construction

Rs.Lakhs

Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Subcontracting and processing charges	8050	12202
Power and fuel	80	131
Cost of manufacturing and construction	8130	12333

19 Other direct cost

Rs.Lakhs

Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023

Insurance	1538	1405
Anticipated Loss	967	-
Packing and forwarding	215	66
Other direct cost	2720	1471

20 Employee benefits expense

Rs.Lakhs

Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Salaries, allowances and bonus	9722	11373
Contribution to P.F., E.S.I.	382	413
Workmen and staff welfare expenses	604	614
Compensated Absences	(0)	59
Gratuity	604	96
Employee benefits expense	11312	12555

21 Finance costs

Rs.Lakhs

Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Interest on working capital loans	21140	18936

Hedging Premium-Expense	-	661
Interest - others *	16383	13442
Other Finance Charges	6987	6903
Finance costs	44510	39942

* Includes Interest on Customer Advance and Unsecured Loan from Related Parties

22 Depreciation and amortization expense

Rs.Lakhs

Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Depreciation of Property,Plant & Equipmemts (incl. Right to use)	1333	1638
Amortization of intangible assets	-	36
Depreciation and amortization expense	1333	1674

23 Other expenses**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Rent	527	644
Payment to Statutory auditors (refer details below)	50	51
Conveyance and vehicle running expenses	437	528
Liquidated damages	-	7052
Trade receivables written off	-	13370
Electricity charges	129	148
Foreign exchange (net)	-	-
Insurance	146	80
Loss on sale of Property,Plant and Equipments (net)	1108	32
Miscellaneous expenses	(1181)	312
Provisiion for doubtful debts	22687	-
Printing and Stationery	37	42
Professional charges	1747	1333
Rates and taxes	631	58
Repairs and maintenance	742	920
Security charges	221	215
Selling expenses	9	17
Sitting fees	29	25
Telephone expenses	55	69
Travelling expenses	321	374

Total Other expenses	27695	25270
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Payment to Statutory auditors	Rs.Lakhs	
	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Particulars		
- For audit fees	36	36
- For taxation matters	14	14
- For certification and others	-	1
Total Payment to Statutory Auditors	50	51

There are unspent amount of CSR of Rs.1301 lakhs pertaining to earlier years till 2019-20

Particulars	Rs.Lakhs	
	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Items that will not be reclassified to Profit/Loss		
Remeasurement of net defined benefit Liability/Asset (net)	482	(37)
Equity Instruments through Other Comprehensive Income (net)	64	19
Items that will be reclassified to Profit/Loss		
Fair value changes on cash flow hedges (net)	-	-
Total Other Comprehensive Income for the Year	546	(18)

26 Earnings per share (EPS)							
The following reflects the profit and share data used in the basic and diluted EPS computation :							
				Rs.Lakhs			
Particulars	For the year ended		For the year ended				
	Mar 31, 2024		Mar 31, 2023				
Basic EPS							
Profit after tax as per accounts	(75215)		(47854)				
Weighted average number of equity shares (face value Rs.10 per share) (lakh Nos.)	722		722				
Basic EPS (Rs.)	(104.23)		(66.32)				
Diluted EPS							
Profit for the year for basic EPS	(75215)		(47854)				
Less : Adjustment	-		-				
Adjusted profit for diluted EPS	(75215)		(47854)				
Weighted average number of equity shares for Basic EPS (lakh Nos.)	722		722				
Add : Adjustment	-		-				
Weighted average number of equity shares (face value Rs.10 per share) for diluted EPS (lakh Nos.)	722		722				
Diluted EPS (Rs.)	(104.23)		(66.32)				
27 Financial Ratios							
				Rs.Lakhs			
S.No	Ratios	Particulars	Units	2023-24	2022-23	% Inc \ Dec	Reasons
1	Current Ratio	Current Assets / Current Liabilities	Times	0.92	1.00	-8%	
2	Debt-Equity Ratio	Debt / Total Equity	Times	(5.33)	4.57	-217%	Reduction in total equity due to loss
3	Debt Service Coverage Ratio	EBIDTA / (Interest+Principal)	Times	(0.73)	(0.68)	-8%	Increase in loss
4	Return on Equity Ratio	PAT / Tangible Networth	%	217.40%	-118.72%	283%	Increase in loss
5	Inventory Turnover	Inventory / COGS * 360	No of Days	16	22	-25%	Reduction in Turnover
6	Trade Receivables Turnover	Trade Receivables / Turnover * 360	No of Days	251	387	-35%	
7	Trade Payables Turnover	Trade Payables / COGS * 360	No of Days	415	542	-24%	Reduction in Turnover
8	Net Capital Turnover Ratio	Turnover / Total Equity	Times	(2.95)	2.00	-247%	Reduction in total equity due to loss
9	Net Profit Ratio	PAT / Turnover	%	-73.77%	-59.37%	-24%	Increase in loss
10	Return on Capital Employed	PBT / Total Equity	%	197.05%	-157.53%	225%	Increase in loss
11	Return on Investment	Income from Investments / Investments	%	-	0	-	

28 Construction contracts

In respect of all construction contracts in progress at the end of the year :

Particulars	Rs.Lakhs	
	As at Mar 31, 2024	As at Mar 31, 2023
The aggregate amount of costs incurred and recognized profits (less recognized losses) (including amounts carried forward from previous years)	969754	1013432
The amount of advances received	113110	124075
The amount of retentions	115861	114299
The gross amount due from customers for contract work as an asset (unbilled revenue)	100151	125920
The gross amount due to customers for contract work as a liability (unearned revenue)	15511	7800

The contract value includes non cash consideration as per the requirement of Ind AS 115. The non cash consideration is valued based on the fair value/ input by the customer.

29 Employee Benefits

As per Ind AS -19 " Employee Benefits", the disclosure of employee benefits are given below:

Defined contribution plan:

Particulars	Rs.Lakhs	
	2023-24	2022-23
Employer's contribution to Provident fund	222	238
Employer's contribution to pension scheme	125	139
Employer's contribution to employee's state insurance	13	9

Defined benefit plan and other long term employee benefits:**Gratuity plan**

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation				
	Rs.Lakhs			
Particulars	Leave encashment (unfunded)		Gratuity (funded)	
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024	As of March 31, 2023
Projected benefit obligation at the beginning of the year	311	340	1361	1468
Service cost	-	-	68	110
Interest cost	-	-	93	94
Remeasurement (gain)/loss	(229)	(29)	(518)	(48)
Benefits paid	-	-	(224)	(264)
Projected benefit obligation at the end of the year	82	311	780	1361

Change in the fair value of the plan assets

Rs.Lakhs

Particulars	Gratuity (funded)	
	As of March 31, 2024	As of March 31, 2023
Fair value of the plan assets at the beginning of the year	136	235
Expected return on plan assets	6	13
Actuarial gain/(loss)	1	1
Employer contribution	101	152
Benefits paid	(224)	(264)
Fair value of plan assets at the end of the year	20	136
Actual return on plan asset	5	13

Amount recognised in the Balance sheet				
Particulars	Rs.Lakhs			
	Leave encashment (unfunded)		Gratuity (funded)	
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024	As of March 31, 2023
Present value of projected benefit obligation at the end of the year	82	311	780	1361
Fair value of plan assets at the end of the year	-	-	20	136
Funded status amount of liability recognised in the Balance Sheet	82	311	760	1224
Current Liability	21	100	198	326
Non Current Liability	61	211	562	898

Expense recognised in the Statement of Profit and Loss				
Particulars	Rs.Lakhs			
	Leave encashment (unfunded)		Gratuity (funded)	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Service cost	-	-	68	110
Interest cost	-	-	93	94
Expected return on plan assets	-	-	(6)	(13)
Actuarial Gain / Loss due to Demographic Assumption changes in Defined Benefit Obligation	-	-	-	-
Actuarial Gain / Loss due to Financial Assumption changes in Defined Benefit Obligation	-	-	7	(17)
Actuarial Gain / Loss due to Experience on Defined Benefit Obligation	-	-	(526)	(31)
Return on Plan Assets (Greater) / Less than Discount Rate	-	-	1	(1)
Total cost recognised in P & L and OCI (Defined Benefit Cost)				
Cost recognised in P & L	-	-	155	192
Remeasurement Effect Recognised in OCI	-	-	(518)	(49)
Total defined Benefit Cost	-	-	-363	143

Summary of actuarial assumptions				
Particulars	Rs.Lakhs			
	Leave encashment (unfunded)		Gratuity (funded)	
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024	As of March 31, 2023
Mortality table (LIC)	(Indian assured Lives Mortality) 2006-08	(Indian assured Lives Mortality) 2006-08	(Ultimate) 2006-08	(Ultimate) 2006-08
Discount rate (per annum)	7.23%	7.42%	7.23%	7.42%
Expected rate of return on plan assets (per annum)	-	-	7.42%	7.07%
Rate of escalation in salary (per annum)	3.00%	3.00%	3.00%	3.00%
Attrition	10.00%	10.00%	10.00%	10.00%
Leave accounting & consumption technique	LIFO	LIFO	-	-
Proportion of Leave availment	5.00%	5.00%	-	-
Proportion of encashment in Service / Lapse	-	-	-	-
Proportion of encashment on separation	95.00%	95.00%	-	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors. The discount rate has been chosen by reference to market yields on Government bonds. The above information is certified by an actuary.

The overall expected rate of return on assets is determined based on the market prices prevailing on the date applicable to the period over which the obligation is to be settled.

The expected cash flows over the next few years are as follows :

Year	Rs.Lakhs	
	Leave encashment (unfunded)	Gratuity (funded)
	Amount	Amount
1 year	16	186
2 to 5 years	30	243
6 to 10 years	16	166
More than 10 years	19	184

Plan asset : The Gratuity plan's weighted-average asset allocation at March 31, 2024 and March 31, 2023.

Particulars	Rs.Lakhs	
	As of March 31, 2024	As of March 31, 2023
Funds managed by insurers	100%	100%

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below

Particulars	Leave encashment	
	As of March 31, 2024	As of March 31, 2023
	% increase in Defined Benefit Obligation	
Discount rate + 100 basis points	-4.43%	-4.36%
Discount rate - 100 basis points	4.85%	4.85%
Salary growth rate + 100 basis points	4.56%	4.74%
Salary growth rate - 100 basis points	-4.22%	-4.32%
Attrition Rate + 100 basis points	0.66%	0.89%
Attrition Rate - 100 basis points	0.74%	-0.99%
Mortality Rate 10% UP	0.03%	0.02%

Particulars	Gratuity	
	As of March 31, 2024	As of March 31, 2023
	% increase in Defined Benefit Obligation	
Discount rate + 100 basis points	-4.00%	-3.56%
Discount rate - 100 basis points	4.42%	3.94%
Salary growth rate + 100 basis points	4.43%	4.01%
Salary growth rate - 100 basis points	-4.07%	-3.67%
Attrition Rate + 100 basis points	0.83%	0.81%
Attrition Rate - 100 basis points	-0.90%	-0.88%
Mortality Rate 10% UP	0.03%	0.03%

While one of the parameters mentioned above is changed by 100 basis points, other parameters are kept unchanged for evaluating the defined benefit obligation. While there is no change in the method used for sensitivity analysis from previous period, the change in assumptions now considered are with reference to the current assumptions.

30 Deferred taxes

Major components of deferred tax assets and liabilities are as under:				Rs.Lakhs
Particulars	Deferred tax asset as at March 31, 2024	Deferred tax liability as at March 31, 2024	Deferred tax asset as at March 31, 2023	Deferred tax liability as at March 31, 2023
Property, plant and equipment	-	-	-	61
Other Intangibles	-	-	32	-
ECL on Trade Receivables	-	-	734	-
Provisions	-	-	337	-
Customer Retention	-	-	-	24944
ECL on Contract Asset	-	-	1209	-
Carry forward tax loss	-	-	30237	-
Lease Liability (net)	-	-	-	7.00
Sub Total	-	-	32549	25012
Net	-	-	7537	

31 Financial Instruments

The Carrying Value and Fair Value of Financial Instruments as of March 31, 2024 were as follows

Particulars	Rs.Lakhs				
	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	883			883	883
Bank balance other than above	6625			6625	6625
Investments:					
Equity Securities and others			70	13	70
Liquid mutual fund units			135	30	135
Trade Receivables	70596			70596	70596
Loans and advances	44074	-		46227	44074
Other Financial Assets	402			402	402
Total	122580	-	205	124776	122785
LIABILITIES					
Borrowings	183000			183000	183000
Other Financial Liabilities	138929			138929	138929
Lease Liabilities	260			260	260
Trade Payables	109229			109229	109229
Total	431418	-	-	431418	431418

The Carrying Value and Fair Value of Financial Instruments as of March 31, 2023 were as follows

Particulars	Rs.Lakhs				
	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	219			219	219
Bank balance other than above	28035			28035	28035
Investments:					
Equity Securities and others			40	13	40
Liquid mutual fund units			86	30	86
Trade Receivables	86723			86723	86723
Loans and advances	41880	-		44091	41880
Other Financial Assets	5542			5542	5542
Total	162399	-	126	164653	162525
LIABILITIES					
Borrowings	184140			184140	184140
Other Financial Liabilities	134174			134174	134174
Lease Liabilities	323			323	323
Trade Payables	105143			105143	105143
Total	423780	-	-	423780	423780

32 Fair Value Hierarchy

The following table shows the levels in the fair value hierarchy :

Fair Value Measurement at the end of the reporting period	As at Mar 31, 2024	As at Mar 31, 2023
ASSETS		
Investments		
Mutual Fund Investments	Level 1	Level 1
Equity Instruments	Level 1	Level 1

Fair value of mutual fund and equity investments is based on quoted price.

The Management has assessed the fair value of trade receivables, trade payables, cash & cash equivalents, bank balances, bank deposits, loans and advances, bank borrowings, financial assets and liabilities approximate their carrying amounts.

33 Risk Management Strategies

Financial risk management:

The Company's activities exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks.

Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign currency risk

The Company has entered into various contracts in several currencies and consequently the Company is exposed to foreign exchange risk through its sales, services and purchases from suppliers in various foreign currencies. The Company holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years. The fluctuations in exchange rate may have an impact on Company's operations.

Foreign currency sensitivity			
a. Particulars of unhedged foreign currency exposure are as under :			
Rs. in lakhs / Foreign currency in lakhs			
Particulars	As at Mar 31, 2024	As at Mar 31, 2023	
Assets (Trade receivables / advance to suppliers / bank balances)			
In foreign currency			
In USD	116.00	113.26	
In EURO	195.21	193.05	
In GBP	0.01	0.01	
In JPY	55.10	55.10	
In AED	0.03	0.41	
In CHF	0.04	0.04	
In Indian currency			
In USD	9671.25	9370.92	
In EURO	17611.66	17542.30	
In GBP	0.59	0.58	
In JPY	30.35	34.51	
In AED	0.74	9.34	
In CHF	3.74	3.70	
Liabilities (Advance from customers/trade payables/buyers credit)			
In foreign currency			
In USD	82.56	91.56	
In EURO	9.12	145.07	
In GBP	0.28	0.28	
In Indian currency			
In USD	6883.42	7575.97	
In EURO	822.86	13182.11	
In GBP	29.10	28.52	

An appreciation / depreciation of 0.50 percentage points in exchange rate between the INR and USD, the operating margins at the reporting date (31.03.2024) would have increased / (decreased) equity and profit by Rs.48 Lakhs (Rs.47 Lakhs)

The Sensitivity analysis is computed based on the change in the income and expenses in the foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting and the current reporting period

b. Particulars of derivative contracts entered into for hedging purpose outstanding are as under:				
Rs. in lakhs / Foreign currency in lakhs				
Particulars	As at Mar 31,2024		As at Mar 31,2023	
	Forex Working Capital Demand Loans	Trade payables	Forex Working Capital Demand Loans	Trade payables
Number of contracts	-	-	-	-
Value in foreign currency				
USD	-	-	-	-
EURO	-	-	-	-
Value in INR	-	-	-	-

Interest rate risk			
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates to the Company's long-term debt obligations with floating interest rates.			
As at the reporting date the Company's interest – bearing financial instruments were as follows:			
		Rs.Lakhs	
Particulars	Carrying amount		
	Mar 31, 2024	Mar 31, 2023	
Fixed rate instruments			
Financial assets			
Fixed deposits with banks	6625	32852	
Financial liabilities			
Unsecured Loan from related parties	43213	23107	
Advance from Customers	113110	124075	
Variable rate instruments			
Financial liabilities			
Borrowings from banks	-	-	
Working Capital Loans	139787	161033	
Interest rate sensitivity			
Fair value sensitivity for fixed rate instruments			
The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.			
Cash flow sensitivity for variable rate instruments			
An decrease / increase of 50 basis points in interest rates at the reporting date (31.03.2024) would have increased / (decreased) equity and profit by Rs.752 Lakhs			

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of Steel, Cement and other materials. Due to the significantly increased volatility of the price of the raw material, the Company also entered into various purchase contracts for supply of Steel, Cement & other material. The Company has escalation clause in some of their client contracts for variation in the price of commodities.

Equity price risk

The Company's listed securities are susceptible to market price risk arising from uncertainties about future value of the investment securities.

At the reporting date, the exposure to listed securities at fair value was Rs.205 lakhs (Rs.126 lakhs). An increase / decrease of 10% on the BSE Market Index could have an impact of approximately Rs.20.50 lakhs (Rs. 12.60 lakhs) on the OCI or equity attributable to the Group.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Outstanding customer receivables are regularly monitored and any major export shipments to customers are generally covered by letters of credit. The maximum exposure to the credit risk at reporting date is primarily from trade receivables amounting to Rs.70596 Lakhs

Financial instruments and cash deposits		
Credit risk from balances with banks and financial institutions is limited as the Company generally invests in banks and financial institutions with high credit ratings. Other financial instruments includes primarily investment in fixed deposits.		
Liquidity risk		
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings.		
The following are the contractual maturities of financial liabilities.		
		Rs.Lakhs
Particulars	Upto 12 months	More than 12 months
Trade payables	98970	10259
Borrowings	139787	43213
Advance from Customers	113110	-
Other financial liabilities	25819	-
Lease Liabilities	37	223
Collateral risk		
The Company has pledged its short-term deposits of Rs. 6625 lakhs to fulfil the security requirements for the contractual obligations. As at 31 March, 2024, 31 March, 2023 the fair values of the short-term deposits pledged were Rs. 6625 lakhs and Rs. 32692 lakhs respectively.		

34	Leases				
The changes in carrying value ROU assets and Lease liabilities for the year ended March 31, 2024 are as follows:					
				Rs. Lakhs	
	Particulars	ROU Assets As at Mar 31,2024	Lease Liabilities As at Mar 31,2024	ROU Assets As at Mar 31,2023	Lease Liabilities As at Mar 31,2023
	Opening balance	349	323	3	3
	Add : Additions during the year	-	-	387	387
	Add : Interest cost during the year	-	18	-	18
	Less : Deletions during the year	-	-	-	-
	Less : Depreciation during the year	38	-	41	-
	Less : Payment of Lease Liabilities	-	84	-	84
	Closing Balance	311	257	349	323
On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the ROU asset, and finance cost for interest accrued on lease liability.					

35 Segment information

Primary segment information (business segments)										Rs.Lakhs
S.No	Particulars	2023-24 (Mar-24)				2022-23 (Mar-23)				
		Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total	Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total	
a)	Revenue (net)	20671	80550	-	101221	19364	61263	-	80627	
b)	Inter Segment sales	-	98	(98)	-	-	236	(236)	-	
	Total Revenue	20671	80648	(98)	101221	19364	61499	(236)	80627	
c)	Result	(10741)	(12586)	-	(23327)	1178	(25239)	-	(24061)	
	Add: Unallocated income (net of expenditure)				157				484	
	Profit before interest and tax	(10741)	(12429)	-	(23170)	1178	(24755)	-	(23577)	
	Interest	968	43542	-	44510	710	39232	-	39942	
	Profit before tax	(11709)	(55971)	-	(67680)	468	(63987)	-	(63519)	
	Tax expenses									
	- Current tax				-				-	
	- Deferred tax				7535				(15665)	
	- Tax - Earlier years				-				-	
	- Total				7535				(15665)	
	Profit for the year				(75215)				(47854)	
d)	Assets	15790	373471	-	389261	16667	423358	-	440025	
	Add: Unallocated corporate assets				39005				48118	
	Total assets				428266				488143	
e)	Liabilities	40668	378732	-	419400	3236	421478	-	424714	
	Add: Unallocated corporate liabilities				43213				23107	
	Total liabilities				462613				447821	
Reconciliations to amounts reflected in the financial statements										
Reconciliation of profit		31-Mar-24	31-Mar-23							
	Segment profit	(23,327)	(24,061)							
	Dividend Income	1	1							
	Net gain on disposal of property, plant and equipment	-	-							
	Net gain on sale of investment	-	-							
	Interest Income	-	-							
	Interest Income - Tax Refund	156	483							
	Profit before interest and tax	(23,170)	(23,577)							
Reconciliation of assets		31-Mar-24	31-Mar-23							
	Segment operating assets	389,261	440,025							
	Investments	36,098	36,019							
	Deferred tax assets (net)	-	7,537							
	TDS receivable	2,907	4,562							
	Total assets	428,266	488,143							
Reconciliation of liabilities		31-Mar-24	31-Mar-23							
	Segment operating liabilities	419,400	424,714							
	Non Current Borrowings	43,213	23,107							
	Deferred tax liabilities (net)	-	-							
	Total liabilities	462,613	447,821							
Secondary segment information (geographic segments)										
Particulars		Domestic		Overseas		Total				
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23			
	External revenue by location of Customer	95,306	78,261	5,915	2,366	101,221	80,627			
	Carrying amount of segment non current assets by location of assets	55,580	76,747	-	-	55,580	76,747			

36 Contingent liabilities and commitments					
				Rs.Lakhs	
Particulars		As at	As at		
		Mar 31,2024	Mar 31,2023		
Contingent liabilities					
Claims against the company not acknowledged as debt					
a) On account of Sales tax *		28183	33567		
b) On account of Income-tax *		3655	3594		
c) On account of Service tax *		36668	36668		
d) On account of Provident fund		521	521		
e) Others * #		68217	35184		
Capital commitments					
Estimated amount of contracts remaining to be executed on capital account (net of advances)		139	193		
* Excludes interest, penalty and self assessment tax paid.					
# Others includes cases filed against the company in MSME council, NCLT and other legal forums					

37 Related party transactions					
Ultimate Holding Company					
1. BGR Investment Holdings Company Limited					
Subsidiary Companies					
1. BGR Boilers Private Limited					
2. BGR Turbines Company Private Limited					
3. Sravanaa Properties Limited					
Joint Venture					
1.Mecon-Gea Energy System (India) Ltd (JV)					

Relatives of Key Managerial Personnel

1. Mrs. Sasikala Raghupathy (Mother of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)
2. Mrs. Priyadarshini Raghupathy (Sister of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)
3. Mrs. Vaani Raghupathy (Sister of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)

(information provided in respect of revenue items for the year ended Mar 31, 2024 and in respect of assets / liabilities as at Mar 31, 2024)

Particulars	Ultimate Holding Company	Subsidiary Companies	Related parties where significant influence exists and where key management personnel have significant influence	Key Management Personnel	Relatives of Key Management Personnel	Non Executive Directors	Rs.Lakhs	
							2023-24	2022-23
Sales	-	-	129	-	-	-	129	1882
Purchases	-	389	294	-	-	-	683	2543
Remuneration								-
a) Short Term Employee Benefits	-	-	-	132	21	-	153	335
Rent expenses	-	18	74	-	-	-	92	125
Others (Royalty)	-	-	-	-	25	-	25	25
Director's Sitting Fees	-	-	-	-	-	24	24	25
Other Obligations							-	-
Loans & Advances								
- Loan availed	6500	-	13606	-	-	-	20106	23107
- Loan repaid							-	-
Interest on Loan	909	-	766	2,093	-	-	3,768	1,228
Balances outstanding	(10540)	(11893)	(13817)	(22557)	(110)	0	(58917)	(37021)

Fellow Subsidiaries / Enterprises where significant influence exists and enterprises where key management personnel have significant influence		
1. ACCORD FOUNDATIONS PRIVATE LIMITED		21. PENTALEO GOURMENTS LIMITED LIABILITY PARTNERSHIP
2. AGRO RAIMENT LLP		22. PENTALEO PROPERTY LIMITED LIABILITY PARTNERSHIP
3. ANI CONSTRUCTIONS PRIVATE LIMITED		23. PRAGATI COMPUTERS LIMITED
4. ARJUN GOVIN ESTATE PRIVATE LIMITED		24. PRIYA ESTATE DEVELOPERS LIMITED
5. BGR AQUAATECH INDIA LIMITED		25. PROGEN SYSTEMS AND TECHNOLOGIES LIMITED
6. BGR ENERTECH SDN. BHD.		26. RISIO CARE PRIVATE LIMITED
7. BGR ESTATE HOLDINGS LIMITED		27. SASIKALA ESTATE PRIVATE LIMITED
8. BGR NEO LIMITED		28. SCHMITZ INDIA PRIVATE LIMITED
9. BGR ODISHA POWERGEN LIMITED		29. SCHMITZ REINGUNGSKUGELM GMBH
10. BGR POWER LIMITED		30. SWADHIKA FOODS LLP
11. BGR TECH LIMITED		31. VAANI ESTATE DEVELOPERS LIMITED
12. BOWN GRANITES COMPANY PRIVATE LIMITED		32. VAANI ESTATES PRIVATE LIMITED
13. CUDDALORE POWERGEN CORPORATION LIMITED		
14. ENEXIO POWER COOLING SOLUTIONS INDIA PRIVATE LIMITED		
15. FROZEN TROPICALS PRIVATE LIMITED		
16. GEA BGR ENERGY SYSTEM INDIA LIMITED		
17. JAYACHELVE FINANCING AND LEASING PRIVATE LIMITED		
18. MEGA FUNDS INDIA LIMITED		
19. MENMAI ESTATE PRIVATE LIMITED		
20. NANNILAM PROPERTY PRIVATE LIMITED		
Key Managerial Personnel		
1. Mr. Arjun Govind Raghupathy, Managing Director		
2. Mr. P. R. Easwar Kumar, President & Chief Financial Officer (Resigned w.e.f. 30.03.2024)		
3. Mr. S. Krishna Kumar, President & Company Secretary (Resigned w.e.f. 30.03.2024)		
Non Executive Directors		
Mrs. Sasikala Raghupathy, Chairperson		
Mr. Bohra S A, Independent Director (Resigned w.e.f. 24.02.2024)		
Mr. Gopalakrishna M, Independent Director (Resigned w.e.f. 23.02.2024)		
Mr. Tagat S R, Independent Director (Resigned w.e.f. 26.02.2024)		
Mr. Gnana Rajasekaran, Independent Director (Resigned w.e.f. 26.02.2024)		

38 Impairment of assets				
a. Cash generating units :				
There is no impairment loss in cash generating units and hence no provision was made in the financial statements.				
b. Other assets :				
The Company has recognised impairment loss of Rs. Nil in the books of accounts towards impairment of Buildings subsequent to closure of Lease period.				
39 Registration of charges or satisfaction yet to be registered with Registrar of Companies (ROC)				
Satisfaction of Charge pending beyond the statutory period				
S.No	Charge Holder Name	Rs.Lakhs	Reasons	
1	STATE BANK OF INDIA	4420	Pending NOC from Charge holder	
2	AXIS BANK LIMITED	635	Pending NOC from Charge holder	
3	ABN AMRO BANK	189	Pending NOC from Charge holder	
4	HDFC BANK LIMITED	126	Pending NOC from Charge holder	
5	ICICI BANK LIMITED	114	Pending NOC from Charge holder	
	TOTAL	5484		
40 Relationship with Struck off Companies				
The Company has no transactions \ outstanding balances as on 31.03.2024 with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.				

41 Provisions				
a) The company has made a provision / transfer of Rs.27 lakhs, (Rs.91 lakhs) towards warranty and contractual obligations on the products supplied / contracts executed by the company during the year. The expenses on account of provision for warranty is grouped under other expenses.				
b) Movement in provisions				Rs.Lakhs
Particulars	Provision for Warranty	Provision for Contractual Obligations	Provision for Warranty	Provision for Contractual Obligations
	2023-24	2023-24	2022-23	2022-23
Opening balance	2446	1300	2368	1300
Add : Addition / transfers	27	-	91	-
Less : (a) Provision utilised	-	-	-	-
(b) Provision reversed	(60)	-	(13)	-
Closing balance	2413	1300	2446	1300
42	The Revenue from operations Includes claim settlement of Rs.66325.15 Lakhs received from a customer. Provision of Rs.55000 Lakhs was accounted in third quarter. Based on agreement reached with counter parties the cost has been finalised as Rs.18985.70 crs resulting in reversal of provision to the extent of Rs.36014.30 lakhs during this quarter. Consequently this being an adjusting event relating to the reporting period, the cost of material is adjusted during the last quarter.			
43	During the financial year, the Company received communication from the banks regarding classification of credit exposure of the Company as Substandard pursuant to RBI divergence report. The Company enjoys fund based (Rs.1398 crs) and non-fund based (Rs.2358 crs) limits from 12 banks amounting to Rs.3756 crs. Out of this, 9 banks have classified the account as NPA amounting to Rs.3399 crs. The Company is in discussion with the banks for restructuring of the account and infusion of equity by strategic investors.			

44	During the year, certain clients have terminated/short closed contracts amounting to Rs.479758 lakhs representing the value of unexecuted contracts. The unbilled revenue due to termination or short closure amounting to Rs.25769 lakhs has been reversed.
45	Bank guarantees encashed by clients amounting to Rs.36241 lakhs which form part of other current asset and the Company has initiated arbitration proceedings. Subsequently, till 29.05.2024 further 4 clients encashed BG valuing Rs.129336 lakhs.
46	Going Concern: The Promoters have infused unsecured loan, which is in excess of accumulated losses for the year ended as on 31st March 2024. Though there has been encashment of Bank Guarantees, the Company is continuing to execute the contracts and are hopeful of amicable solutions. Balance orders on hand as on 31.03.2024 is about Rs.167254 lakhs. The Company is in discussions with the Bankers for restructuring package. Based on the above, the Company is of the opinion that the accounts will be stated on Going Concern basis.
47	Pursuant to the orders of the The Honourable Rajasthan High court on 21.12.2023, the Company received demand notice from the Rajasthan VAT authorities amounting to Rs.50869.50 lakhs(Tax Rs.14552.35 lakhs and Interest Rs.36317.15 lakhs) on 12.01.2024. SLP has been filed In Supreme court on 29.04.2024.
48	Due to non-visibility of profit in the near future, considering the balance orders in hand and expected order booking in future, the net deferred tax asset has been reversed to the extent of Rs.13269 lakhs in the third quarter.
49	Review of Sundry debtors has been made particularly for the Product segments and analysis of division wise collectible and non-collectible of debtors has been studied thoroughly relating to old projects which was already closed, but final closure and reconciliation of the contract are still under progress in most of the cases and the realization is not certain in some cases. As the outcome of the same the provision has been created for old and doubtful debtors to the tune of Rs.16076 lakhs of product segments and Rs.6611 lakhs related to construction segments totaling to Rs.22687 lakhs during the financial year.

50	Provision has been created for Rs.166.55 lakhs in Rates and taxes related to VAT/CST tax refunds pertaining to pre GST regime.
51	In case of Sundry creditors, ageing analysis has been carried out for the old contracts which was already completed and the balance amount in vendor ledger is not payable due to various factors considering the LD applicability, Risk and cost recovery toward the unexecuted portion of the contract and other recoveries towards various issues as per the terms & conditions of the contract. Accordingly, creditors write back has been worked out and arrived valuing to Rs.9519 lakhs during this quarter.
52	Upon termination of rental agreement with Progen, the factory activities have been discontinued as the building is not in our control at present. There are some Plant & Machinery inside the progen factory. Considering this situation, the fixed assets valuing about Rs.1096 lakhs related to Progen factory has been discarded. At the same time, balance rent payable of about Rs.153 lakhs is also reversed and taken to income.
53	During Mar-2023, Chattisgarh State Power Generation Co Ltd (CSPGCL) (Marwa Project) demanded encashment of two BGs totalling to Rs.16337 Lakhs. The Company obtained stay on encashment of bank guarantee from the Honourable Chattisgarh High Court. The said amount is included in Contingent Liability as on 31.03.2024. During Jan-2024, Hindustan Urvarak & Rasayan Limited demanded encashment of CPBG and ABG totalling to Rs.1758.05 Lakhs. The Company obtained stay on encashment of bank guarantee from the The Honourable Delhi High Court. The said amount is included in Contingent Liability as on 31.03.2024.
54	The company reviewed its Investment in subsidiaries i.e BGR Boilers Private Limited and BGR Turbines company Private Limited and confident of recovering its investment In lieu of settlement and seperation aggrement with Hitachi Group.Accordingly no provision for dlmunitation in value of Investment Is made.

55	Previous year figures								
	Figures of previous year have been regrouped / rearranged, wherever required to conform to the current year presentation.								
	For and on behalf of Board of Directors							As per our report of even date	
								For Anand & Ponnappan	
								Chartered Accountants	
								Firm Registration No. : 000111S	
	ARJUN GOVIND RAGHUPATHY							R PONNAPPAN	
	Managing Director							Partner	
	DIN : 02700864							Membership No.021695	
	SADASIVAM DEIVANAYAGAM							JEYAKRISHNA GANESAN	
	Independent Director							Non-Independent Director	
	DIN : 07622466							DIN:03208035	
	S.PATTABIRAMAN							Chennai	
	Vice President & Chief Financial Officer							May 30,2024	

INDEPENDENT AUDITORS' REPORT

To
The Members of BGR Energy Systems Limited
Report on Audit of the Consolidated Financial Statements

Adverse Opinion

We have audited the accompanying Consolidated financial statements of **BGR Energy Systems Limited** (referred to as the "**Holding Company**") and its subsidiaries (Holding Company and its subsidiaries and joint venture together referred as "**Group**") which comprises the Consolidated Balance Sheet as at March 31,2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flows, and Consolidated Statement of changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the " Basis for Adverse Opinion" section of our report, the aforesaid consolidated financial statements give the information, 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 Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31,2024, the consolidated loss including other comprehensive income, consolidated changes in equity and its consolidated cashflows for the year ended on that date.

Basis for Adverse Opinion

1. Un-Audited of Financial Statements of Subsidiary:

Attention is drawn to Note No.40 to the Consolidated Financial Results, wherein the financial results include unaudited financial results and other financial information of material subsidiaries, namely, BGR Boilers Private Limited for the financial year ended 31st March,2022, 2023 & 2024 and BGR Turbines Company Private Limited for the financial year ended 31st March,2023 & 2024. These unaudited financial results as approved by the Board of Directors of the subsidiary company have been furnished to us by the Management of the Holding Company and our report in so far as it relates to the amounts included in respect of this subsidiary are based solely on such unaudited financial results. we are unable to comment on adjustments that may have been required to the accompanying consolidated financial results had such unaudited financial results been audited.

2. Material Uncertainty relating to Going Concern:

The following events and/or transactions occurred during the period has created substantial doubt about the Group's ability to continue as a going concern in the future, typically one year from the date of this financial statements, mainly:

- Classification of working capital borrowings held with Banks as "non-performing assets", by all the lender Banks, despite regular servicing of interest obligation;
- Operational cash losses and working capital deficit on account of variable and fixed overheads (incl. finance cost and admin expenses);
- Termination/Short-Closure of material orders of the company other than present ongoing projects, which are under near completion and invocation of performance and advance bank guarantees issued thereon;
- The Group has incurred net loss of Rs.75535 lakhs during the period ended 31st March,2024 and has accumulated losses amounting to Rs. 73300 lakhs, which resulted in erosion in net worth of the company;
- Resignation of Company's Key Managerial Personnel and Non-Executive Independent Directors of the Company on the Board of the Group;

The Group's Board of Directors are proposing to overcome the facts and conditions without elaborating on access to additional capital, infusion of funds by the promoter group and plans to reduce or delay expenditures.

In light of the significant events or conditions outlined above, we are of the view that the assumption as going concern of the company made by the management is inappropriate.

As a result of the aforesaid matters and on account of material uncertainties, we could not readily ascertain the possible material adjustments that may be required to be made in the value of recorded assets and liabilities and contingent liabilities, as at March 31,2024 and in respect of corresponding possible impact on the statement of profit and loss account (ie., financial performance) for the period ended on that date, could not be recorded in this consolidated financial statements.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Emphasis of Matters:

Attention is drawn to the Note No.42 to the Consolidated financial results, Revenue from operations includes claim settlement of Rs.66,325.15 lakhs received on account of final settlement with M/s Damodar Valley Corporation (DVC), Raghunathpur Project.

A Provision of Rs.55,000.00 lakhs was recognised towards contractual obligations with vendors/suppliers on account of sub-contracting the work during the third quarter.

Further, an agreement was reached with counter parties, towards contractual obligations has been finalised amounting to Rs.18,985.70 lakhs during the Month of May 2024, which resulting in reversal of provision to the extent of Rs.36,014.30 lakhs during the last quarter, being an adjusting event to the financial statements.

Our opinion is not modified in respect of this matter

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31,2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters of the group described below to be the key audit matters to be communicated in our report. In addition to the matter described in the Basis of the Adverse Opinion and Emphasis of Matter paragraphs, we have determined the matters described below to be the Key Audit matter to communicated in our report.

1. Revenue Recognition in case of Construction Contracts:

The Holding Company recognises revenue on the basis of stage completion in proportion of the contract costs incurred at balance sheet date, relating to the total estimated costs of the contract at completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract. Significant accounting judgements are involved which include estimates of cost of completion of the Contract, the stages of completion and timing of revenue recognition. In determining the expected losses, when such losses become probable based on the expected total contract cost. Cost contingencies are included in these estimates to consider specific risks of uncertainties or disputed claims against the Holding Company, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the life of the contract and adjusted where appropriate. The

revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognised when the recovery of such consideration is highly probable as revenue recognition involves aforesaid significant judgement and estimation, we therefore determined this to be a key audit matter.

Response to Key Audit matter and Conclusion:

Our principal audit procedures included but were not limited to:

- We assessed the appropriateness of the Holding Company's revenue recognition policies, including those related to variable considerations by comparing with applicable accounting standards;
- We tested the effectiveness of controls relating to the evaluation of performance obligations and identification of those that are distinct; estimation of costs to complete each of the performance obligations including the contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders; the impact of change orders on the transaction price of the related contracts; and evaluation of the impact of variable consideration on the transaction price.
- We selected a sample of contracts with customers and performed the following procedures:
 - Obtained and read contract documents for each selection, change orders and other documents that were part of the agreement/arrangement.
 - Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations; (ii) changes to costs to complete as work progresses and as a consequence of change orders; (iii) the impact of change orders on the transaction price; and (iv) the evaluation of the adjustment to the transaction price on account of variable consideration.
 - Compared costs incurred with Holding Company's estimates of costs incurred to date to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract.
 - Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligation
- Performed analytical audit procedures for reasonableness of revenues disclosed by type and nature of service.
- Assessed appropriateness of the relevant disclosures made by the company in accordance with Ind AS 115.

We concluded that based on the procedures performed above, we did not find any material exceptions with regards to adoption of Ind AS 115 and timing of revenue recognition.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and our auditor's report thereon.

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

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

However, as discussed in the Basis of Adverse Opinion paragraph above, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

Responsibility of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- f. Identify and assess the risks of material misstatement of the consolidated 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.
- g. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- h. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- i. 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 Group'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 consolidated 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 report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- j. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider

quantitative materiality and qualitative factors as 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 Consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

1. We have relied on the unaudited financial statements of subsidiaries, namely, 'M/s Sravanaa Properties Limited', 'M/s BGR Boilers Private Limited' and 'M/s BGR Turbines Company Private Limited', whose standalone financial statements reflects total assets of Rs.94,151.00 lakhs (PY-Rs. 93,642.41 lakhs) as at March 31,2024, total income of Rs.213.00 lakhs (PY- Rs. 267.75 lakhs) and the net cashflows of Rs. 110.85 lakhs (PY- Rs. (68.30) lakhs) for the year ended on that date, as considered in the consolidated financial statements.

We also relied on the unaudited the financial statements of the unincorporated joint venture, namely, 'Mecon –GEA Energy System (India) Limited (JV)' whose financial statements reflect total assets of Rs.239.27 lakhs (PY-Rs. 247.21 lakhs) as at 31st March-2024, total loss of Rs. 0.21 lakhs (PY-Rs. 0.21 lakhs) for the year ended.

These unaudited financial statements are taken on record by the Board of directors of the respective subsidiary companies/Joint Ventures, have been furnished to us by the Company and our report in so far as it relates to the amounts included in respect of these subsidiaries are based solely on such unaudited financial statements.

2. In the absence of the Independent Auditor's Report of the subsidiary companies and Joint Venture of the Group for the Financial year ended 31st March 2024 ,we are unable to comment on the reporting requirements as laid down in the Companies Act 2013 and SEBI (LODR) 2015 as amended from time to time , wherever applicable in the audit of the Consolidated Financial Statements.

3. The composition of the Board of Directors of the Group is not adequate as per the requirements of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended, for the period between Feb 2024 (ie., 23rd, 24th & 26th Feb, 2024) to mid of May 2024 (ie., 14th May, 2024), on account of resignation of non-executive independent directors on Board. The additional Directors are appointed in May 2024. During the intervening period the number of Directors falls below the statutory limit. It is informed that no significant decision is taken in between requiring approval of full board.

Our opinion on the consolidated financial statements, and our report on the "Other Legal and Regulatory Requirements" below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

3. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure-A**", a statement on the matters specified in paragraphs 3 (xxi) of the Order, to the extent applicable.
4. As required by Section 143(3) of the Act, based on our audit and on the consideration of the unaudited separate financial statements and other information of the subsidiaries referred to in the "Other Matters" section above, we report that:
 - j. 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 of the aforesaid consolidated financial statements except as stated in Basis of Adverse Opinion
 - k. Except for the effect of the matters described in Basis of Adverse Opinion paragraph above in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports.
 - l. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - m. Except for the effect of the matters described in Basis of Adverse Opinion paragraph above in our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2016 as amended from time to time.
 - n. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Group and the representation from the respective management of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

- o. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an **unmodified opinion** on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting;
- p. The matters described in the Basis for Adverse Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;
- q. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Opinion paragraph above;
- r. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiaries to its directors during the year is in accordance with the provisions of section 197 of the Act.

- s. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - 1. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group; (*Refer Note No. 33 to the Consolidated Financial Statements*)
 - 2. The Group Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - 3. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group;
 - 4.
 - a. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of our knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries 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 Holding Company or any of such subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of our knowledge

and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries or joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) of Rule 11(e) contain any material misstatement.
-
5. In lieu of carried over previous years' and current year losses, neither the Holding company nor the Subsidiaries has not declared and/or paid any dividend during the year in accordance with Sec.123 of the Companies Act, 2013;
 6. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 (Revised 2023 Edition) issued by the Institute of Chartered Accountants of India we report that the Holding Company has used an accounting software ie., SAP ERP, for maintaining its books of accounts which has feature of recording audit trail (edit log) facility for all relevant transactions recorded in the software throughout the year. However, we did not come across any instances of audit trail feature being tampered.

In the absence of the Independent Auditor's Report of the subsidiary companies of the Group for the Financial year ended 31st March 2024 We are unable to comment on reporting of Audit Trail of the subsidiaries and Joint Venture.

Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules,2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

**Place: Chennai
Date: 30.05.2024
UDIN: 24021695BKCBBX4022**

**R. Ponnappan
Partner
Membership No :021695**

Annexure A to Independent Auditors' Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" Section of our Report of even date.

As required by paragraph 3(xxi) of the CARO 2020, *Except for the effects of matters described in Basis of Adverse Opinion paragraph*, we report that the auditors of the following companies, where qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Group:

S.No	Name of the Company	CIN	Relation	Date of Auditor's Report	Paragraph number in the respective CARO reports
1.	BGR Energy Systems Limited	L40106AP1985PLC005318	Holding Company	30 th May,2024	i(c), vii(a) and xix
2.	Sravanaa Properties Limited	U70200TN2002PLC049497	Subsidiary	Unaudited	
3.	BGR Boilers	U74200TN2009PTC070539	Subsidiary		

	Private Limited			
4.	BGR Turbines Company Private Limited	U40300TN2009PTC070541	Subsidiary	

**For Anand and Ponnappan
Chartered Accountants
FRN000111S**

**Place: Chennai
Date: 30.05.2024
UDIN: 24021695BKCBBX4022**

**R. Ponnappan
Partner
Membership No :021695**

Annexure – B to the Auditors’ Report

Referred to in Paragraph 2(f) under “Report on Other Legal and Regulatory Requirements’ section of our report to the Members of the Company of even dated.

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

We have audited the Internal Financials Controls over Financial Reporting of BGR Energy Systems Limited (referred to as the “**Holding Company**”) and its subsidiary companies and Joint Ventures, which are incorporated in India for the year ended March 31,2024, in conjunction with our audit of the Consolidated Financial Statements of the company.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its Subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the holding company’s, its subsidiaries and joint venture’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those

Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding company, its subsidiaries and joint venture has in all material respects, maintains adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2024, based on the internal

control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary companies incorporated in India in case of Sravanaa Properties Limited, BGR Boilers Private Limited and BGR Turbines Company Private Limited, wherein the financial statements are yet to be audited by the respective auditors appointed. Accordingly, we relied on the information and representation made by the respective companies Board of Directors and Holding Company's Board of Directors.

Our opinion is not modified in respect of this matter.

For Anand and Ponnappan
Chartered Accountants
FRN000111S

Place: Chennai
Date: 30.05.2024
UDIN: 24021695BKCBX4022

R. Ponnappan
Partner
Membership No :021695

BGR ENERGY SYSTEMS LIMITED			
Consolidated Balance Sheet as at 31.03.2024			
Particulars	Note No.	As at Mar 31, 2024	As at Mar 31, 2023
ASSETS			
I Non Current Assets			
(a) Property, plant and equipment	1	29641	32115
(b) Investment Property		252	252
(c) Other Intangible assets	2	-	-
(d) Goodwill	2	59	59
(e) Financial assets			
(i) Investments	3 (a)	205	126
(ii) Trade receivables	3 (b)	12596	19051
(iii) Loans	3 (c)	3513	3460
(iv) Other financial assets	3 (d)	-	4766
(f) Deferred tax assets (net)		-	7537
		46266	67366
II Current Assets			
(a) Inventories	4	4336	4238
(b) Financial assets			
(i) Trade receivables	5 (a)	58000	67672
(ii) Cash and cash equivalents	5 (b)	2396	1618
(iii) Bank balance other than (ii) above	5 (b)	6625	28035
(iv) Loans	5 (c)	43175	40971

	(v) Other financial assets	5 (d)	411	778
	(c) Other current assets	6	274613	284866
			389556	428178
	TOTAL ASSETS		435822	495544
	EQUITY AND LIABILITIES			
	I Equity			
	(a) Equity Share Capital	7	7216	7216
	(b) Other Equity		(73300)	1972
	Equity attributable to owners of BGR Energy Systems Limited		(66084)	9188
	II Non-Controlling Interest		(4542)	(4280)
	Total Equity		(70626)	4908
	III Liabilities			
	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	8 (a)	43213	23107
	(ii) Lease Liabilities	8 (b)	223	239
	(iii) Trade payables			
	Total Outstanding dues of micro enterprises and small enterprises		-	-
	Total Outstanding dues of creditors other than micro enterprises and small enterprises	8 (c)	10259	9863
	(b) Provisions	9	12946	14022

(c) Deferred tax liabilities (net)	27	-	-
		66641	47231
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8 (a)	139787	161033
(ii) Lease Liabilities	8 (b)	37	84
(iii) Trade payables	8 (c)		
Total Outstanding dues of micro enterprises and small enterprises		14790	14376
Total Outstanding dues of creditors other than micro enterprises and small enterprises		105551	101378
(iv) Other financial liabilities	10	138929	134174
(b) Other Current Liabilities	11	39648	31676
(c) Provisions	12	1065	684
(d) Current tax liabilities (net)		-	-
		439807	443405
Total Liabilities		506448	490636
TOTAL EQUITY AND LIABILITIES		435822	495544
Corporate overview & Significant accounting policies	1.1		
Notes to the Consolidated Financial Statements	1-55		
The accompanying notes are integral part of these Consolidated Financial Statements			

For and on behalf of Board of Directors			As per our report of even date	
			For Anand & Ponnappan	
			Chartered Accountants	
			Firm Registration No. : 000111S	

BGR ENERGY SYSTEMS LIMITED**Consolidated Statement of Profit and Loss for the period ended 31.03.2024**

Particulars	Note No.	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
I Revenue from operations	13	101236	80627
II Other income	14	10906	5038
III Total Income (I + II)		112142	85665

IV	Expenses				
	(a)	Cost of raw materials and components consumed	15	84314	56085
	(b)	Cost of manufacturing and construction	16	8130	12333
	(c)	Other direct costs	17	2720	1471
	(d)	Changes in inventories of work in progress		-	118
	(e)	Employee benefits expenses	18	11531	12812
	(f)	Finance costs	19	44510	39942
	(g)	Depreciation and amortization expenses	20	1339	1675
	(h)	Other expenses	21	28142	25673
		Total expenses (IV)		180686	150109
V		Profit/(Loss) before exceptional items and tax (III-IV)		(68544)	(64444)
VI		Exceptional items		-	-
VII		Profit/(Loss) before tax (V)+(VI)		(68544)	(64444)
VIII		Tax expenses			
	(i)	Current tax		-	1
	(ii)	Deferred tax		7536	(15665)
	(iii)	Tax - Earlier years		-	-
IX		Profit/(Loss) for the year (VII)-(VIII)		(76080)	(48780)

X	Other Comprehensive Income	23		
	(i) items that will not be reclassified to profit or loss		546	(18)
	(ii) items that will be reclassified to profit or loss		(1)	-
XI	Total Comprehensive Income for the year(IX+X)(Comprising Profit and other Comprehensive Income for the year)		(75535)	(48798)
	Profit or Loss attributable to:			
	Owners of BGR Energy Systems Ltd		(75818)	(48501)
	Non Controlling Interests		(262)	(279)
			(76080)	(48780)
	Total Comprehensive Income attributable to:			
	Owners of BGR Energy Systems Ltd		(75273)	(48519)
	Non Controlling Interests		(262)	(279)
			(75535)	(48798)
XII	Earnings per Equity Share (for Continuing Operation):	24		
	1.Basic		(105.07)	(67.21)
	2.Diluted		(105.07)	(67.21)

Corporate overview & Significant accounting policies	1.1
Notes to the Consolidated Financial Statements	1-55
The accompanying notes are integral part of these Consolidated Financial Statements	

For and on behalf of Board of Directors	As per our report of even date
	For Anand & Ponnappan
	Chartered Accountants
	Firm Registration No. : 000111S
ARJUN GOVIND RAGHUPATHY	R PONNAPPAN
Managing Director	Partner
DIN : 02700864	Membership No.021695
SADASIVAM DEIVANAYAGAM	JEYAKRISHNA GANESAN
Independent Director	Non-Independent Director
DIN : 07622466	DIN:03208035
S.PATTABIRAMAN	Chennai
Vice President & Chief Financial Officer	May 30,2024

7 Statement of Changes in Equity (2023-24)												Rs.Lakhs
Particulars	Equity Share Capital	Other Equity								Total Equity share capital and Other Equity	Non-Controlling interests	Total (2023-24)
		Securities Premium Reserve	General Reserves	Revaluation Reserves	Retained Earnings	Capital reserve on consolidation	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Other Items of Other Comprehensive Income			
Balance at the beginning of reporting Period (01.04.2023)	7216	31895	14427	-	(44209)	242	62	(554)	109	9188	(4280)	4908
Profit for the year					(75818)					(75818)	(262)	(76080)
Amount transferred from Statement of Profit and Loss												
Equity Instruments through Other Comprehensive Income							64			64		64
Effective Portion of Cash Flow Hedges								-		-		-
Remeasurement of net defined benefit Liability/Asset (net)									482	482		482
Transfer to General Reserve			-		-					-	-	-
Balance at the end of reporting Period (31.03.2024)	7216	31895	14427	-	(120027)	242	126	(554)	591	(66084)	(4542)	(70626)

Statement of Changes in Equity (2022-23)												Rs.Lakhs
Particulars	Equity Share Capital	Other Equity								Total Equity share capital and Other Equity	Non-Controlling interests	Total (2022-23)
		Securities Premium Reserve	General Reserves	Revaluation Reserves	Retained Earnings	Capital reserve on consolidation	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Other Items of Other Comprehensive Income			
Balance at the beginning of reporting Period (01.04.2022)	7216	31895	14427	-	4292	242	43	(554)	146	57707	(4001)	53706
Profit for the year					(48501)					(48501)	(279)	(48780)
Amount transferred from Statement of Profit and Loss												
Equity Instruments through Other Comprehensive Income							19			19		19
Effective Portion of Cash Flow Hedges								-		-		-
Remeasurement of net defined benefit Liability/Asset (net)									(37)	(37)		(37)
Transfer to General Reserve			-		-					-	-	-
Balance at the end of reporting Period (31.03.2023)	7216	31895	14427	-	(44209)	242	62	(554)	109	9188	(4280)	4908

For and on behalf of Board of Directors			As per our report of even date		
					For Anand & Ponnappan
					Chartered Accountants
					Firm Registration No. : 000111S
ARJUN GOVIND RAGHUPATHY			R PONNAPPAN		
Managing Director			Partner		
DIN : 02700864			Membership No.021695		
SADASIVAM DEIVANAYAGAM			JEYAKRISHNA GANESAN		
Independent Director			Non-Independent Director		
DIN : 07622466			DIN:03208035		
S.PATTABIRAMAN			Chennai		
Vice President & Chief Financial Officer			May 30,2024		

BGR ENERGY SYSTEMS LIMITED			
Consolidated Statement of Cash Flows for the period ended 31.03.2024		Rs.in Lakhs	
		For the period ended Mar 31, 2024	For the year ended Mar 31, 2023
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax	(68544)	(64444)
	Adjustments for :		
	Depreciation and amortization expenses	1339	1675
	Dividend from investments - quoted	(1)	(1)
	(Profit) / Loss on sale of Property, plant and equipment (net)	1108	32
	Provision for Warranty	(289)	(171)
	Provision for Gratuity	519	-
	Provision for ECL on Trade Receivables	(559)	(228)
	Provision for ECL on Contract Asset	(448)	12
	Liquidated damages & Trade receivables written off	-	20422
	Other Comprehensive Income	546	
	Interest paid	28790	
	Other finance costs	15720	39942
		46725	61683
	Operating profit before working capital changes	(21819)	(2761)
	Changes in working capital		
	(Increase) / decrease in trade receivables	16686	20183
	(Increase) / decrease in inventories	(98)	(386)
	(Increase) / decrease in current assets	37244	1726
	(Increase) / decrease in loans and advances	(4995)	1144
	Increase / (decrease) in trade payables and provisions	(14718)	6921
		34119	29588
	Cash generated from operations	12300	26827
	Direct taxes (paid) / refund (net)	2738	3588
	Net cash flow from operating activities	15038	30415
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, plant and equipment	(111)	(213)
	Sale proceeds of Property, plant and equipment	144	12
	Dividend from investments - quoted	1	1
	Net cash flow from investing activities	34	(200)

C CASH FLOW FROM FINANCING ACTIVITIES		
Long term borrowings (repaid) / availed	20106	23107
Short term borrowings (repaid) / availed	(5526)	(20267)
Payment of lease obligations	(84)	(84)
Interest paid	(28790)	(33396)
Net cash flow from financing activities	(14294)	(30640)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	778	(425)
Cash and cash equivalents as at April 1, 2023	1618	2043
Cash and cash equivalents as at Mar 31, 2024	2396	1618
Cash on hand	34	12
On current accounts	984	63
On deposit accounts	1378	1543

For and on behalf of Board of Directors	As per our report of even date
	For Anand & Ponnappan
	Chartered Accountants
	Firm Registration No. : 000111S
ARJUN GOVIND RAGHUPATHY	R PONNAPPAN
Managing Director	Partner
DIN : 02700864	Membership No.021695
SADASIVAM DEIVANAYAGAM	JEYAKRISHNA GANESAN
Independent Director	Non-Independent Director
DIN : 07622466	DIN:03208035
S.PATTABIRAMAN	Chennai
Vice President & Chief Financial Officer	May 30,2024

1 Property, plant and equipment
Rs.Lakhs

Particulars	Land	Building	Plant and Equipment	Right of Use Assets	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total
Cost or valuation										
At 1 April 2023	24,186	2,289	25,540	387	806	240	2,277	361	917	57,004
Additions	-	-	98	-	9	-	4	-	-	111
Retirement *		1,546	3,853		432	233	2,161	267	369	8,861
Impairment										-
Disposals	52	-	562						44	658
At 31 Mar 2024	24,134	743	21,223	387	383	7	120	94	504	47,596
Depreciation and impairment										
At 1 April 2023	-	870	19,682	38	709	239	2,223	328	798	24,888
Depreciation and Impairment charge for the year	-	58	1,123	38	35	1	30	9	40	1,334
Retirement *		562	3,729		432	233	2,161	267	369	7,753
Disposals			470	-					44	514
At 31 Mar 2024	-	366	16,606	76	312	7	92	70	425	17,955
Net book value										
At 31 Mar 2024	24,134	377	4,617	311	71	-	28	24	79	29,641
At 31 March 2023	24,186	1,419	5,858	349	96	1	54	33	119	32,116

The fair value of Immovable properties is approximately equivalent to its carrying value. The Company has clear title for all the immovable properties held in its name.

*Represents retirement of unuseable and scrapped assets including assets having net book value of Re.1 during the year.

2 Intangible assets
Rs.Lakhs

Particulars	Goodwill	Technical Knowhow	Software	Total
At 1 April 2023	59	1,348	2,155	3,562
Additions	-	-	-	-
Disposal	-	-	-	-
At 31 Mar 2024	59	1,348	2,155	3,562
Amortisation and impairment				
At 1 April 2023	-	1,348	2,155	3,503
Amortisation	-	-	-	-
Disposal	-	-	-	-
At 31 Mar 2024	-	1,348	2,155	3,503
Net book value				
At 31 Mar 2024	59	-	-	59
At 31 March 2023	59	-	-	59

1 Property, plant and equipment
Rs.Lakhs

Particulars	Land	Building *	Plant and Equipment	Right of Use Assets	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total
Cost or valuation										
At 1 April 2022	24,438	2,289	25,663	1,208	891	240	2,308	358	1,166	58,561
Additions	-	-	197	387	-	-	10	6	-	600
Impairment										-
Disposals	-	-	320	1,208	85	-	41	3	249	1,906
Less : Classified as Investment Property **	252									252
At 31 Mar 2023	24,186	2,289	25,540	387	806	240	2,277	361	917	57,004
Depreciation and impairment										
At 1 April 2022	-	800	18,644	1,205	727	237	2,189	313	996	25,111
Depreciation and Impairment charge for the year	-	70	1,331	41	57	2	75	18	46	1,639
Disposals	-	-	292	1,208	74	-	41	3	244	1,862
At 31 Mar 2023	-	870	19,683	38	709	239	2,223	328	798	24,889
Net book value										
At 31 Mar 2023	24,186	1,419	5,858	349	96	1	54	33	119	32,115
At 31 March 2022	24,438	1,489	7,019	3	164	3	118	45	170	33,450

* Buildings include original cost of Rs. 1585 lakhs (Rs. 1585 lakhs), which are constructed on lease hold land, whose carrying value/Net block is Rs.1054 Lakhs (Rs.1104 Lakhs)

** The fair value of Immovable properties is approximately equivalent to its carrying value.

Note : The Company has clear title for all the immovable properties held in its name.

2 Intangible assets
Rs.Lakhs

Particulars	Goodwill	Technical Knowhow	Software	Total
At 1 April 2022	59	1,348	2,236	3,643
Additions	-	-	-	-
Disposal	-	-	81	81
At 31 Mar 2023	59	1,348	2,155	3,562
Amortisation and impairment				
At 1 April 2022	-	1,348	2,176	3,524
Amortisation	-	-	36	36
Disposal	-	-	57	57
At 31 Mar 2023	-	1,348	2,155	3,503
Net book value				
At 31 Mar 2023	59	-	-	59
At 31 March 2022	59	-	60	119

BGR ENERGY SYSTEMS LIMITED

1.1. Notes to the Consolidated Financial Statements

A. COMPANY OVERVIEW

BGR Energy Systems Limited ('Holding Company' or 'the Group') is a public limited company incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). The Company is a manufacturer of capital equipment for Power Plants, Petrochemical Industries, Refineries, Process Industries and undertakes turnkey Balance of Plant ('BOP') and Engineering Procurement and Construction ('EPC') contracts for Power plants. The Company has been achieving its objectives through its five business units: Power projects, Electrical projects, Oil and Gas equipment, Environmental engineering and Air Fin Coolers.

The consolidated financial statements relate to BGR Energy Systems Limited (Holding Company), its Subsidiary companies, namely, BGR Boilers Private Limited, BGR Turbines Company Private Limited and Sravanaa Properties Limited and its Joint Venture Mecon –GEA Energy System (India) Limited (JV).

The Holding Company, its Subsidiaries and Joint Venture are together referred to as "Group".

The Consolidated financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on 30.05.2024.

Details of Subsidiaries	Shareholding
Sravanaa Properties Limited	100
BGR Boilers Private Limited	70
BGR Turbines Company Private Limited	74

B. BASIS OF PREPARATION

i) Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The company adopted Ind AS from 1st April 2015. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard require a change in the accounting policy hitherto in use.

ii) PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

Subsidiaries

Subsidiaries' are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries' are fully consolidated from the date on which control is transferred to the Group.

The Group combines the financial statements of the parent and its subsidiaries' line by line adding together like items of assets, liabilities, income and expense. Intercompany transactions, balances and unrealised gains on transactions between Group company's are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries' have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non controlling interest in the results and equity of the subsidiaries' are shown separately in that consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Joint venture

Interest in joint ventures are accounted using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group's share of post acquisition profits or loss of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from the joint venture are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity account investment equals or excess its interest in the entity, including any other unsecured long term receivables, the Group does not recognize further losses, unless it has incurred obligations and made payments on behalf of the other entity.

Unrealised gain on transactions between the Groups and its joint ventures are eliminated to the extent of the Group's interest in these entities. Un realised losses are eliminated unless the transaction provides evidence of an impairment of the asset transfer. The accounting policies of equity accounted investees have been changed where necessary to ensure consistency to the policy adopted by the group.

iii) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the applications of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed below:

- a. Recognition of revenue
- b. Recognition of deferred tax asset : availability of future taxable profit
- c. Measurement of defined benefit obligations: Key actuarial assumptions
- d. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- e. Estimation of useful life of property, plant and equipment and intangible assets
- f. Estimation of current tax expense and payable
- g. Estimation on assessing the Lease term as the non-cancellable period of a lease including anticipated renewals and the applicable discount rate.

Accounting estimates are reviewed on an on-going basis from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which change are made and, if material, their effects are disclosed in the notes to the financial statements.

iv) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency').

The financial statements are presented in Indian Rupee (INR), which is Group's functional and presentation currency.

The Standalone Financial Statements are presented in Indian Currency which is also the Group's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise stated along with the comparative figures for the previous year ended.

v) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values.

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

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

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

Further information about the assumption made in measuring fair values are included in fair value measurement forming part of notes to accounts.

vi) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle, or
2. Held primarily for the purpose of trading, or
3. Expected to be realised within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle, or
2. It is held primarily for the purpose of trading, or
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified project life as its operating cycle for construction contracts and twelve months for Capital goods segment .

Operating cycle for the business activities of the Group covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention money) within the agreed credit period normally applicable to the respective lines of business.

C.MATERIAL ACCOUNTING POLICIES INFORMATION

i) Property, Plant and Equipment

a) Recognition & Measurement

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase cost, including import duties and non - refundable taxes or levies and any directly attributable cost to bring the item to working condition as intended by management. Further, any trade discounts and rebates are deducted. Any gain or loss on disposal of property, plant and equipment is recognised as profit or loss.

b) Subsequent Recognition

Expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

c) Depreciation

The Group depreciates the property, plant and equipment based on the of the useful life prescribed under Part C of Schedule II of the Companies Act, 2013 using Straight-line method. Freehold land is not depreciated. The useful life of the property, plant and equipment are as follows

Assets	Estimate of
Tangible Assets	
Buildings	30
Furniture & Fixtures	10
Plant & Equipment *	7.50-15
Office Fixtures	5
Office equipments	3, 5
Electrical Installations	10
Vehicles	8

*The Management believes that the useful lives as given above best represents the period over which Management expects to use these assets, which are different from the useful lives prescribed in the Schedule-II of the Companies Act,2013.

Assets costing not more than Rs.5000/- unit is expensed in the profit and loss account in the year in which there purchased.

d) Capital Work-in-progress

Capital Work-In Progress includes cost of property, plant and equipment under installation/under developments as at the Balance Sheet date.

Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress" at cost, less impairment losses, if any.

e) Transition to Ind AS

On transition to Ind AS, the Group has decided to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such property, plant and equipment.

ii) Intangible Assets

a) Recognition & Measurement

Intangible assets are stated at cost, less accumulated amortisation and impairment losses, if any.

b) Subsequent Recognition

Expenditure is capitalised only if it increases the future economic benefits embodied in the related specific asset. All other expenditure is recognised in profit or loss as incurred.

c) Amortisation

The Group amortises the intangible assets over the estimated useful life made by the Management using Straight-line method, and is included in Depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful life of the intangible assets are as follows

Intangible Assets	
Asset	Estimate of
Technical Know-How	6
Softwares	5

d) Transition to Ind AS

On transition to Ind AS, the Group has decided to continue with the carrying value of all its Intangible asset recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such Intangible asset.

iii) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Part C of Schedule II to Companies Act 2013.

Investment properties are de-recognised either on disposal or on permanent withdrawal from use. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

iv) Leases

A

a) Recognition & Measurement

The Group recognizes a right of use (ROU) asset and a corresponding lease liability, at the date of commencement of the lease. The Group recognize ROU asset and lease liability for all lease arrangements except for leases with a term of 12 months or less (Short Term Lease) and low value leases.

The ROU assets are initially recognized at cost which is the initial measurement of lease liability adjusted for any lease payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives.

The Lease Liability is recognized at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments discounted using the Group's incremental borrowing rate.

In cases of short-term leases and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

b) Subsequent Recognition

The ROU assets are subsequently measured at cost less accumulated depreciation, impairment loss, if any and adjusted for any re-measurement of the lease liability.

The lease liabilities are subsequently measured by adding interest on lease liability to the carrying value, reducing the lease payments made to the carrying value and adjusting any reassessment or lease modification to the carrying value.

c) Amortization

The ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the lease assets.

d) Impairment

The ROU assets are tested for impairment whenever there is an indication that their carrying value may not be recoverable and impairment loss, if any, is recognized in the statement of profit and loss.

The lease liability has been separately presented in the Balance Sheet. The ROU assets have been classified under Property, Plant and Equipment. In the statement of cash flow, the lease payments, which comprises of principal payment of lease liability and interest thereon, have been classified under financing activities. The Lease payment on account of Short-Term Leases or low value lease have been classified under operating activities

v) Inventories

Raw materials, Components, Stores and Spares, work-in-progress and Finished Goods are valued at lower of cost and net realizable value. Cost of inventories is determined on a weighted average basis. Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw-materials, Components and other supplies are considered to be realizable at cost if the finished products, in which they will be used are expected to be sold at or above cost

In the case of manufactured inventory, cost includes an appropriate share of fixed production overhead based on normal operating capacity.

vi) Foreign currency transactions

Transactions in foreign currencies are recorded in the functional currency at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on the historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the profit or loss.

vii) Employee benefits

a) Short-term employee benefits :

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which related services are rendered.

b) Post employment benefits:

i) Defined contribution plan: □

Group's contributions paid/payable during the year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognized in the statement of profit and loss.

ii) Defined benefit plan:

Group's liability towards gratuity in accordance with the Payment of Gratuity Act, 1972 is determined based on actuarial valuation using the Projected Unit Credit Method as at the reporting date. The Group contributes all the ascertained liabilities to SBI Life Insurance which administers the contributions and makes the payment at retirement, death, incapacitation or termination of employment.

c) Other Long-term employee benefits:

The Group provides for compensated absences subject to certain rules. The employees are entitled to accumulate such absences for availment as well as encashment. As per the regular past practice followed by the employees, it is not expected that the entire accumulated absence shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as other long-term employee benefits. The liability is recognized on the basis of the present value of the future benefit obligations as determined by actuarial valuation.

d) All actuarial gains/losses in respect of post employment benefits and other long term employee benefits are charged to Other Comprehensive Income.

viii) Financial instruments

a. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instruments.

The Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

b. Financial assets - Classification

On initial recognition, a financial asset is classified as, measured at

1. Amortised cost;
2. Fair value through other comprehensive income (FVOCI) - debt instrument;
3. Fair value through other comprehensive income (FVOCI) - equity instrument;
4. Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

c. Financial assets - Measurement

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

1. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

1. The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and
2. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

d. Financial assets - Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which subsequently all of the risk and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

e. Financial liabilities - Classification

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition.

f. Financial liabilities - Measurement

Financial liabilities measured at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

g. Financial liabilities - Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognises a financial liability when its term are modified and the cash flows under the modified terms are substantially different, where a new financial liability based on the modified terms is recognised at fair value. Any gain or loss on derecognition in these cases, shall be recognised in profit or loss.

h. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

ix) Investments in subsidiaries and joint venture

Investment in subsidiaries and joint ventures are carried at cost less accumulated impairment (ie., permanent diminution in value), if any in the financial statements.

x) Cash flow hedge

The Group designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Statement of Profit and Loss.

xi) Impairment

a. Financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair value through profit or loss. Loss allowance for trade receivables and contract assets with no significant financing component is measured at an amount equal to lifetime ECL. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b. Non-financial assets (Intangible assets and property, plant and equipment)

Intangible assets and property, plant and equipment 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. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xii) Provisions (other than for employee benefits)

a) A Provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

b) Provision for contractual obligation has been provided for in accounts based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

c) The Group makes provision towards warranty obligation arising under the contract, while progressively recognising the revenue, based on management estimate and past experience of similar contracts. Such provision is maintained until the warranty period is completed. The unutilised provision if any, is reversed on expiry of the warranty period.

xiii) Revenue

The Group has adopted Ind AS 115 'Revenue from Contracts with Customers' with the date of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'.

a) Sale of goods and services - Performance obligation at a point in time

Revenue from the sale of goods in the course of ordinary activities is measured at the transaction price of the consideration received or receivable, net of returns, trade discounts. Revenue is recognised on the basis of despatches in accordance with the terms of sale when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with the goods, and the amount of revenue can be measured reliably. The timing of transfers of risk and rewards varies depending on the individual terms of sale.

Revenue from services is recognized in accordance with the specific terms of contract on performance.

Other operating revenue includes scrap sale, interest income on margin money deposits etc. arising out of and incidental to the principal operation. The entire income under other operating revenue is recognised on accrual basis except in the case of interest income which is recognised using effective rate of interest method.

b) Construction contracts - Performance obligation over time

The Group uses the 'percentage of completion method' to determine the appropriate amount to recognise revenue in a given period. The stage of completion is measured by reference to the contract costs incurred upto the end of the reporting period as percentage of total estimated costs for each contract. Expected loss, if any, on the construction / project related activity is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of costs and related incidental income not included is taken into consideration. In respect of construction contracts, revenue includes variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

c) Other Income

Other income is comprised primarily of dividend income and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities.

Dividend income: Dividend income is recognised in profit or loss on the date on which the Group's right to receive payments is established.

Others: Any other income is recognised only on accrual basis.

xiv) Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to other comprehensive income.

a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose. Deferred tax is recognised in respect of carried forward losses and tax credits. Deferred tax also not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of transaction.

Deferred tax assets and liabilities are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

xv) Segment Reporting

a) Segment policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

b) Identification of segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Group assesses the financial performance and position of the Group and makes strategic decisions.

c) Segment Revenue and Segment Result:

Segment revenue includes revenue from operations and other income directly identifiable with / allocable to the segment. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Revenue and expenses which relate to the Group as a whole and are not allocable to a segment on a reasonable basis have been disclosed as unallocable.

d) Segment Assets and Liabilities:

Segment assets and liabilities include those directly identifiable with respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

xvi) Statement of Cash flows

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.

Statement of Cash flows are prepared using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

xvii) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.

xviii) Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group' Board of Directors.

xix) Earnings per share

a. Basic earning per share

Basic earnings per share is calculated by dividing

- i. the profit attributable to owners of the Group
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

b. Diluted earnings per share

Diluted earning per share adjusts the figures used in the determination of basic earnings per share to take into account:

- i. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- ii. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

xx) Contingent liabilities

The Group recognizes contingent liability for disclosure in notes to accounts, if any of the following conditions is fulfilled:

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or
- b) a present obligation that arises from past events but is not recognized because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

xxi) Contingent Assets

Contingent assets has to be recognised in the financial statements in the period in which it is virtually certain that an inflow of economic benefits will arise.

xxii) Events after reporting date

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

3 (a) Non Current Investments

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Investments at Cost		
Investments in Subsidiaries		
Unquoted equity shares	-	-
Total Investments carried at cost (A)	-	-
Investments at fair value through OCI (fully paid)		
Quoted equity shares		
13,970 Indian Bank	70	40
(13,970) of Rs.91 per share (Face value Rs.10)		
Market Value Rs.499.80(Rs.288.55) per share		
Quoted Investments in Mutual Funds		
50,000 SBI Mutual Fund-Magnum Multi Cap Fund - Dividend	22	17
(50,000) units		
Market Value Rs.42.01 (Rs.34.2072) (Rs.33.0263) per unit		
2,50,000 SBI Mutual Fund-Infrastructure Fund - I - Growth	113	69
(2,50,000) units		
Market Value Rs.41.22 (Rs.27.5365) (Rs.27.7633) per unit		

Investments carried at fair value through Other Comprehensive Income (B)	205	126
Total Investments	205	126
Current	-	-
Non-Current	205	126
Aggregate cost of quoted investments	43	43
Aggregate market value of quoted investments	205	126
Aggregate value of unquoted investments	-	-

3 (b) Trade receivables - Non current

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023

Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	12919	19540
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	-	-
	12919	19540
Less: Allowance for Credit Loss	(323)	(489)
Total Trade receivables	12596	19051

3 (c)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Loans - Non current		
Loans considered good - secured	-	-
Loans considered good - unsecured		
- Deposits	579	615

- Other loans and advances	3100	3011
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	3679	3626
Less: Allowance for Credit Loss	(166)	(166)
Total loans	3513	3460

3 (d) Other financial Assets

Particulars	Rs.Lakhs	
	As at Mar 31, 2024	As at Mar 31, 2023
Margin money deposit held under lien to banks - maturity more than 12 months	-	4657
Interest accrued on margin money deposits	-	109
Total Other financial Assets	-	4766

4 Inventories

Particulars	Rs.Lakhs	
	As at Mar 31, 2024	As at Mar 31, 2023
Raw materials and components	4336	4238
Work-in-progress	-	-
Total Inventories	4336	4238

5
5 (a) **Current Assets**
Financial Assets
Trade Receivables

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured		
- from related parties	1518	1127
- from Others	58518	68974
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	-	-
	60036	70101
Less: Allowance for Credit Loss	(2036)	(2429)
Total Trade receivables	58000	67672

<u>Ageing of Trade Receivables as on 31.03.2024</u>						Rs.Lakhs	
S.No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	11,499	3,557	6,618	4,640	35,671	61,986
2	Undisputed Trade Receivables - Considered Doubtfull	-	-	-	-	-	-
3	Sub Total (a)	11,499	3,557	6,618	4,640	35,671	61,986
4	Disputed Trade Receivables - Considered Good	-	-	-	-	10,969	10,969
5	Disputed Trade Receivables - Considered Doubtfull	-	-	-	-	-	-
6	Sub Total (b)	-	-	-	-	10,969	10,969
7	Grand Total (a+b)	11,499	3,557	6,618	4,640	46,640	72,955
8	Less: Allowance for Credit Loss						(2,359)
9	Net Total	11,499	3,557	6,618	4,640	46,640	70,596

Ageing of Trade Receivables as on 31.03.2023							Rs.Lakhs
S.No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	16,087	6,657	9,833	7,567	40,781	80,925
2	Undisputed Trade Receivables - Considered Doubtfull	-	-	-	-	-	-
3	Sub Total (a)	16,087	6,657	9,833	7,567	40,781	80,925
4	Disputed Trade Receivables - Considered Good	-	-	-	-	8,716	8,716
5	Disputed Trade Receivables - Considered Doubtfull	-	-	-	-	-	-
6	Sub Total (b)	-	-	-	-	8,716	8,716
7	Grand Total (a+b)	16,087	6,657	9,833	7,567	49,497	89,641
8	Less: Allowance for Credit Loss						(2,918)
9	Net Total	16,087	6,657	9,833	7,567	49,497	86,723

5 (b)

Cash & Bank Balances	As at Mar 31, 2024	As at Mar 31, 2023
Cash and Cash equivalents		
Balances with banks:		
– On current accounts	984	63
– On deposits accounts	1378	1543
Cash on hand	34	12
On unpaid dividend accounts	-	-
Total Cash and cash equivalents	2396	1618
Margin money deposits held under lien to banks	6625	28035
Total Bank Balances other than Cash and Cash Equivalents	6625	28035
Total Cash and Bank Balances	9021	29653

5 (c)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Loans		
Loans Considered good - Secured	-	-
Loans Considered good - Unsecured	-	-
- Advance to related party	-	-
- Other loans and advances *	41983	38847
- Deposits	1192	2124
Loans which have significant increase in credit risk	-	-
Loans - Credit impaired	-	-
Total loans	43175	40971

* Includes employee loans, travel advances, prepaid expenses, DGFT refund, GST credit and VAT refunds.

5 (d)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023

Interest accrued on fixed deposits	411	778
Cash Flow Hedges		
Foreign Exchange Forward contracts	-	-
Total Other Financial Assets	411	778

6

Other Current Assets

Rs.Lakhs

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Unsecured, considered good		
Advance to suppliers	26691	37489
Others *	36241	11445
Contracts Asset **	216012	240219
Advance Income tax (net of provision)	-	-
Prepayments	25	517
Sub Total	278969	289670
Less : Allowance for Credit Loss on Contract Asset	(4356)	(4804)
Total Other Current Assets	274613	284866

*Represents bank guarantees encashed by clients amounting to Rs.362.41 crs and the Company has initiated arbitration proceedings.

** Contract Assets includes Retention money of Rs.115861 Lakhs (Rs.114299 Lakhs)

7 Share Capital

Authorised Share Capital				Rs.Lakhs					
Particulars	As at Mar 31, 2024		As at Mar 31, 2023						
	No. of Shares	Amount	No. of Shares	Amount					
Share Capital at the beginning of the year (Face value Rs.10 each)	100,000,000	10,000	100,000,000	10,000					
Increase / (Decrease) during the year	-	-	-	-					
Share Capital at the end of the year	100,000,000	10,000	100,000,000	10,000					
Issued, Subscribed and Paid-up Share Capital				Rs.Lakhs					
Particulars	As at Mar 31, 2024		As at Mar 31, 2023						
	No. of Shares	Amount	No. of Shares	Amount					
Issued, Subscribed and Paid-up Share Capital	72,161,560	7,216	72,161,560	7,216					
a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year				Rs.Lakhs					
Particulars	As at Mar 31, 2024		As at Mar 31, 2023						
	No. of Shares	Amount	No. of Shares	Amount					
Outstanding at the beginning of the year	72,161,560	7,216	72,161,560	7,216					
Issued during the year	-	-	-	-					
Outstanding at the end of the year	72,161,560	7,216	72,161,560	7,216					
b. Details of shareholders holding more than 5% shares in the company									
Particulars	As at March 31, 2024			As at March 31, 2023					
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year			
Mrs. Sasikala Raghupathy	-	-	23.99	17,314,450	23.99	-			
BGR Investment Holdings Company Limited	36,802,400	51.00	-	36,802,400	51.00	-			
c. Details of shareholdings held by promoters									
Particulars	As at March 31, 2024			As at March 31, 2023					
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year			
Mrs. Sasikala Raghupathy	-	0.00	23.99	17,314,450	23.99	-			
BGR Investment Holdings Company Limited	36,802,400	51.00	-	36,802,400	51.00	-			
Mr.Arjun Govind Raghupathy	4,320	0.01	-	4,320	0.01	-			

d. Terms/rights attached to equity shares

The Company has one class of shares referred to as equity shares having a Face value of Rs 10. Each holder of equity shares is entitled to one vote per share.

8
8 (a)

Non-Current Liabilities
Financial Liabilities
Borrowings

Rs.Lakhs

Non-Current Borrowings	As at Mar 31, 2024	As at Mar 31, 2023
Unsecured		
Unsecured Loan from related party	43213	23107
Unsecured Loan from Others		
Secured		
Term Loans from Banks	-	-
Borrowings (Non Current)	43213	23107
Working capital loans from banks	139787	161033
Borrowings (Current)	139787	161033
Total Borrowings	183000	184140

a) The balance in project specific escrow,current and EEFC accounts have been netted off against respective project's working capital loan accounts.

b) The Group has availed working capital loan from State Bank of India on sole banking basis for its Product business and project business which have not been specifically funded by other banks. The loan is secured by hypothecation of inventories, trade receivables and movable assets of Product Division viz AFC, ETD, OGED, EED and EPD excluding Project assets specifically charged to the banks / Consortium of banks. The loan from State Bank of India is further secured by first charge on land property at Panjetti Village, Tiruvallur Dist, Tamilnadu, land at Nandambakkam, Chennai, corporate guarantee of Sravanaa Properties Limited and first charge on the fixed assets of the Product Division.

The Loan is further secured by pledge of shares held by BGR Investment Holdings Company Limited in BGR Energy Systems Limited and the corporate guarantee of BGR Investment Holdings Company Limited.

c) The Group has availed contract specific working capital loans from State Bank of India, IDBI Bank, Punjab National Bank, Canara Bank, Bank of Baroda, Indian Bank, Bank of India, Central Bank of India, Axis Bank, ICICI Bank, Kotak Mahindra Bank Ltd, Export Import Bank of India and Union Bank of India. These loans are secured by hypothecation of inventories, trade receivables and movable current assets of the respective contracts. The participating banks share the securities on pari-passu basis.

d) The Company has availed unsecured Loans from Related Parties at the interest rate of 9.75% p.a. These loans are repayable on demand subject to approval from Banks. The details of Loan is tabulated below

S.No	Particulars	Rs Lakhs
1	Managing Director	20000
2	BGR IHCL	9607
3	Argo Raiment LLP	7695
4	Arjun Govin Estate Pvt Ltd	5912
	Grand Total	43213

e) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

**8 (b) Financials Liabilities
Lease Liabilities**

Particulars	Rs.Lakhs	
	As at Mar 31, 2024	As at Mar 31, 2023
Lease Liabilities - Non Current	223	239
Lease Liabilities - Current	37	84
Total Lease Liabilities	260	323

8 (c) Trade Payables

Particulars	Rs.Lakhs	
	As at Mar 31, 2024	As at Mar 31, 2023
Micro and small enterprises	14790	14376
Others		
Trade Payables	115810	111241
Total Trade Payables	130600	125617
Trade Payables Current	120341	115754
Trade Payables Non Current	10259	9863

Ageing of Trade Payables as on 31.03.2024						Rs.Lakhs
S.No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	2,889	1,211	1,223	8,222	13,546
2	Others	24,400	5,754	20,303	50,521	100,978
3	Sub Total	27,289	6,966	21,526	58,743	114,524
4	MSME - Disputed Dues	634	68	260	2,532	3,494
5	Others - Disputed Dues	4,072	793	727	6,990	12,582
6	Sub Total	4,706	861	987	9,522	16,076
7	Total	31,995	7,827	22,514	68,265	130,600

<u>Ageing of Trade Payables as on 31.03.2023</u>						Rs.Lakhs
S.No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	3,207	1,844	1,432	6,130	12,613
2	Others	27,259	6,386	22,562	39,435	95,642
3	Sub Total	30,466	8,230	23,994	45,565	108,255
4	MSME - Disputed Dues	76	4	220	1,463	1,763
5	Others - Disputed Dues	6,699	1,025	2,206	5,668	15,598
6	Sub Total	6,775	1,029	2,426	7,131	17,361
7	Total	37,241	9,259	26,420	52,696	125,616

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006.

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars	Rs.Lakhs	
	As at Mar 31, 2024	As at Mar 31, 2023
Principal amount remaining unpaid	18479	14312
Interest due thereon remaining unpaid	5952	5952
Payments made to the supplier beyond the appointed day during the year	3400	3669
Interest paid to the supplier	-	-
Interest due and payable for the period of delay in making payment without adding interest specified under this Act.	-	-
Interest accrued and remaining unpaid	5952	3494
Amount of further interest remaining due and payable in succeeding years	-	-

9 Non Current Provisions	As at Mar 31, 2024	As at Mar 31, 2023
Employee benefit obligations		
Provision for leave encashment	12	225
Provision for gratuity	31	932
Provision for contractual obligation	10669	10669
Provision for warranty	2234	2196
Total Non Current Provisions	12946	14022

10 Other Financial Liabilities	Rs.Lakhs	
Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Current maturities of long-term borrowings	-	-
Unpaid dividends	-	-
Advance from customers	113110	124075
*Interest accrued	25819	10099
Total	138929	134174

* Includes interest on working capital loan amounting to Rs.1529 Lakhs (subject to bank confirmtion) not debited by bank.

11 Other Current Liabilities**Rs.Lakhs**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Other payables *	24137	23876
Contract Liability	15511	7800
Total Other Current Liabilities	39648	31676

* Other payables include expenses payable, employee dues, withholding taxes and other statutory dues.

12 Provisions**Rs.Lakhs**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Employee benefit obligations		
Provision for bonus	15	8
Provision for leave encashment	112	100
Provision for gratuity	760	326
Others		
Provision for warranty	178	250
Total Provisions	1065	684

Profit and Loss		Rs.Lakhs	
13	Revenue from operations:	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
	Capital Goods	20157	19247
	Construction and EPC contracts	79704	59760
	Other operating revenues		
	-Interest on Margin Money Deposits	1294	1487
	-Income from scrap Sales	81	133
	Total Other operating revenues	1375	1620
	Total Revenue from operations	101236	80627

14	Other income	Rs.Lakhs	
	Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
	Dividend from investments - quoted	1	1
	Others		
	Net gain on disposal of property, plant and equipment	-	-
	Foreign exchange (net)	651	1846
	Interest on advances / deposit / IT-refunds	248	537
	Provision no longer required/Written back	10006	2654
	Total Income	10906	5038

15	Cost of raw material and components consumed	Rs.Lakhs	
		For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
	Particulars		
	Opening inventory	4238	3734
	(Raw materials, consumables, bought outs and components)		
	Add : Purchases	84412	56589
		88650	60323
	Less: Closing inventory	4336	4238
	(Raw materials, consumables, bought outs and components)		
	Cost of raw material and components consumed	84314	56085

16	Cost of manufacturing and construction	Rs.Lakhs	
		For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
	Subcontracting and processing charges	8050	12202
	Power and fuel	80	131
	Cost of manufacturing and construction	8130	12333

17	Other direct cost	For the year ended	For the year ended
		Mar 31, 2024	Mar 31, 2023
	Insurance	1538	1405
	Anticipated Loss	967	-
	Packing and forwarding	215	66
	Other direct cost	2720	1471

18	Employee benefits expense	Rs.Lakhs	
		For the year ended	For the year ended
		Mar 31, 2024	Mar 31, 2023
	Salaries, allowances and bonus	9935	11623
	Contribution to P.F., E.S.I.	388	420
	Workmen and staff welfare expenses	604	614
	Compensated Absences	-	59
	Gratuity	604	96
	Employee benefits expense	11531	12812

19	Finance costs	Rs.Lakhs	
		For the year ended	For the year ended
		Mar 31, 2024	Mar 31, 2023
	Interest on working capital loans	21140	18936
	Hedging Premium-Expense	-	661
	Interest - others *	16383	13442
	Other Finance Charges	6987	6903
	Finance costs	44510	39942

* Includes Interest on Customer Advance and Unsecured Loan from Related Parties

20	Depreciation and amortization expense	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
	Depreciation of Property,Plant & Equipments	1339	1642
	Amortization of intangible assets	-	33
	Depreciation and amortization expense	1339	1675

		Rs.Lakhs	
21	Other expenses	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
	Rent	533	645
	Payment to Statutory auditors (refer details below)	75	51
	Conveyance and vehicle running expenses	437	528
	Liquidated damages	-	7052
	Trade receivables written off	-	13370
	Provision for Bad Debts	22687	-
	Electricity charges	129	148
	Foreign exchange (net)	20	-
	Insurance	147	81
	Loss on sale of Property,Plant and Equipments (net)	1108	32
	Miscellaneous expenses	(875)	631
	Professional charges	1795	1401
	Rates and taxes	685	90
	Repairs and maintenance	753	932
	Security charges	221	215
	Selling expenses	9	17
	Sitting fees	29	25
	Telephone expenses	55	69
	Travelling expenses	334	386
	Total Other expenses	28142	25673

21	Other expenses	Rs.Lakhs	
		For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
	Rent	533	645
	Payment to Statutory auditors (refer details below)	75	51
	Conveyance and vehicle running expenses	437	528
	Liquidated damages	-	7052
	Trade receivables written off	-	13370
	Provision for Bad Debts	22687	-
	Electricity charges	129	148
	Foreign exchange (net)	20	-
	Insurance	147	81
	Loss on sale of Property,Plant and Equipments (net)	1108	32
	Miscellaneous expenses	(875)	631
	Professional charges	1795	1401
	Rates and taxes	685	90
	Repairs and maintenance	753	932
	Security charges	221	215
	Selling expenses	9	17
	Sitting fees	29	25
	Telephone expenses	55	69
	Travelling expenses	334	386
	Total Other expenses	28142	25673

Payment to Statutory auditors	Rs.Lakhs	
	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
- For audit fees	61	36
- For tax matters	14	14
- For certification and others	-	1
Total Payment to Statutory Auditors	75	51

22

Corporate Social Responsibility (CSR)		Rs.Lakhs	
S.No	Particulars	2023-24	2022-23
1	Amount required to be spent by the Company during the year	-	-
2	Amount of expenditure incurred	-	-
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reasons for shortfall	-	-
6	Nature of CSR activities	-	-
7	Details of related party transactions., e.g contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	-	-
8	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

There are unspent amount of CSR of Rs.1301 lakhs pertaining to earlier years till 2019-20.

23 Components of Other Comprehensive Income (OCI)

Particulars	Rs.Lakhs	
	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Items that will not be reclassified to Profit/Loss		
Remeasurement of net defined benefit Liability/Asset (net)	482	(37)
Equity Instruments through Other Comprehensive Income (net)	64	19
Items that will be reclassified to Profit/Loss		
Fair value changes on cash flow hedges (net)	-	-
Total Other Comprehensive Income for the Year	546	(18)

24 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computation :

Particulars	For the year ended	For the year ended
	Mar 31, 2024	Mar 31, 2023
Basic EPS		
Profit after tax as per accounts	(75,818)	(48,501)

Weighted average number of equity shares (face value Rs.10 per share) (lakh Nos.)	722	722
Basic EPS (Rs.)	(105.07)	(67.21)
Diluted EPS		
Profit for the year for basic EPS	(75,818)	(48,501)
Less : Adjustment	-	-
Adjusted profit for diluted EPS	(75,818)	(48,501)
Weighted average number of equity shares for Basic EPS (lakh Nos.)	722	722
Add : Adjustment	-	-
Weighted average number of equity shares (face value Rs.10 per share) for diluted EPS (lakh Nos.)	722	722
Diluted EPS (Rs.)	(105.07)	(67.21)

25 Financial Ratios

Rs.Lakhs

S.No	Ratios	Particulars	Units	2023-24	2022-23	% Inc \ Dec	Reasons
1	Current Ratio	Current Assets / Current Liabilities	Times	0.89	0.97	-8%	
2	Debt-Equity Ratio	Debt / Total Equity	Times	(2.59)	37.52	-107%	Reduction in total equity due to loss
3	Debt Service Coverage Ratio	EBIDTA / (Interest+Principal)	Times	(0.75)	(0.70)	-8%	Increase in loss
4	Return on Equity Ratio	PAT / Tangible Networth	%	106.95%	-994.25%	111%	Increase in loss
5	Inventory Turnover	Inventory / COGS * 360	No of Days	16	22	-25%	Reduction in Turnover
6	Trade Receivables Turnover	Trade Receivables / Turnover * 360	No of Days	251	387	-35%	
7	Trade Payables Turnover	Trade Payables / COGS * 360	No of Days	494	646	-24%	Reduction in Turnover
8	Net Capital Turnover Ratio	Turnover / Total Equity	Times	(1.43)	16.43	-109%	Reduction in total equity due to loss
9	Net Profit Ratio	PAT / Turnover	%	-74.61%	-60.52%	-23%	Increase in loss
10	Return on Capital Employed	PBT / Total Equity	%	97.05%	-1313.04%	107%	Increase in loss
11	Return on Investment	Income from Investments / Investments	%	-	-	0%	

26 Construction contracts

In respect of all construction contracts in progress at the end of the year :

Particulars	As at Mar 31,2024	As at Mar 31,2023
The aggregate amount of costs incurred and recognized profits (less recognized losses) (including amounts carried forward from previous years)	969754	1013432
The amount of advances received	113110	124075
The amount of retentions	117667	114299
The gross amount due from customers for contract work as an asset (unbilled revenue)	100151	128292
The gross amount due to customers for contract work as a liability (unearned revenue)	15511	7800

The contract value includes non cash consideration as per the requirement of Ind AS 115. The non cash consideration is valued based on the fair value/ input by the customer.

27 Deferred taxes

Major components of deferred tax assets and liabilities are as under:

Particulars	Deferred tax asset as at Mar 31, 2024	Deferred tax liability as at Mar 31, 2024	Deferred tax asset as at Mar 31, 2023	Deferred tax liability as at Mar 31, 2023
Property, plant and equipment	-	-	-	61
Other Intangibles	-	-	32	-
Trade Receivables	-	-	734	-
Provisions	-	-	337	-
Customer Retention	-	-	-	24944
ECL on Contract Asset	-	-	1209	-
Carry forward tax loss	-	-	30237	-
Lease Liabilities (net)	-	-	-	7
Sub Total	-	-	32549	25012
Net	-	-	7537	
Add / (Less) : MAT Credit entitlement		-		-
Grand Total		-	7537	

29 Financial Instruments

The Carrying Value and Fair Value of Financial Instruments as of Mar 31, 2024 were as follows

Rs.Lakhs					
Particulars	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	2396			2396	2396
Bank balance other than above	6625			6625	6625
Investments:					
Equity Securities and others			70	13	70
Liquid mutual fund units			135	30	135
Trade Receivables	70596			70596	70596
Loans	46688	-		49984	46688
Other Financial Assets	411			411	411
Total	126716	-	205	130055	126921
LIABILITIES					
Other Financial Liabilities	138929			138929	138929
Lease Liabilities	260			260	260
Trade Payables	130600			130600	130600
Borrowings	183000			183000	183000
Total	452789	-	-	452789	452789

The Carrying Value and Fair Value of Financial Instruments as of March 31, 2023 were as follows

Rs.Lakhs					
Particulars	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	1618			1618	1618
Bank balance other than above	28035			28035	28035
Investments:					
Equity Securities and others			40	13	40
Liquid mutual fund units			86	30	86
Trade Receivables	86723			86723	86723
Loans	44431			47727	44431
Other Financial Assets	5544			5544	5544
Total	166351	-	126	169690	166477
LIABILITIES					
Other Financial Liabilities	134174			134174	134174
Lease Liabilities	323			323	323
Trade Payables	125617			125617	125617
Borrowings	184140			184140	184140
Total	444254	-	-	444254	444254

30 Fair Value Hierarchy

The Following table shows the levels in the fair value hierarchy :

Fair Value Measurement at the end of the reporting period	As at Mar 31, 2024	As at Mar 31, 2023
ASSETS		
Investments		
Mutual Fund Investments	Level 1	Level 1
Equity Instruments	Level 1	Level 1

Fair value of mutual fund and equity investments is based on quoted price.

The Management has assessed the fair value of trade receivables, trade payables, cash & cash equivalents, bank balances, bank deposits, loans and advances, bank borrowings, lease liabilities and other financial assets and liabilities approximate their carrying amounts.

31 Risk Management Strategies

Financial risk management:

The Group's activities exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks.

Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Group is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign currency risk

The Group has entered into various contracts in several currencies and consequently the Group is exposed to foreign exchange risk through its sales, services and purchases from suppliers in various foreign currencies. The Group holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years. The fluctuations in exchange rate may have an impact on Group's operations.

Foreign currency sensitivity

a. Particulars of unhedged foreign currency exposure are as under :

Rs. in lakhs / Foreign currency in lakhs		
Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Assets (Trade receivables / advance to suppliers / bank balances)		
In foreign currency		
In USD	116.00	113.26
In EURO	195.21	193.05
In GBP	0.01	0.01
In JPY	55.10	55.10
In AED	0.03	0.41
In CHF	0.04	0.04
In Indian currency		
In USD	9671.25	9370.92
In EURO	17611.66	17542.30
In GBP	0.59	0.58
In JPY	30.35	34.51
In AED	0.74	9.34
In CHF	3.74	3.70
In SAR		

Liabilities (Advance from customers/trade payables/buyers credit)			
In foreign currency			
In USD		82.56	91.56
In EURO		9.12	145.07
In GBP		0.28	0.28
In Indian currency			
In USD		6883.42	7575.97
In EURO		822.86	13182.11
In GBP		29.10	28.52

An appreciation / depreciation of 0.50 percentage points in exchange rate between the INR and USD, the operating margins at the reporting date (31.03.2024) would have increased / (decreased) equity and profit by Rs.48 Lakhs (Rs.47 Lakhs)

The Sensitivity analysis is computed based on the change in the income and expenses in the foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting and the current reporting period

b. Particulars of derivative contracts entered into for hedging purpose outstanding are as under:

Particulars	Rs. in lakhs / Foreign currency in lakhs			
	As at Mar 31,2024		As at Mar 31,2023	
	Forex Working Capital Demand Loans	Trade payables	Forex Working Capital Demand Loans	Trade payables
Number of contracts	-	-	-	-
Value in foreign currency				
USD	-	-	-	-
EURO	-	-	-	-
Value in INR	-	-	-	-

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates to the Group's long-term debt obligations with floating interest rates.

As at the reporting date the Group's interest – bearing financial instruments were as follows:

Particulars	Rs.Lakhs	
	As at Mar 31, 2024	As at Mar 31, 2023
Fixed rate instruments		
Financial assets		
Fixed deposits with banks	8003	34235
Financial liabilities		
Unsecured Loan from related parties	43213	23107
Advance from Customers	113110	124075
Variable rate instruments		
Financial liabilities		
Borrowings from banks	-	-
Working Capital Loans	139787	161033

Interest rate sensitivity

Fair value sensitivity for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity for variable rate instruments

An decrease / increase of 50 basis points in interest rates at the reporting date (31.03.2024) would have increased / (decreased) equity and profit by Rs.752 Lakhs

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of Steel, Cement and other materials. Due to the significantly increased volatility of the price of the raw material, the Group also entered into various purchase contracts for supply of Steel, Cement & other material. However we have escalation clause with some of our clients for variation in the price of commodities.

Equity price risk

The Group's listed and non-listed securities are susceptible to market price risk arising from uncertainties about future value of the investment securities.

At the reporting date, the exposure to listed securities at fair value was Rs.205 lakhs (Rs.126 lakhs). An increase / decrease of 10% on the BSE Market Index could have an impact of approximately Rs.20.50 lakhs (Rs. 12.60 lakhs) on the OCI or equity attributable to the Group.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Outstanding customer receivables are regularly monitored and any major export shipments to customers are generally covered by letters of credit. The maximum exposure to the credit risk at reporting date is primarily from trade receivables amounting to Rs.70596 Lakhs

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is limited as we generally invest in banks and financial institutions with high credit ratings. Other financial instruments includes primarily investment in fixed deposits.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings.

The following are the contractual maturities of financial liabilities.

Particulars	Rs.Lakhs	
	Up to 12 months	More than 12 months
Trade payables	120341	10259
Borrowings	139787	43213
Advance from Customers	113110	-
Other financial liabilities	25819	-
Lease Liabilities	37	223

Collateral risk

The Company has pledged its short-term deposits of Rs. 6625 lakhs to fulfil the security requirements for the contractual obligations. As at 31 March, 2024, 31 March, 2023 the fair values of the short-term deposits pledged were Rs. 6625 lakhs and Rs. 32692 lakhs respectively.

32 Leases

The changes in carrying value ROU assets and Lease liabilities for the year ended March 31, 2024 are as follows:

Particulars	Rs. Lakhs			
	ROU Assets As at Mar 31,2024	Lease Liabilities As at Mar 31,2024	ROU Assets As at Mar 31,2023	Lease Liabilities As at Mar 31,2023
Opening balance	349	323	3	3
Add : Additions during the year	-	-	387	387
Add : Interest cost during the year	-	18	-	24
Less : Deletions during the year	-	-	-	-
Less : Depreciation during the year	38	-	41	-
Less : Payment of Lease Liabilities	-	84	-	84
Closing Balance	311	257	349	329

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the ROU asset, and finance cost for interest accrued on lease liability.

33 Contingent liabilities and commitments

Particulars	As at	As at
	Mar 31, 2024	Mar 31, 2023
Contingent liabilities		
Claims against the Group not acknowledged as debt		
a) On account of sales tax *	28183	33567
b) On account of income-tax *	3655	3594
c) On account of service tax *	36668	36668
d) On account of provident fund	521	521
e) Others * #	75186	42153
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances)	139	193

* Excludes interest, penalty and self assessment tax paid.

Others includes cases filed against the company in MSME council, NCLT and other legal forums

35 Related party transactions

Ultimate Holding Company

1. BGR Investment Holdings Company Limited

Subsidiary Companies

1. BGR Boilers Private Limited
2. BGR Turbines Company Private Limited
3. Sravanaa Properties Limited

Joint Venture

1. Mecon-Gea Energy System (India) Ltd (JV)

Fellow Subsidiaries / Enterprises where significant influence exists and enterprises where key management personnel

1. ACCORD FOUNDATIONS PRIVATE LIMITED
2. AGRO RAIMENT LLP
3. ANI CONSTRUCTIONS PRIVATE LIMITED
4. ARJUN GOVIN ESTATE PRIVATE LIMITED
5. BGR AQUAATECH INDIA LIMITED
6. BGR ENERTECH SDN. BHD.
7. BGR ESTATE HOLDINGS LIMITED
8. BGR NEO LIMITED
9. BGR ODISHA POWERGEN LIMITED
10. BGR POWER LIMITED
11. BGR TECH LIMITED
12. BOWN GRANITES COMPANY PRIVATE LIMITED
13. CUDDALORE POWERGEN CORPORATION LIMITED
14. ENEXIO POWER COOLING SOLUTIONS INDIA PRIVATE LIMITED
15. FROZEN TROPICALS PRIVATE LIMITED
16. GEA BGR ENERGY SYSTEM INDIA LIMITED
17. JAYACHELVE FINANCING AND LEASING PRIVATE LIMITED
18. MEGA FUNDS INDIA LIMITED
19. MENMAI ESTATE PRIVATE LIMITED
20. NANNILAM PROPERTY PRIVATE LIMITED
21. PENTALEO GOURMENTS LIMITED LIABILITY PARTNERSHIP
22. PENTALEO PROPERTY LIMITED LIABILITY PARTNERSHIP
23. PRAGATI COMPUTERS LIMITED
24. PRIYA ESTATE DEVELOPERS LIMITED
25. PROGEN SYSTEMS AND TECHNOLOGIES LIMITED
26. RISIO CARE PRIVATE LIMITED
27. SASIKALA ESTATE PRIVATE LIMITED
28. SCHMITZ INDIA PRIVATE LIMITED
29. SCHMITZ REINGUNGSKUGELM GMBH
30. SWADHIKA FOODS LLP
31. VAANI ESTATE DEVELOPERS LIMITED
32. VAANI ESTATES PRIVATE LIMITED

Key Managerial Personnel

1. Mr. Arjun Govind Raghupathy, Managing Director
2. Mr. P.R. Easwar Kumar, President & Chief Financial Officer (Resigned w.e.f. 30.03.2024)
3. Mr. S. Krishna Kumar, President & Company Secretary (Resigned w.e.f. 30.03.2024)

Non Executive Directors

Mrs. Sasikala Raghupathy, Chairperson

Mr.Bohra S A, Independent Director (Resigned w.e.f. 24.02.2024)

Mr.Gopalakrishna M, Independent Director (Resigned w.e.f. 23.02.2024)

Mr.Tagat S R, Independent Director (Resigned w.e.f. 26.02.2024)

Mr.Ghana Rajasekaran, Independent Director (Resigned w.e.f. 26.02.2024)

Relatives of Key Managerial Personnel

1. Mrs. Sasikala Raghupathy (Mother of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)

2. Mrs. Priyadarshini Raghupathy (Sister of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)

3. Mrs. Vaani Raghupathy (Sister of Ms. Swarnamugi Karthik and Mr.Arjun Govind Raghupathy)

Related party transactions							
(information provided in respect of revenue items for the year ended Mar 31, 2024 and in respect of assets / liabilities as at Mar 31, 2024)							
							Rs.Lakhs
Particulars	Ultimate Holding Company	Related parties where significant influence exists and where key management personnel have significant influence	Key Management Personnel	Relatives of Key Management Personnel	Non Executive Directors	2023-24	2022-23
Sales	-	129	-	-	-	129	1,882
Purchases	-	294	-	-	-	294	178
Remuneration							-
a) Short Term Employee Benefits	-	-	132	21	-	153	218
Rent expenses	-	74	-	-	-	74	107
Others (Royalty)	-	-	-	25	-	25	25
Director's Sitting Fees	-	-	-	-	24	24	25
- Loan availed	6500	13606	-	-	-	20106	23107
- Loan repaid						-	-
Interest on Loan	909	766	2,093	-	-	3768	1,228
Sale of investments						-	-
Balances outstanding	(10,540)	(13,817)	(22,557)	(110)	-	(47,024)	(23,958)

36 Impairment of assets

a. Cash generating units :

There is no impairment loss in cash generating units and hence no provision was made in the financial statements.

b. Other assets :

37

The Company has recognised impairment loss of Rs. Nil in the books of accounts towards impairment of Buildings subsequent to closure of Lease period.

Registration of charges or satisfaction yet to be registered with Registrar of Companies (ROC)

Satisfaction of Charge pending beyond the statutory period			
S.No	Charge Holder Name	Rs.Lakhs	Reasons
1	STATE BANK OF INDIA	4420	Pending NOC from Charge holder
2	AXIS BANK LIMITED	635	Pending NOC from Charge holder
3	ABN AMRO BANK	189	Pending NOC from Charge holder
4	HDFC BANK LIMITED	126	Pending NOC from Charge holder
5	ICICI BANK LIMITED	114	Pending NOC from Charge holder
	TOTAL	5484	

38 Relationship with Struck off Companies

The Company has no transactions \ outstanding balances as on 31.03.2024 with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

39 Provisions

a) The company has made a provision / transfer of Rs.27 lakhs, (Rs.91 lakhs) towards warranty and contractual obligations on the products supplied / contracts executed by the company during the year. The expenses on account of provision for warranty is grouped under other expenses.

b) Movement in provisions

Particulars	Provision for Warranty	Provision for Contractual Obligations	Provision for Warranty	Provision for Contractual Obligations
	2023-24	2023-24	2022-23	2022-23
Opening balance	2450	4206	2368	1300
Add :Addition / transfers	27	-	92	2906
Less : (a) Provision utilised	-	-	-	-
(b) Provision reversed	(60)	-	(10)	-
Closing balance	2417	4206	2450	4206

40 The Consolidated financial statements for the year ending 31.03.2024, have been prepared with the unaudited financial statements of Sravanaa Properties Limited, unaudited financial statements of BGR Boilers Private Limited and unaudited financial statements of BGR Turbines Company Private Limited.

41 For the current year, the following entities were consolidated based on unaudited financials and the assets, revenues and cash flows of these entities considered in consolidated financial statements are given below.

Name of the Entity	Rs.Lakhs		
	Assets	Revenue	Cash flows
1) BGR Boilers Private Limited	48147	108	50
2) BGR Turbines Company Private Limited	32894	89	58
3) Sravanaa Properties Limited	13110	16	3
4) Mecon –GEA Energy System (India) Limited (JV)	239	-	-

42 The Revenue from operations Includes claim settlement of Rs.66325.15 Lakhs received from a customer. Provision of Rs.55000 Lakhs was accounted in third quarter. Based on agreement reached with counter parties the cost has been finalised as Rs.18985.70 crs resulting in reversal of provision to the extent of Rs.36014.30 lakhs during this quarter. Consequently this being an adjusting event relating to the reporting period, the cost of material is adjusted during the last quarter.

43 During the financial year, the Company received communication from the banks regarding classification of credit exposure of the Company as Substandard pursuant to RBI divergence report. The Company enjoys fund based (Rs.1398 crs) and non-fund based (Rs.2358 crs) limits from 12 banks amounting to Rs.3756 crs. Out of this, 9 banks have classified the account as NPA amounting to Rs.3399 crs. The Company is in discussion with the banks for restructuring of the account and infusion of equity by strategic investors.

44 During the year, certain clients have terminated/short closed contracts amounting to Rs.479758 lakhs representing the value of unexecuted contracts. The unbilled revenue due to termination or short closure amounting to Rs.25769 lakhs has been reversed.

45 Bank guarantees encashed by clients amounting to Rs.36241 lakhs which form part of other current asset and the Company has initiated arbitration proceedings. Subsequently, till 29.05.2024 further 4 clients encashed BG valuing Rs.129336 lakhs.

46 Going Concern: The Promoters have infused unsecured loan, which is in excess of accumulated losses for the year ended as on 31st March 2024. Though there has been encashment of Bank Guarantees, the Company is continuing to execute the contracts and are hopeful of amicable solutions. Balance orders on hand as on 31.03.2024 is about Rs.167254 lakhs. The Company is in discussions with the Bankers for restructuring package. Based on the above, the Company is of the opinion that the accounts will be stated on Going Concern basis.

47 Pursuant to the orders of the The Honourable Rajasthan High court on 21.12.2023, the Company received demand notice from the Rajasthan VAT authorities amounting to Rs.50869.50 lakhs(Tax Rs.14552.35 lakhs and Interest Rs.36317.15 lakhs) on 12.01.2024. SLP has been filed In Supreme court on 29.04.2024.

48 Due to non-visibility of profit in the near future, considering the balance orders in hand and expected order booking in future, the net deferred tax asset has been reversed to the extent of Rs.13269 lakhs in the third quarter.

49 Review of Sundry debtors has been made particularly for the Product segments and analysis of division wise collectible and non-collectible of debtors has been studied thoroughly relating to old projects which was already closed, but final closure and reconciliation of the contract are still under progress in most of the cases and the realization is not certain in some cases. As the outcome of the same the provision has been created for old and doubtful debtors to the tune of Rs.16076 lakhs of product segments and Rs.6611 lakhs related to construction segments totaling to Rs.22687 lakhs during the financial year.

50 Provision has been created for Rs.166.55 lakhs in Rates and taxes related to VAT/CST tax refunds pertaining to pre GST regime.

51 In case of Sundry creditors, ageing analysis has been carried out for the old contracts which was already completed and the balance amount in vendor ledger is not payable due to various factors considering the LD applicability, Risk and cost recovery toward the unexecuted portion of the contract and other recoveries towards various issues as per the terms & conditions of the contract. Accordingly, creditors write back has been worked out and arrived valuing to Rs.9519 lakhs during this quarter.

52 Upon termination of rental agreement with Progen, the factory activities have been discontinued as the building is not in our control at present. There are some Plant & Machinery inside the progen factory. Considering this situation, the fixed assets valuing about Rs.1096 lakhs related to Progen factory has to be discarded. At the same time, balance rent payable of about Rs.153 lakhs is also reversed and taken to income.

53 During Mar-2023, Chattisgarh State Power Generation Co Ltd (CSPGCL) (Marwa Project) demanded encashment of two BGs totalling to Rs.16337 Lakhs. The Company obtained stay on encashment of bank guarantee from the Honourable Chattisgarh High Court. The said amount is included in Contingent Liability as on 31.03.2024.

During Jan-2024, Hindustan Urvarak & Rasayan Limited demanded encashment of CPBG and ABG totalling to Rs.1758.05 Lakhs. The Company obtained stay on encashment of bank guarantee from the The Honourable Delhi High Court. The said amount is included in Contingent Liability as on 31.03.2024.

54 The company reviewed its Investment in subsidiaries i.e BGR Boilers Private Limited and BGR Turbines company Private Limited and confident of recovering its investment In lieu of settlement and seperation aggrement with Hitachi Group.Accordingly no provision for dlmunitation in value of Investment Is made.

55 Previous year figures

Figures of previous year have been regrouped / rearranged, wherever required to conform to the current year presentation.

For and on behalf of Board of Directors		As per our report of even date	
		For Anand & Ponnappan	
		Chartered Accountants	
		Firm Registration No. : 000111S	
ARJUN GOVIND RAGHUPATHY		R PONNAPPAN	
Managing Director		Partner	
DIN : 02700864		Membership No.021695	
SADASIVAM DEIVANAYAGAM		JEYAKRISHNA GANESAN	
Independent Director		Non-Independent Director	
DIN : 07622466		DIN:03208035	
S.PATTABIRAMAN			Chennai
Vice President & Chief Financial Officer			May 30,2024 245

34 Segment information

Primary segment information (business segments)

Particulars	2023-24 (Mar-24)				2022-23 (Mar-23)			
	Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total	Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total
a) Revenue (net)	20671	80565	-	101236	19364	61263	-	80627
b) Inter Segment sales	-	98	(98)	-	-	236	(236)	-
Total Revenue	20671	80663	(98)	101236	19364	61499	(236)	80627
b) Result	(10741)	(13542)	-	(24283)	1178	(26218)		(25040)
Add: Unallocated income (net of expenditure)				249				538
Profit before interest and tax	(10741)	(13293)		(24034)	1178	(25680)		(24502)
Interest	968	43542		44510	710	39232		39942
Profit before tax	(11709)	(56835)		(68544)	468	(64912)		(64444)
Tax expenses								
- Current tax				-				1
- Deferred tax				7536				(15665)
- Tax - earlier years				-				-
- Total				7536				(15664)
Profit for the year				(76080)				(48780)
c) Assets	15790	416920		432710	16667	466652		483319
Add: Unallocated corporate assets				3112				12225
Total assets				435822				495544
d) Liabilities	40668	422567		463235	3236	464293		467529
Add: Unallocated corporate liabilities				43213				23107
Total liabilities				506448				490636

Reconciliations to amounts reflected in the financial statements

Reconciliation of profit	31-Mar-24	31-Mar-23
Segment profit	(24283)	(25040)
Dividend Income	1	1
Net gain on disposal of property, plant and equipment	-	-
Net gain on sale of investment	-	-
Interest Income	248	537
Profit before interest and tax	(24034)	(24502)

Reconciliation of assets	31-Mar-24	31-Mar-23
Segment operating assets	432,710	483,319
Investments	205	126
Deferred tax assets (net)	-	7,537
TDS receivable	2,907	4,562
Total assets	435,822	495,544

Reconciliation of liabilities	31-Mar-24	31-Mar-23
Segment operating liabilities	463,235	467,529
Non Current Borrowings	43213	23107
Deferred tax liabilities (net)	-	-
Total liabilities	506,448	490,636

Secondary segment information (geographic segments)

Particulars	Domestic		Overseas		Total	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
External revenue by location of Customer	95321	78261	5915	2366	101236	80627
Carrying amount of segment assets by location of assets	46266	67366	-	-	46266	67366

28. Interest in other entities

a) Subsidiaries

The group's subsidiaries at 31 Mar, 2024 are set out below. Unless otherwise states, they have Share capital consisting solely of equity share capital that are directly held by the group, and the proportion of ownership interests held equals to the voting right held by the group.

Name of the entity	Place of business / country of incorporation	Ownership interest held by the Group		Ownership interest held by non controlling interests		Principal activities
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	
i. BGR Boilers Private Limited	Chennai, India	70%	70%	30%	30%	Sales of goods
ii. BGR Turbines Company Private Limited	Chennai, India	74%	74%	26%	26%	Sales of goods
iii. Sravanaa Properties Limited	Chennai, India	100%	100%	0%	0%	Leasing of assets

b) Non- Controlling interests (NCI)

Set out below is summarized financial information for each subsidiary that has non controlling interest that are material to the Group. The amounts disclosed for each subsidiary are before inter company eliminations.

Rs.Lakhs

Summarized balance sheet	BGR Boilers Private Limited		BGR Turbines Company Private Limited	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Current assets	4839	4828	5539	5485
Current liabilities	19324	19001	3718	3663
Net current assets	(14485)	(14174)	1822	1822
Non-current assets	9605	9560	3013	2987
Non-current liabilities	2823	2825	1677	1652
Net non-current assets	6782	6735	1337	1336
Net assets	(7703)	(7439)	3158	3157

Accumulated Non-Controlling interests		Rs.Lakhs			
Summarized statement of profit and loss	BGR Boilers Private Limited		BGR Turbines Company Private Limited		
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	
Revenue	108	198	89	49	
Profit for the Year	(880)	(911)	7	(24)	
Other Comprehensive Income	-	-	-	-	
Profit allocated to NCI	(264)	(273)	2	(6)	
Dividends paid to NCI	-	-	-	-	

BGR ENERGY SYSTEMS LIMITED
Form AOC-I
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures
Part "A": Subsidiaries

Rs.in Lakhs

Sl. No.	Name of the subsidiary	Reporting period	Reporting currency	Share capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	% of shareholding
1	BGR Boilers Private Limited	23-24	INR	13558	(39237)	48147	48147	-	107.62	(880)	-	(880)	-	70%
2	BGR Turbines Company Private Limited	23-24	INR	18400	(6254)	32894	32894	-	-	9	1	8	-	74%
3	Sravanaa Properties Limited	23-24	INR	17	13062	13110	13110	-	14	2	-	2	-	100%

For and on behalf of Board of Directors

As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S

ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864

R PONNAPPAN
Partner
Membership No.021695

SADASIVAM DEIVANAYAGAM
Independent Director
DIN : 07622466

JEYAKRISHNA GANESAN
Non-Independent Director
DIN:03208035

S.PATTABIRAMAN
Vice President & Chief Financial Officer

Chennai
May 30,2024

BGR ENERGY SYSTEMS LIMITED Form AOC-I Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures Part "B": Associates and Joint Ventures		
		Rs.in Lakhs
	Name of Associates/Joint Ventures	Mecon-Gea Energy System (India) Ltd (JV)
1	Latest audited Balance Sheet Date	Mar 31, 2024
2	Shares of Associate /Joint Ventures held by the company on the year end	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding %	10% & 30% on two different construction projects
3	Description of how there is significant influence	
4	Reason why the associate/joint venture is not consolidated	Consolidated
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	
6	Profit / (Loss) for the year	Rs. (0.21) Lakhs
	i. Considered in Consolidation	Rs. (0.21) Lakhs
	ii. Not Considered in Consolidation	Rs. Nil

For and on behalf of Board of Directors		As per our report of even date	
		For Anand & Ponnappan	
		Chartered Accountants	
		Firm Registration No. : 000111S	
ARJUN GOVIND RAGHUPATHY		R PONNAPPAN	
Managing Director		Partner	
DIN : 02700864		Membership No.021695	
SADASIVAM DEIVANAYAGAM		JEY AKRISHNA GANESAN	
Independent Director		Non-Independent Director	
DIN : 07622466		DIN:03208035	
S.PATTABIRAMAN		Chennai	
Vice President & Chief Financial Officer		May 30,2024	