
Walker Chandiok & Co LLP

11th floor, A wing,
Prestige Polygon,
471, Anna Salai, Teynampet,
Chennai - 600 035
Tamil Nadu, India

T +91 44 4294 0099

F +91 44 4294 0044

Independent Auditor's Report

To the Members of Ganga STP Project Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Ganga STP Project Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Chartered Accountants

Offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Dehradun, Goa, Gurugram, Hyderabad, Indore, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



Walker Chandiok & Co LLP is registered with limited liability with Identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

Walker Chandiok & Co LLP

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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



Walker ChandioK & Co LLP

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The financial statements dealt with by this report are in agreement with the books of account;



Walker Chandiook & Co LLP

- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2026 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us
 - i. The Company, as detailed in note 27 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2026;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 30 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 30 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended 31 March 2026.



Walker Chandiok & Co LLP

- vi. The Company, in respect of financial year commencing on 1 April 2025, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Muhammed Vasil

Partner

Membership No.: 237636

UDIN: 26237636PCSWEX7560



Chennai

15 May 2026

Walker Chandio & Co LLP

Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Ganga STP Project Private Limited on the financial statements for the year ended 31 March 2026

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

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

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 4 to the financial statements, are held in the name of the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government of India has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the business activities of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



Walker ChandioK & Co LLP

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Ganga STP Project Private Limited on the financial statements for the year ended 31 March 2026

- (vii)(a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, income-tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (Rs.)	Amount paid under Protest (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Central Goods and Service Tax Act, 2017 and West Bengal Goods and Service Tax Act, 2017	Under declaration of GST liability in GST Returns	98	1,160	Aug-20 to Mar-23	Appellate Authority, Senior Joint Commissioner, Revenue	Demand u/s 73 of CGST Act, 2017. Amount paid under protest is amount withheld by the department from the existing input tax credit balance
	Excess availment of ITC in GSTR-3B	481		FY 2020-21 and FY 2021-22		
	Under-declaration of taxable turnover	255		Aug-20 to Mar-23		
	Availment of ITC despite non-payments to suppliers	325		Mar-20 to Mar-23		
Income Tax Act, 1961	Income Tax	132	-	AY 2022-23	Commissioner of Income Tax (Appeals)	

- (viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) In our opinion and according to the information and explanations given to us, pursuant to receiving the approvals for rescheduling its loan from the lenders, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

Walker ChandioK & Co LLP

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Ganga STP Project Private Limited on the financial statements for the year ended 31 March 2026

- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act 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, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.



Walker Chandiok & Co LLP

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Ganga STP Project Private Limited on the financial statements for the year ended 31 March 2026

- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) In our opinion and according to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Muhammed Vasil

Partner

Membership No.: 237636

UDIN: 26237636PCSWEX7560



Chennai

15 May 2026

Walker ChandioK & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Ganga STP Project Private Limited on the financial statements for the year ended 31 March 2026

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Ganga STP Project Private Limited ('the Company') as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



Walker Chandiok & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Ganga STP Project Private Limited on the financial statements for the year ended 31 March 2026

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Muhammed Vasil

Partner

Membership No.: 237636

UDIN: 26237636PCSWEX7560



Chennai

15 May 2026

Financial statements and Independent auditors' report

Ganga STP Project Private Limited

31 March 2026

Ganga STP Project Private Limited

Balance sheet as at 31 March 2026

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

	Notes	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	4	2	2
Financial assets			
(i) Other financial assets	5	22,417	22,839
Non-current tax assets	6	191	235
Other non-current assets	7	1,974	2,468
		24,584	25,544
Current assets			
Financial assets			
(i) Cash and cash equivalents	8	500	792
(ii) Bank balances other than (i) above	8	1,794	1,600
(iii) Other financial assets	9	1,920	3,247
Other current assets	10	461	308
		4,675	5,947
Total assets		29,259	31,491
Equity and liabilities			
Shareholders' funds			
Share capital	11	10	10
Instruments entirely equity in nature	11	1,902	1,902
Other equity	12	4,240	3,586
		6,152	5,498
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13	15,992	16,958
Deferred tax liabilities (net)	14	871	899
		16,863	17,857
Current liabilities			
Financial liabilities			
(i) Borrowings	15	4,422	4,313
(ii) Trade payables			
- Total outstanding dues of micro and small enterprises		-	-
- Total outstanding dues of creditors other than micro and small enterprises	16	1,659	3,398
(ii) Other financial liabilities	17	13	139
Other current liabilities	18	150	69
Current tax liabilities		-	217
		6,244	8,136
Total equity and liabilities		29,259	31,491

The accompanying notes 1 to 38 form an integral part of these financial statements

This is the balance sheet referred to in our report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Muhammed Vasil
Partner

Membership No.: 237636



For and on behalf of the Board of Directors of

Ganga STP Project Private Limited

CIN: U41000TN2019PTC128602

Skandaprasad Seetharaman
Director

DIN: 09026712

Sajeev Pallath Sakthidharan
Chief Financial Officer

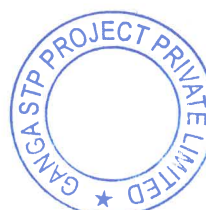
Place: Chennai
Date: 15 May 2026

Seshadri Nathan Prakash
Director

DIN: 00165852

Sanjeev Rao Yelubandi
Company secretary
(ACS: 23778)

Place: Chennai
Date: 15 May 2026



Ganga STP Project Private Limited

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

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	19	659	4,051
Other income	20	3,556	1,903
Total income		4,215	5,954
Expenses			
Cost of services	21	601	2,056
Finance costs	22	1,960	2,009
Other expenses	23	726	103
Total expenses		3,287	4,168
Profit before tax		928	1,786
Tax expense	14		
Current tax		302	309
Deferred tax		(28)	149
Total tax expense		274	458
Profit for the year, representing total comprehensive income		654	1,328
Earnings per equity share on profit of the year			
Basic and diluted EPS	25	451.82	868.55

The accompanying notes 1 to 38 form an integral part of these financial statements

This is the statement of profit and loss referred to in our report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Muhammed Vasil

Partner

Membership No.: 237636



Place: Chennai

Date: 15 May 2026

For and on behalf of the Board of Directors of

Ganga STP Project Private Limited

CIN: U41000TN2019PTC128602

Skandaprasad Seetharaman

Director

DIN: 09026712

Sajeev Pallath Sakthidharan

Chief Financial Officer

Place: Chennai

Date: 15 May 2026

Seshadri Nathan Prakash

Director

DIN: 00165852

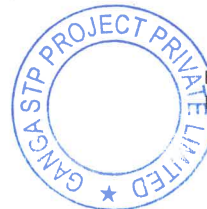
Sanjeev Rao Yelubandi

Company secretary

(ACS: 23778)

Place: Chennai

Date: 15 May 2026



Ganga STP Project Private Limited

Statement of cash flows for the year ended 31 March 2026

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

	Year ended 31 March 2026	Year ended 31 March 2025
A. Cash flow from operating activities		
Profit before tax	928	1,786
Adjustments for:		
Interest income	(3,556)	(1,903)
Finance costs	1,960	2,009
Operating (loss)/ profit before working capital changes	(668)	1,892
Changes in working capital		
Movement in other financial assets	1,749	(2,372)
Movement in other current assets	341	370
Movement in other financial liabilities	(126)	77
Movement in trade payables	(1,739)	714
Movement in other current liabilities	81	(475)
	(363)	206
Income taxes paid, net	(345)	(111)
Net cash (used in)/ generated from operating activities (A)	(708)	95
B. Cash flow from financing activities		
(Repayment)/ proceeds of borrowings (net)	(986)	60
Finance costs paid	(1,960)	(2,009)
Net cash used in financing activities (B)	(2,946)	(1,949)
C. Cash from investing activities		
Interest received	3,556	1,903
Movement in other bank balances	(194)	450
Net cash generated from investing activities (C)	3,362	2,353
D. Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(292)	500
E. Cash and cash equivalents at the beginning of the year (E)	792	292
F. Cash and cash equivalents at the end of the year (D+E)	500	792
Cash and cash equivalents (Refer note 8)	500	792

The accompanying notes 1 to 38 form an integral part of these financial statements

This is the cash flow statement referred to in our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Muhammed Vasil

Partner

Membership No.: 237636



For and on behalf of the Board of Directors of

Ganga STP Project Private Limited

CIN:U41000TN2019PTC128602



Skandaprasad Seetharaman

Director

DIN: 09026712



Seshadri Nathan Prakash

Director

DIN: 00165852



Sajeev Pallath Sakthidharan

Chief Financial Officer



Sanjeev Rao Yelubandi

Company secretary

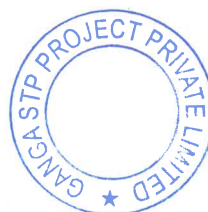
(ACS: 23778)

Place: Chennai

Date: 15 May 2026

Place: Chennai

Date: 15 May 2026



Place: Chennai

Date: 15 May 2026

Ganga STP Project Private Limited

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

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

A. Equity share capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
10	-	10

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
10	-	10

B. Instruments entirely equity in nature

(a) Compulsorily convertible preference shares

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in compulsorily convertible preference shares during the current year	Balance at the end of the current reporting period
1,902	-	1,902

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in compulsorily convertible preference shares during the current year	Balance at the end of the current reporting period
1,902	-	1,902

C. Other equity

Particulars	Retained earnings	Debenture redemption reserve	Total
Balance as at 01 April 2024	735	1,523	2,258
Add: Profit for the year	1,328	-	1,328
Less: Transfer to debenture redemption reserve (Refer note 12)	(76)	76	-
Balance as at 31 March 2025	1,987	1,599	3,586
Add: Profit for the year	654	-	654
Less: Transfer from debenture redemption reserve (Refer note 12)	259	(259)	-
Balance as at 31 March 2026	2,900	1,340	4,240

The accompanying notes 1 to 38 form an integral part of these financial statements

This is the statement of changes in equity referred to in our report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013


Muhammed Vasil
Partner
Membership No.: 237636



Place: Chennai
Date: 15 May 2026

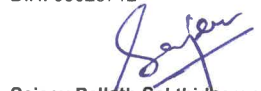
For and on behalf of the Board of Directors of

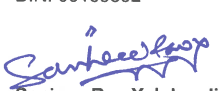
Ganga STP Project Private Limited

CIN:U41000TN2019PTC128602


Skandaprasad Seetharaman
Director
DIN: 09026712


Seshadri Nathan Prakash
Director
DIN: 00165852


Sajeev Pallath Sakthidharan
Chief Financial Officer


Sanjeev Rao Yelubandi
Company secretary
(ACS: 23778)

Place: Chennai
Date: 15 May 2026



Place: Chennai
Date: 15 May 2026

1. Company overview

Ganga STP Project Private Limited (The Company) is formed as a Special Purpose Vehicle (SPV) to design, build and operate Sewage Treatment Plants on Hybrid Annuity Model with Kolkata Metropolitan Development Authority (KMDA), in the state of West Bengal through a service concession arrangement.

2. Basis of preparation of financial statements

2.1 General information and statement of compliance with Indian Accounting Standards (Ind AS)

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The financial statements as at and for the year ended 31 March 2026 are approved and authorized for issue by the Board of Directors on 15 May 2026.

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis. The financial statements are presented in Indian Rupees (rounded off to the nearest lakhs), which is also the functional currency of the Company. Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Functional and presentation currency

The financial statements are presented in Indian Rupees (rounded off to the nearest lakhs), which is also the functional currency of the Company.

2.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement given below:

New standards and amendments to existing standards which are effective from 01 April 2025

The Company applied following amendments for the first-time during the current year which are effective from 01 April 2025.

Ind AS 1 - Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants: MCA via notification dated 13 August 2025 announced amendments which clarify that the right to defer settlement of a liability for at least 12 months after the reporting period; a) must have substance, and b) must exist at the end of the reporting period. The amendment states that management's expectations around whether the settlement of a liability would be deferred or not, does not impact the classification of the liability; and that at the reporting date, the entity does not consider covenants that will need to be complied with in the future when considering the classification of the debt as current or non-current. In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments have not had an impact on the classification of the Company's assets and liabilities as at the balance sheet date.

The Company has considered the amendments to Ind AS 21 relating to lack of exchangeability, the amendments to Ind AS 12 on International Tax Reform – Pillar Two Model Rules, and the disclosure requirements for supplier finance arrangements under Ind AS 7 and Ind AS 107.

These application of these new standards or amendments effective from 01 April 2025 do not have a material impact on the standalone financial statements of the Company.



2.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company (continued)

New standards and amendments to existing Standards which are issued but are not yet effective and have not been early adopted by the Company

Paragraph 74 of Ind AS 1 currently effective for the year ended 31 March 2026 requires the entity not to classify the liability as current, if there is a breach of a material covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, however, the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

MCA vide notification dated 13 August 2025, has introduced amendment under Paragraph 74 of Ind AS 1 which requires the entity to classify the liability as current under the aforementioned situation because, at the end of the reporting period, it does not have the right to defer its settlement for at least twelve months after that date. Such amendment has been made effective for annual reporting periods beginning on or after 01 April 2026 retrospectively in accordance with Ind AS 8.

This amendment is expected to have a material impact on the standalone financial statements of the Company upon its application.

3. Summary of material accounting policies

3.1 Overall considerations

The financial statements have been prepared using the material accounting policies and measurement basis summarised below. These accounting policies have been used throughout all periods presented in the financial statements. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3.2 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable by the Company for goods supplied and services provided, excluding trade discounts and other applicable taxes. Revenue is recognized upon transfer of control of promised goods or services under a contract.

Revenue is recognized when the amount can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Company's different activities has been met.

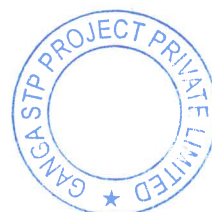
The Company derives revenues from a service concession agreement (SCA). Service Concession Arrangement refers to an arrangement between the grantor (a public sector entity) and the operator (a private sector entity), typically involving the operator constructing the infrastructure used to provide the public service or upgrading it and operating and maintaining that infrastructure for a specified period of time. The operator is paid for its services over the period of the arrangement.

Revenue and costs of an SCA are generally allocated between the respective performance obligations, relating to construction services and operation and maintenance services, and accounted for separately. The infrastructure used in a concession is recognised as an intangible asset or a financial asset, based on the nature of the payment entitlements under the SCA.

When the operator has an unconditional right to receive cash or another financial asset from or at the direction of the grantor, such right is recognised as a financial asset and is subsequently measured at amortised cost. When the operator receives a right to charge users of the public service, such right is recognised an intangible asset and amortised over the period of the SCA.

The service concession arrangement requires the Company to construct the sewage treatment plants (ownership of which will vest with KMDA), and then operate and maintain them for a period of 15 years. The operation and maintenance is not dependent or inter-related to the construction of the plants, and the promise to provide the two services are separately identifiable. Therefore, management of the Company considers the following performance obligations:

- (i) Construction of the sewage treatment plants;
- (ii) Operation and maintenance of the plants.



3.2 Revenue recognition (continued)

In consideration of the works and services required to be performed by the Company for the construction, operation and maintenance of the sewage treatment plant under the service concession arrangement, the Company has a contractual right to receive cash in the form of construction payments and operation & maintenance payments from KMDA. Accordingly, the Company recognises a financial asset to the extent that it has contractual right to receive cash.

The transaction price for the aforementioned performance obligations are governed by the service concession arrangement, and will be re-priced at the time of each milestone billing only to factor in price index movement on account of inflation. This variation due to price index falls within the purview of variable consideration under Ind AS 115, and the estimated variation in the price index has been accounted for to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur in the future.

Construction services:

Construction services involves design, supply, construction, installation and commissioning of the sewage treatment plant.

The transaction price is usually a fixed consideration with a variable consideration on a case to case basis. Variable consideration (penalties, escalations, damages, claims etc.) is included in the transaction price to the extent it is highly probable that a significant reversal in the amount of revenue recognised will not occur.

Contract revenue and Contract costs in respect of construction services, execution of which is spread over different accounting periods is recognised as revenue and expense respectively by reference to the basis of percentage of completion method at the reporting date.

The percentage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs. Only costs that reflect work performed are included in cost incurred to date.

When the Company cannot measure the outcome of a construction service reliably, revenue is recognised only to the extent of contract costs that have been incurred and are recoverable. In situations when it is probable that the total contract costs will exceed total contract revenues, the expected loss is recognised immediately in the statement of profit and loss.

The gross amount due from customers for Construction service, in excess of the amounts presented as "Trade receivable", are presented as contract assets under "Dues from customer under service concession arrangement" as part of other financial assets. Due from customers for construction service represents costs incurred plus recognised profits (less recognized losses) in excess of progress billing for all contracts in progress.

The gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognized profits (less recognized losses) is presented as contract liabilities under "Billing in advance of work completed" as part of other current liabilities. Prepayments received from customers in advance of performance under the contract are also presented as contract liabilities and represented as "Advances from customers" as part of other current liabilities.

Operation and maintenance services:

Operation and maintenance services involve services for sewage treatment plant, revenues from which are recognised as the services are provided and invoiced to the customer, per the terms of the SCA.



3.3 Construction activity expenses

Construction activity expenses comprise costs including estimated costs that are directly related to the contract, attributable to the contract activity in general and such costs that can be allocated to the contract and specifically chargeable to the customer under the terms of the contracts, which is charged to the statement of profit and loss.

Costs incurred in relation to Operation and Maintenance (O&M) services are capitalised as contract fulfilment costs when they: (i) relate directly to a specifically identifiable and approved contract; (ii) generate or enhance resources of the Company that will be used in satisfying performance obligations in future periods; and (iii) are expected to be recovered.

In respect of operation and maintenance services, where revenue is recognised upon receipt of customer approval, the associated costs incurred prior to such approval are recognised as a contract asset, as the related performance obligation is satisfied in a subsequent period. The capitalised contract costs are amortised on a systematic basis consistent with the pattern of transfer of the related services to the customer.

3.4 Financial instruments

Financial assets (other than trade receivables) and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through statement of profit and loss which are measured initially at fair value. Trade receivables are recognized at their transaction price as they do not contain any significant financing component. Subsequent measurement of financial assets and financial liabilities are described below.

a) Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

- a. Amortized cost
- b. Fair Value Through Other Comprehensive Income (FVTOCI) or
- c. Fair Value Through Profit or Loss (FVTPL)

The Company does not have any financial assets at FVTOCI or FVTPL.

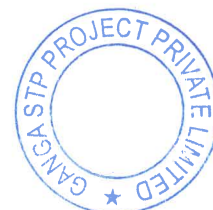
All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets are impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

b) Financial assets at amortized cost

A financial asset is subsequently measured at amortized cost using effective interest rate if it is held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.



3.4 Financial instruments (continued)

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d) Classification, subsequent measurement and derecognition of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortized cost. The Company's financial liabilities include borrowings, and trade and other payables. The Company does not have any financial liabilities at FVTPL.

Subsequent measurement

Financial liabilities are measured subsequently at amortized cost using the effective interest method

Derecognition

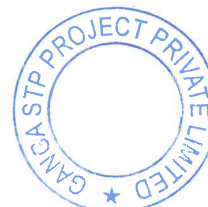
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such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

3.5 Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognized in other comprehensive income are also disclosed under the same head.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future opening results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.



3.5 Income taxes (continued)

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Company does not recognize deferred tax liability on temporary differences relating to goodwill, or to its investments in subsidiaries.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in statement of profit and loss, except where they relate to items that are recognized in other comprehensive income (such as re-measurement of net defined benefit plans) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.7 Provisions, contingent assets and contingent liabilities

Provisions for warranties, legal disputes, or other claims are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

No liability is recognized if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities if the outflow of resources is remote.

The Company does not recognize contingent assets unless the realization of the income is virtually certain, however these are assessed continually to ensure that the developments are appropriately disclosed in the financial statements.

3.8 Earnings per equity share

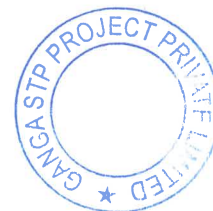
Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.9 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of 3 months or less, as applicable.

3.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.



3.11 Significant management judgment in applying accounting policies and estimation uncertainty

When preparing the financial statements, management makes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

(i) Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of construction contract revenues

Recognising construction contract revenue also requires significant judgement in determining actual work performed and the estimated costs to complete the work.

Recognition of deferred tax assets

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

The Taxation Laws (Amendment) Act, 2019 has amended the Income-tax Act, 1961 and Finance Act, 2019 to inter alia provide an option to the Company to pay Income Tax at concessional rate of 22% plus applicable surcharge and cess, subject to certain specified conditions, as compared to the earlier rate of 30% plus applicable surcharge and cess for the assessment year 2020-21 onwards. The Company had opted for the concessional tax rate and accordingly measured deferred tax and current tax liability at such concessional rate.

(ii) Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of non-financial assets

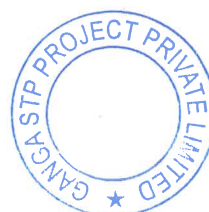
In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate

3.12 Capital management

For the purpose of the Company's capital management, capital means total equity as per the balance sheet. The primary objective of the Company's capital management is to maximise Shareholders wealth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by the total equity and net debt.

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowings	20,414	21,270
Less: Cash and bank balances	(2,294)	(2,392)
Net debt (A)	18,120	18,878
Equity share capital	10	10
Instruments entirely equity in nature	1,902	1,902
Other equity	4,240	3,586
Total equity (B)	6,152	5,498
Total equity and net debt (C=A+B)	24,272	24,376
Gearing ratio (A/C)	75%	77%



3.12 Capital management (continued)

In order to achieve the overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants if any, attached to the interest-bearing loans and borrowings that define capital structure requirements. There are no significant changes in the objectives, policies or processes for managing capital during the years ended 31 March 2026 and 31 March 2025.

3.13 Financial risk management objectives and policies

The Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyse the risks faced by the Company. The risk management systems are reviewed periodically.

The Company's financial risks comprise of market risk, credit risk and liquidity risk.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risk: interest rate risk and foreign currency risk.

Interest rate risk

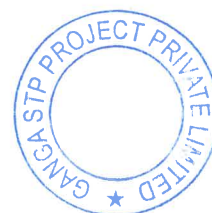
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates are managed by borrowing at fixed interest rates. During the year Company did not have any floating rate borrowings except for the borrowings from the Tata Cleantech Capital Limited ("TCCL") which is charged at TCCL New Prime Lending Rate - Long term minus spread.

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rates of +/- 1% for the year ended 31 March 2026 and 31 March 2025. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

Particulars	Interest rate fluctuation	Profit before tax for the	
		Year ended 31 March 2026	Year ended 31 March 2025
Increase in interest rate / (Decrease) in profit for the year	+1%	(15)	(62)
(Decrease) in interest rate / Increase in profit for the year	-1%	15	62

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. All of the Company's transactions are denominated in Indian Rupees. Hence, the Company's exposure to the risk of changes in foreign exchange rates is nil during the current period.



3.13 Financial risk management objectives and policies (continued)

B. Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example receivables, placing deposits etc. the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting period, as summarised below:

Particulars	31 March 2026	31 March 2025
Classes of financial assets		
Cash and bank balance	2,294	2,392
Dues and receivables under service concessionaire arrangement	24,337	26,086

The credit risk for cash and bank balances are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Customer credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management. Outstanding dues under service concessionaire arrangements are regularly monitored and the Company creates a provision based on expected credit loss model.

C. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on a monthly, quarterly, and yearly basis depending on the business needs. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the forecast period.

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. Cash flows from financial assets are all contractually due within twelve months except for long term dues under service concession arrangements which are governed by the relevant contract conditions.

As at 31 March, the Company's financial liabilities have contractual maturities as summarised below:

Particulars	Due within a year	Due after a year
As at 31 March 2026		
Trade payables	1,659	-
Borrowings	4,422	15,992
As at 31 March 2025		
Trade payables	3,398	-
Borrowings	4,313	16,958

3.14 Operating segments

The Company is engaged in the construction and maintenance of water treatment plants. The management has evaluated the segment reporting requirements in accordance with Ind AS 108 – Operating Segments. Based on the internal reporting structure and decision-making process, the Chief Operating Decision Maker (CODM) reviews the Company's performance on an overall basis and does not allocate resources or assess performance at a disaggregated level. Further, the Company operates in a single business segment and within one geographical segment. Accordingly, the Company has only one reportable segment, and hence, separate segment disclosures are not applicable.



Ganga STP Project Private Limited

Summary of material accounting policies and other explanatory information

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
4 Property, plant and equipment		
Freehold land		
Balance at the beginning of the year	2	2
Additions during the year	-	-
Balance at the end of the year	<u>2</u>	<u>2</u>
Note:		
1) The freehold land above has been pledged as collateral for borrowings. (Refer note 13)		
2) The title deeds of the land are held in the name of the Company.		
5 Other non-current financial assets		
<i>(Unsecured, undisputed, considered good unless otherwise stated)</i>		
Dues under service concession arrangement (Also, refer note 9)	22,417	22,839
	<u>22,417</u>	<u>22,839</u>
Note: The current and non current classification of dues under service concessionaire arrangements are based on the expected period of invoicing of the outstanding balances as at 31 March 2026 and 31 March 2025. Such basis considered for classification may not necessarily coincide with the invoices raised in the subsequent periods.		
The outstanding dues are subject to interest, which will be charged at the SBI 1 year MCLR rate plus 3% per annum.		
6 Non-current tax assets		
Tax deducted at source	191	235
	<u>191</u>	<u>235</u>
7 Other non current assets		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Balances with government authorities	1,974	2,468
	<u>1,974</u>	<u>2,468</u>
Note: The non-current portion of balances with government authorities represents input tax credits (ITC) expected to be utilised beyond twelve months. The classification between current and non-current is based on the projected timing of utilisation, considering that recovery is aligned with anticipated O&M phase annuity billings, with approximately four billing cycles expected to be realised within the next year.		
8 Cash and bank balances		
Balance with banks		
- in current accounts	500	792
Cash and cash equivalents	<u>500</u>	<u>792</u>
Other bank balances		
- Original maturity of less than 3 months	1,744	1,600
- Original maturity of more than 3 months but less than 12 months	50	-
Bank balances other than cash and cash equivalents	<u>1,794</u>	<u>1,600</u>
	<u>2,294</u>	<u>2,392</u>
9 Other current financial assets (Also, refer note 3.13)		
<i>(Unsecured, undisputed, considered good unless otherwise stated)</i>		
Dues under service concession arrangement (Also, refer note 5)	1,704	1,706
Receivables under service concession arrangement (Also, refer note 5)	216	1,541
	<u>1,920</u>	<u>3,247</u>
10 Other current assets		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Balance with government authorities (Refer note 7)	336	307
Contract assets (Refer note below)	123	-
Others	2	1
	<u>461</u>	<u>308</u>

Note:

Contract fulfilment costs

The Company has capitalized certain costs incurred to fulfil customer contracts in accordance with Ind AS 115 para 95. These costs are amortized on a systematic basis consistent with the pattern of transfer of the related goods or services.

The Company has capitalised costs relating to the operations and maintenance services phase in accordance with Ind AS 115, as the costs are directly attributable to a specifically identified and approved customer contract, relate to performance obligations that will be satisfied in future periods upon receipt of approval/certification from KMDA, and are expected to be recoverable through the contract. Accordingly, management has concluded that these costs meet the recognition criteria for costs to fulfil a contract and are therefore recognised as a contract fulfilment asset and amortised in line with the pattern of recognition of the related revenue.



Ganga STP Project Private Limited**Summary of material accounting policies and other explanatory information***(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)***11 Share capital****(a) Equity share capital**

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised		
15,000,000 (31 March 2025 - 15,000,000) equity shares of ₹ 10/- each	1,500	1,500
	1,500	1,500
Issued, subscribed and fully paid up		
100,000 (31 March 2025 - 100,000) equity shares of ₹ 10/- each	10	10
	10	10

i) Reconciliation of number of equity shares subscribed

There has been no movement in equity share capital during the current and previous years.

(ii) Shares reserved for issue under options

There are no shares reserved for issue under options.

(iii) Bonus issue, buy back and issue of shares other than in cash

There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back from the date of incorporation.

(iv) Shareholders holding more than 5% of the total share capital

Name of the shareholder	As at 31 March 2026		As at 31 March 2025	
	No. of shares*	% of total shares	No. of shares	% of total shares
VA Tech Wabag Limited	51,000	51%	51,000	51%
Kathari Water Management Private Limited	49,000	49%	49,000	49%

*The number of shares have been disclosed in full numbers.

(v) Shares held by promoter at the end of the year

There has been no movement in shares held by promoter shareholder (VA Tech Wabag Limited) during the current and previous years.

(vi) Rights, preferences and restrictions in respect of equity shares issued by the Company

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, during the financial year is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.



Ganga STP Project Private Limited

Summary of material accounting policies and other explanatory information

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

11 Share Capital (continued)

(b) Preference share capital

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised		
10,000,000 Series A - Compulsorily Convertible Preference Share of ₹ 10/- each	1,000	1,000
10,000,000 Series B - Compulsorily Convertible Preference Share of ₹ 10/- each	1,000	1,000
Issued, subscribed and fully paid up		
9,699,000 (31 March 2025- 9,699,000) Series A - Compulsorily convertible preference shares of ₹ 10/- each (A)	970	970
9,318,647 (31 March 2025- 9,318,647) Series B - Compulsorily convertible preference share of ₹ 10/- each (B)	932	932
Total (A+B)	1,902	1,902

i) Reconciliation of number of preference shares subscribed

There has been no movement in preference share capital during the current and previous years.

ii) Preference shares reserved for issue under options

There are no preference shares reserved for issue under options.

iii) Bonus issue, buy back and issue of preference shares other than in cash

There were no preference shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back from the date of incorporation.

(iv) Preference shareholders holding more than 5% of the total preference share capital

Name of the shareholder	As at 31 March 2026	
	No. of shares	% of total shares
VA Tech Wabag Limited	9,699,000	51%
Kathari Water Management Private Limited	9,318,647	49%

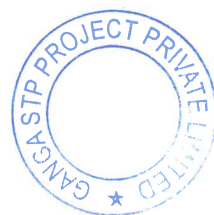
Name of the shareholder	As at 31 March 2025	
	No. of shares	% of total shares
VA Tech Wabag Limited	9,699,000	51%
Kathari Water Management Private Limited	9,318,647	49%

(v) Shares held by promoter at the end of the year

There has been no movement in preference shares held by promoter shareholder (VA Tech Wabag Limited) during the current and previous years.

vi) Rights, preferences and restrictions in respect of preference shares issued by the Company

The Company has issued Series A and Series B Compulsorily convertible preference shares(CCPS) having face value of Rs.10 per share with a coupon rate of 0.0001% without voting power. The Series A and Series B CCPS has the right to receive dividends on cumulative basis in Indian Rupees. No dividend or distribution may be paid to or set aside for the holders of equity shares unless the Series A and Series B CCPS dividend is paid to the holder of Series A and Series B CCPS. Subject to Applicable Law, the Series A and Series B CCPS shall entitle its holder to also participate pari passu in any dividends paid to the holders of equity shares of the Company on a pro- rata as converted basis. On a distribution of capital on liquidation of the Company, the holders of Series A and Series B CCPS shall receive such amounts in priority over any other payments to holders of equity shares.



Ganga STP Project Private Limited

Summary of material accounting policies and other explanatory information

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
12 Other equity		
Retained earnings		
Balance at the beginning of the year	1,987	735
Add: Transfer from statement of profit and loss during the year	654	1,328
Add/(Less): Transfer from/ (to) debenture redemption reserve	259	(76)
Balance at the end of the year	2,900	1,987
Debenture redemption reserve		
Balance at the beginning of the year	1,599	1,523
(Less)/ Add: Transfer (to)/ from retained earnings during the year	(259)	76
Balance at the end of the year	1,340	1,599
Total	4,240	3,586

Notes to other equity :

(a) Retained earnings

Retained earnings represents the profits/losses that the company has earned / incurred till date for distributions to owners, transfer to other reserves, etc.

(b) Debenture redemption reserve

On issue of debentures, the Company has created a debenture redemption reserve out of profits of the Company available for payment of dividend under Section 71 of the Companies Act, 2013. The Company is required to maintain a Debenture Redemption Reserve of 10% of the value of the debentures issued, either by a public issue or a private placement basis. The amounts credited to the debenture redemption reserve cannot be utilised by the Company except to redeem debentures and the amounts no longer necessary to be retained in this account are transferred to the general reserve.

	As at 31 March 2026	As at 31 March 2025
13 Borrowings (non-current)		
Unsecured		
<i>Measured at amortized cost</i>		
Series A non-convertible debentures (Refer note (i) below)	3,672	3,276
Secured		
Non convertible debentures from external parties (Refer note (iii) below)	8,101	8,899
Term loans from external parties (Refer note (iv) below)	5,635	6,166
Less: Current portion (Refer note 15)	(1,416)	(1,383)
	15,992	16,958

(i) The Company has issued 32,750,000 Series A non-convertible debentures at ₹10 per debenture, whose tenure ends on 01 March 2037. These debentures carry a coupon of 9% p.a.

(ii) The Company has issued 18,382,353 Series B non-convertible debentures at ₹10 per debenture, whose tenure is extended till the end of June 2026. These debentures do not carry any coupon.

(iii) The Company has issued ₹ 1,035,000,000 unlisted, collateralised, redeemable, non-convertible debentures to International Financial Corporation ("IFC") which are redeemable in 50 quarterly instalments commencing from 31 December 2023. These debentures carry an interest at a rate per annum equal to the sum of the Rupee Fixed Base Rate and the Relevant Spread (Tranche wise rate affixed by IFC ranging from 11% to 13%) as defined per the debenture trust deed.

(iv) The Company has raised ₹ 704,000,000 as term loan from Tata Cleantech Capital Limited ("TCCL"), referred to as senior loan, which is payable in 50 quarterly instalments commencing from 31 December 2023. Interest accrues at TCCL New Prime Lending Rate - Long term (NPLR-LT) minus the Spread as defined in the Senior Loan Agreement with TCCL.

(v) The Company has satisfied all the debts covenants prescribed in the terms of respective loan/debenture agreement as at 31 March 2026 and 31 March 2025. The company has not defaulted in any loans/debenture payable.

(vi) The aforementioned term loans are secured by way of a charge on specific movable properties, immovable properties and book debts. Other borrowings are unsecured.

(vii) The company has complied with charges or satisfactions of charges registered with the registrar of companies (ROC) within the time limit defined in the Companies Act.



Ganga STP Project Private Limited**Summary of material accounting policies and other explanatory information**

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

14 Income tax**a) Current tax**

The current tax expense is calculated under the Income Tax Act, 1961 for the year after considering admissible deductions / allowances. The tax effect on the components in other comprehensive income is nil.

b) Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits.

c) Tax expense recognised in statement of profit or loss

Particulars	As at 31 March 2026	As at 31 March 2025
Current tax	302	309
Deferred tax (net)	(28)	149
Total tax expense recognised in the current year	274	458

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

Particulars	As at 31 March 2026	As at 31 March 2025
Profit before tax	928	1,786
Tax expense calculated at 25.17%	234	450
Tax effect of adjustments to reconcile expected income tax expense to reported tax expense		
Annuities adjusted in the current year	38	18
Expenses not eligible for deduction	2	(10)
Total tax expense recognised in the current year	274	458

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

e) Deferred tax balances

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	899	750
Credit to the statement of profit or loss	(28)	149
Balance at the end of the year	871	899

< This space is left blank intentionally >



Ganga STP Project Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)
15 Borrowings (Current)
Measured at amortized cost

	As at 31 March 2026	As at 31 March 2025
Series B non-convertible debentures (Refer note 13 and 24)	1,838	1,838
Term loans from external parties (Refer note 13)	574	560
Non convertible debentures from external parties (Refer note 13)	842	824
Inter corporate deposit from related party (Refer note 24)	1,168	1,091
	4,422	4,313

16 Trade payables

Total outstanding dues of micro enterprises and small enterprises (refer note below)

Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 24)

	-	-
	1,659	3,398
	1,659	3,398

Note:

There are no amounts due to the suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006. This information has been determined to the extent such parties have been identified by the management on the basis of the information available with the Company.

Trade payable ageing schedule

Particulars	Outstanding for following periods from the due date as at 31 March 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME*	-	-	-	-	-
(ii) Others	763	896	-	-	1,659
(iii) Disputed dues – MSME*	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	Outstanding for following periods from the due date as at 31 March 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME*	-	-	-	-	-
(ii) Others	2,388	1,010	-	-	3,398
(iii) Disputed dues – MSME*	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

*MSME - Micro, small and medium enterprises

Note:

- There are no disputed dues payable as at 31 March 2026 and 31 March 2025.
- Less than 1 year bucket includes not due trade payables.

17 Other financial liabilities

Accrued expenses

Dues to related parties (Refer note 24)

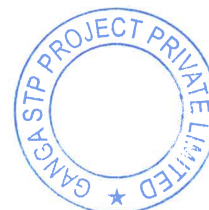
	As at 31 March 2026	As at 31 March 2025
	13	7
	-	132
	13	139

18 Other current liabilities

Statutory dues payable

Others

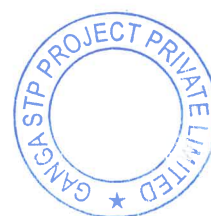
	86	58
	64	11
	150	69



Ganga STP Project Private Limited**Summary of material accounting policies and other explanatory information***(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)*

	Year ended 31 March 2026	Year ended 31 March 2025
19 Income from operations		
Sale of services	659	4,051
	659	4,051
A. Disaggregated revenue information		
The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition		
Revenue by geography		
Domestic	659	4,051
	659	4,051
Revenue (timing)		
Revenue recognized over a period of time	659	4,051
	659	4,051
20 Other income		
Interest income on dues under service concession arrangement	3,357	1,791
Interest income on bank deposits	199	112
	3,556	1,903
21 Cost of services		
Engineering costs and operation and maintenance expenses (Refer note 24)	601	2,056
	601	2,056
22 Finance costs		
Interest expense	1,960	2,009
	1,960	2,009
23 Other expenses		
Professional and consultancy charges (Refer note 24)	630	46
Rates and taxes	54	46
Audit fee*	11	11
Corporate social responsibility expenses (Refer note 28)	31	-
	726	103
*Payment to audit comprises of:		
- Statutory audit	4	4
- Limited review	5	5
- Tax audit	1	1
- Certification	1	1

< This space is left blank intentionally >



Ganga STP Project Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

24 Related party disclosure

a) Name of Related Party and Nature of Relationship

Nature of relationship	Name of related party
Holding Company	Kathari Water Management Private Limited
Company having significant influence	VA Tech Wabag Limited
Key Managerial Personnel	Mr. Gowri Shankar Kandasamy, Manager Mr. Sachin Dhoot, Chief financial officer (Resigned 15 November 2025) Mr. Prakash Kumbhar, Company secretary (Resigned 12 January 2026) Mr. Sajeed Pallath Sakthidharan Chief financial officer (from 15th May 2026) Mr. Sanjeev Rao Yelubandi Company secretary (from 15th May 2026) Mr. Seshadri Nathan Prakash, Director Mr. Skandaprasad Seetharaman, Director

b) Having transactions with Company during the year

Name of related party	Nature of relationship
Kathari Water Management Private Limited	Holding Company
VA Tech Wabag Limited	Company having significant influence

c) Details of balances payable to related parties as follows

Name of related party	Nature of transactions	As at 31 March 2026	As at 31 March 2025
VA Tech Wabag Limited	Trade payables	1,657	3,396
VA Tech Wabag Limited	Inter corporate deposit	1,168	1,091
Kathari Water Management Private Limited	Non convertible debentures	4,544	4,225
VA Tech Wabag Limited	Non convertible debentures	966	889

d) Details of transactions with related parties

Name of related party	Nature of transactions	Year ended 31 March 2026	Year ended 31 March 2025
VA Tech Wabag Limited	Purchase of goods/services	601	-
VA Tech Wabag Limited	Inter-corporate deposit (ICD) received	120	1,050
VA Tech Wabag Limited	Interest on ICD	84	42
VA Tech Wabag Limited	Interest on NCD	77	38
Kathari Water Management Private Limited	Interest on NCD	218	108
VA Tech Wabag Limited	Professional and consultancy charges	612	-

25 Earnings per share (EPS):

Particulars	As at 31 March 2026	As at 31 March 2025
Basic EPS	451.82	868.55
Diluted EPS	451.82	868.55

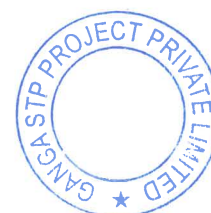
Adjusted earnings

Particulars	As at 31 March 2026	As at 31 March 2025
Profit for Basic EPS	654	1,328
Add: Interest on preference shares	-	-
Adjusted earning for equity	654	1,328

Adjusted number of shares (in absolute numbers)

Particulars	As at 31 March 2026	As at 31 March 2025
Weighted average number of equity shares for Basic EPS	100,000	100,000
Weighted average number of compulsorily convertible preference shares for Basic EPS	44,748	52,887
Weighted average number of shares for Basic EPS	144,748	152,887

< This space is left blank intentionally >



Ganga STP Project Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)
26 Key financial ratios

Particulars	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	Variance	Note reference
Current Ratio	Current assets	Current liabilities	0.75	0.73	2%	NA
Debt Equity Ratio	Total debt	Shareholder's equity	3.32	3.87	-14%	NA
Return on equity (in %)	Net profit/(loss) after taxes	Average shareholder's equity	11%	27%	-59%	1
Net profit ratio (in %)	Net profit/(loss) after taxes	Revenue from operations	99%	33%	203%	2
Trade payables turnover ratio	Construction activity expense	Average trade payables	0.24	0.68	-65%	3
Net capital turnover ratio	Revenue from operations	Working capital = Current assets - current liabilities	(0.42)	(1.85)	-77%	2
Return on capital employed (in %)	Earnings before interest and taxes	Capital employed = Tangible net worth + Total debt + Deferred tax liability	11%	14%	-23%	1

Note reference

Variances above 25% are analysed

1. The decrease is due to lower profits incurred during the year.
2. The movement is attributable to a decline in revenue following the transition to the operations and maintenance phase.
3. The decrease is due to reduced construction activity expenses following the transition to the operations and maintenance phase.

27 Contingent Liabilities and Commitments
(i) Contingent liabilities

Name of the statute	Forum where dispute is pending	Amount
Income Tax Act, 1961 (Refer note (a) below)	Commissioner of Income Tax (Appeals)	132
Demand from GST authorities where company has appealed (Refer note (b) below)	Appellate Authority, Senior Joint Commissioner, Revenue	736
		868

(a) During FY 2023-24, the Company has received an assessment order under section 143(3) of the Income Tax Act, 1961, for ₹ 132 lakhs with respect to non-payment of taxes on account of ICDS adjustments and applicability of Central Board of Direct Taxes ('CBDT') circular no. 09 of 2014, for the AY 22-23. The Company has appealed to the Commissioner of Income-Tax (Appeals) citing Central Board of Direct Taxes ('CBDT') circular no. 09 of 2014 which clarifies treatment of construction expenditure in relation to Build-Operate-Transfer (BOT) projects. Management believes that the outcome of the appeal would be favourable to the Company and no provision would be required in the financial statements.

(b) During FY 2023-24, the Company received a demand order under Section 74(9) of the Central Goods and Services Tax Act, 2017 from the Assistant Commissioner, West Bengal, in respect of disallowance of input tax credit due to alleged non-payment to suppliers, excess input tax credit claimed not appearing in returns, and differential tax liability arising from underreporting of supplies/turnover. The total demand amounted to ₹9,296 lakhs, including tax, interest, and penalties.

The Company has filed an appeal against the demand, pursuant to which the appellate authority reduced the demand to ₹1,160 lakhs. The Company has further challenged the appellate order and the amounts debited from the Electronic Cash Ledger and Electronic Credit Ledger before the Hon'ble Kolkata High Court. Based on management's assessment and legal advice obtained, ₹98 lakhs of the outstanding demand has already been provided for in the books, while exposure amounting to ₹326 lakhs has been assessed as remote.

(ii) There are no capital commitments as at 31 March 2026 and 31 March 2025


Ganga STP Project Private Limited

Summary of material accounting policies and other explanatory information

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

28 Expenditure on Corporate social responsibility

The Company meets the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. Refer

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(a) Gross amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 (on annual basis)	31	-
(b) Amount spent during the year	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
(c) (Excess)/shortfall spent at the end of the year	31	-
(d) Total of previous years shortfall	-	-
(e) Reason for Shortfall	Transferred towards on-going projects and the amount is transferred to unspent account as per the provisions of Companies Act	-
(f) Nature of CSR activities	NA	NA
(g) Details of related party transactions in CSR	-	-
(h) Provision made with respect to a liability incurred by entering into a contractual obligation	-	-

29 No adjusting or significant non-adjusting events have occurred between the reporting date and the date of these financial statements.

30 a. 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 persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

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

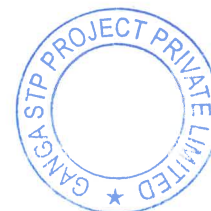
31 The Company has not entered into any transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

32 The Company has complied with the number of layers prescribed under the Companies Act.

33 No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

34 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

35 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account, where applicable.



Ganga STP Project Private Limited

Summary of material accounting policies and other explanatory information

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

36 The Company is not declared as a wilful defaulter by any bank or financial institution or government or any government authority.

37 The Government of India has introduced new labour codes consolidating and amending existing labour laws. The Company has assessed the applicability and potential impact of these codes on its financial statements.

Based on the assessment, the Company does not have any employees or consultants engaged during the year. Accordingly, the provisions of the new labour codes do not have any impact on the Company's operations or financial position as at the reporting date. In view of the above, no adjustments or disclosures are required to be made in the financial statements in respect of the implementation of the new labour codes.

38 The Ministry of Corporate Affairs (MCA) has prescribed a requirement effective from FY 2023-24 under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted through the Companies (Accounts) Amendment Rules, 2021, mandating that companies using accounting software for maintaining their books of account shall use only such software that has a feature of recording an audit trail of each and every transaction, creating an edit log of every change made in the books of account along with the date of such change, and ensuring that the audit trail cannot be disabled. The Company has complied with the aforesaid requirement and has maintained its books of account using accounting software with the requisite audit trail (edit log) feature enabled throughout the year.

The accompanying notes 1 to 38 form an integral part of these financial statements

This is the summary of material accounting policies and other explanatory information referred to in our report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Muhammed Vasil

Partner

Membership No.: 237636



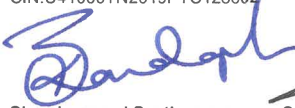
Place: Chennai

Date: 15 May 2026

For and on behalf of the Board of Directors of

Ganga STP Project Private Limited

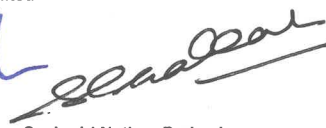
CIN: U41000TN2019PTC128602



Skandaprasad Seetharaman

Director

DIN: 09026712



Seshadri Nathan Prakash

Director

DIN: 00165852



Sajeev Pallath Sakthidharan

Chief Financial Officer



Sanjeev Rao Yelubandi

Company secretary

(ACS: 23778)

Place: Chennai

Date: 15 May 2026

Place: Chennai

Date: 15 May 2026

