



An ISO 9001 Company

July 21, 2025

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
NSE Symbol: **WABAG**

BSE Limited,
Floor 25, P J Towers,
Dalal Street,
Mumbai - 400 001
BSE Scrip Code: **533269**

Dear Sir/Madam,

Sub.: Notice of the 30th Annual General Meeting (AGM) of the Company and Annual Report for the FY 2024-25

Ref.: Regulation 30 and 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We refer to our earlier intimation dated May 21, 2025 informing that the 30th AGM of VA TECH WABAG LIMITED ("the Company") will be held on **Tuesday, August 12, 2025 at 4:00 P.M. (IST)** through Video Conferencing/Other Audio Visual Means ("VC/OAVM").

Pursuant to Regulation 30, 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013, the rules and circulars framed thereunder, as amended from time to time, please find enclosed the following:

- 1. Notice convening the 30th AGM of the Company**
- 2. Annual Report for the FY 2024-25** (along with Business Responsibility and Sustainability Report and other Statutory Reports)

The electronic versions of the said Notice and Annual Report are being sent to all eligible Members of the Company whose E-mail IDs are registered with the Company/Registrar and Transfer Agent (RTA)/Depository Participants (DPs) and the same is also available on the website of the Company at www.wabag.com. Kindly take the same on record.

Thanking You,

Yours faithfully,
For **VA TECH WABAG LIMITED**

Anup Kumar Samal
Company Secretary & Compliance Officer
Membership No: FCS 4832

Encl.: As above

Sustainable solutions, [for a better life](#)



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INNOVATION THAT FLOWS **WITH PURPOSE**



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Notice of AGM

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



Ripples of Impact



Scan to Visit Our Website

INNOVATION THAT FLOWS
WITH PURPOSE

At WABAG, innovation is an intent shaped by purpose and sharpened by experience. For over a hundred years, we have moved with conviction to solve one of the World's most urgent challenges:

WATER

As a pure-play water technology Indian multinational, we do not just treat water—we reimagine it. We extract possibility from scarcity and sustainability from complexity.

We manufacture water—crafted through science, guided by responsibility and delivered with care. We not only create water but also build resilience. Every system we design, every drop we recover, and every resource we protect reinforces our belief that the future of water must be engineered with foresight, not left to fate.

With over 125 proprietary technologies, deep-rooted R&D, and a presence across 25+ countries, we stand at the confluence of innovation and impact. Our journey is not just about being better at water. It's about being better for the world.

Our Legacy in Every Drop

WABAG is a leading pure-play water technology multinational headquartered in Chennai, India. With over ten decades of rich experience in sustainable water and wastewater management & environment protection, we offer comprehensive solutions across the water cycle including water treatment, wastewater treatment, recycle and re-use, desalination, ultrapure water, ZLD and sludge management across utilities and industries.



With a strong presence in more than 25 countries across the globe, WABAG combines advanced in-house technologies with engineering expertise to deliver customized, cost-effective solutions tailored to regional needs. Its operations span design-build projects and long-term operation and maintenance contracts, delivering consistent value to clients and communities.

Driven by a commitment to water security and environmental sustainability, WABAG continues to play a critical role in enabling access to clean and safe water while contributing to global development goals.

Purpose in Metrics

125+

Proprietary technologies

25+

Countries

4

Continents

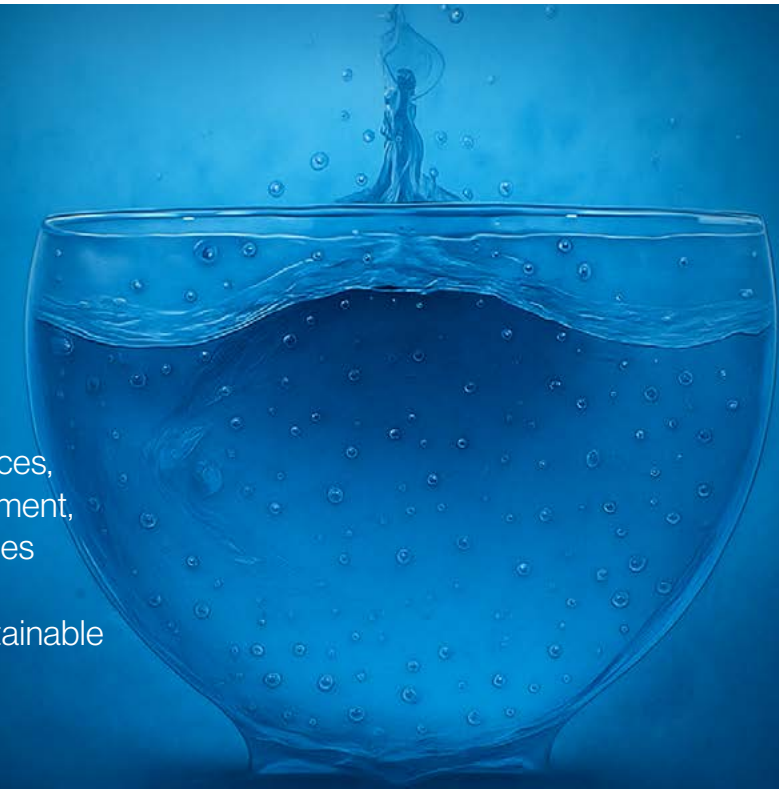
100+

Years



Vision

WABAGites enrich Life by Preserving Resources, Protecting Environment, Powering Economies through Innovative and sustainable water solutions.



Mission



Win-Win approach with Customer & every stakeholder

Build an Empowered, Entrepreneurial & Creative Team

Growth guided by Responsibility and Values

Advanced Technology & Value Engineering Solutions

Aspirational Leadership with Courage & Care



Values



Will to act decisively and commit to deliver organizational goals



Agile to be energetic, adaptable and resilient, to the dynamic business environment



Trust to be accountable and transparent to all our stakeholders



Empathy to build long-term relationships based on care, understanding and co-operation



Resolve to create sustainable solutions that benefits people, communities and environment

Our Edge in Every Drop

Global Presence and legacy

WABAG is a global leader in water and wastewater management, with a century-long legacy and operations in over **25 countries** across four continents.

Proven execution track record

We have executed more than **6500 plants**, demonstrating our extensive experience and reliable project delivery capabilities.

Asset-light business model

WABAG follows an asset-light approach with a core focus on engineering and procurement, which supports better cash flows, and a strong return on capital employed.

Strong R&D and IP portfolio

With over 125 proprietary technologies developed in-house and global R&D centres in Europe and India, WABAG has a solid foundation in innovation and value engineering.

End-to-end solution provider

We offer comprehensive lifecycle support through Engineering, Procurement, Construction, Commissioning and long-term operation & maintenance on EPC, O&M, DBO, BOOT, and HAM models across both municipal and industrial sectors.

Diverse and balanced portfolio

WABAG maintains a healthy mix of municipal and industrial projects, including desalination, wastewater treatment, recycling, ZLD and waste-to-energy, contributing to sustainable infrastructure development.

Consistent financial performance

We have remained net cash positive for five consecutive years, supported by a healthy order book, strong revenue visibility, and consistent growth in revenue, EBITDA, PAT, RoCE and RoE.

Market leadership

Recognised among the **world's top 3 private water operators**, WABAG has positively impacted the lives of over 96 million people globally through its projects and services. We are the **3rd largest desalination** plant supplier globally.

People and culture

With a team of around **2,000 professionals**, WABAG has built a certified **"Great Place to Work"** culture that values innovation, employee well-being, and leadership development.

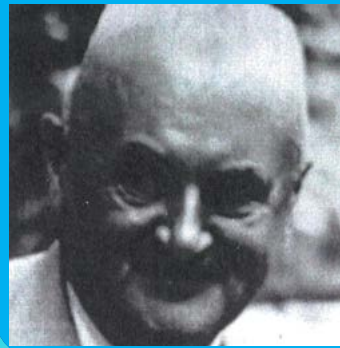
Future-ready strategy

Our **"Think Global, Act Local"** approach, coupled with digital transformation, strategic partnerships and market expansion initiatives, positions us for long-term sustainable growth.

Our journey - 100 Years Young & Strong

Visionaries who shaped a century

Honored the Leaders who pioneered innovation & growth



1924-1945 Max Reder



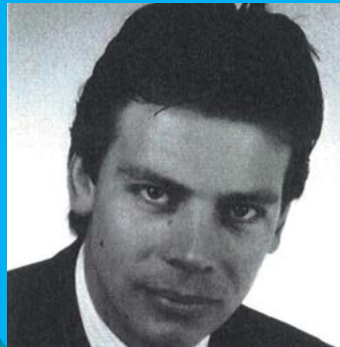
1925-1963 Alfred Kretzschmer



1963-1993 Wolfgang Kretzschmar



1972-1993 Karl-Helmut-Werkmann



1993-1997 Kay Hanns Ewaldsen



1999-2003 Dr. Guenter Heisler



2003-2007 Josef Schnaitl



2007-Present Rajiv Mittal

Celebrating a Century of Trust, Innovation & Partnerships

As part of the centenary year, WABAG hosted a series of high-profile stakeholder engagements across Vienna, Riyadh, New Delhi, and Chennai—each event serving as a heartfelt thanksgiving to the partners who shaped WABAG's 100-year journey.

The global celebration commenced in Vienna on August 9, 2024, where the Board and Management of WABAG welcomed over 100 esteemed guests, marking the company's birth city with a powerful message: "Where India meets Europe and beyond." The second event was held on September 26, 2024, in Riyadh, uniting over 100 industry leaders from across the Middle East. This was followed by the India edition in New Delhi on December 13, 2024, drawing 200+ dignitaries from utilities and the water sector. The grand finale took place

in Chennai on February 21, 2025, with over 250 distinguished stakeholders, symbolizing the culmination of a century of excellence in water and wastewater solutions. Each of these thanksgiving ceremonies honoured WABAG's valued customers, suppliers, bankers, investors, business associates, and alumni for their enduring trust and collaboration. A unifying highlight across all four events was the unveiling of the WABAG Handbook of Water and Used Water Purification, published

by Springer Verlag—underscoring WABAG's commitment to innovation, knowledge-sharing, and sustainable water management. The events also showcased cultural expressions, blending tradition and modernity, and reinforcing the spirit of collaboration that defines WABAG. These global gatherings were not only a celebration of the past but also a reaffirmation of WABAG's promise to preserve resources, protect the environment, and power economies in the decades to come.



The milestones of the FY 2024-25

WABAG ranked as the 3rd largest desalination plant supplier globally in GWI Desalting Inventory 2024

WABAG forayed into the Solar PV Sector with landmark desalination order for Indosol Solar

Major repeat orders received from Reliance Industries strengthened WABAG's leadership in industrial water management

WABAG successfully completes landmark HAM Project for KMDA under Namami Gange

Successful completion of Bakarsha Drinking Water Treatment Plant in Egypt

His Excellency President of Tunisia inaugurated WABAG's landmark Seawater Desalination Plant in Zarat, Tunisia.

WABAG successfully completed Effluent Treatment Plant for PETRONAS at Pengerang Integrated Complex, Malaysia

Successfully completed marine works of 400 MLD Perur Desalination plant, South East Asia's largest desalination plant in a record duration of one month.

Secures 7 years Operation Contract order worth around USD 14 Million for the BAPCO Refining Industrial Wastewater Treatment Plant, Kingdom of Bahrain.

Secures consortium order worth USD 371 Million for Al Haer Independent Sewage Treatment Plant located in the city of Riyadh, the Kingdom of Saudi Arabia.

Secures a Zero Liquid Discharge (ZLD) DBO order from GAIL, Pata, UP

Wins EIB & KFW funded DBO order in Zambia for WWTP from Lusaka Water Supply and Sanitation Company

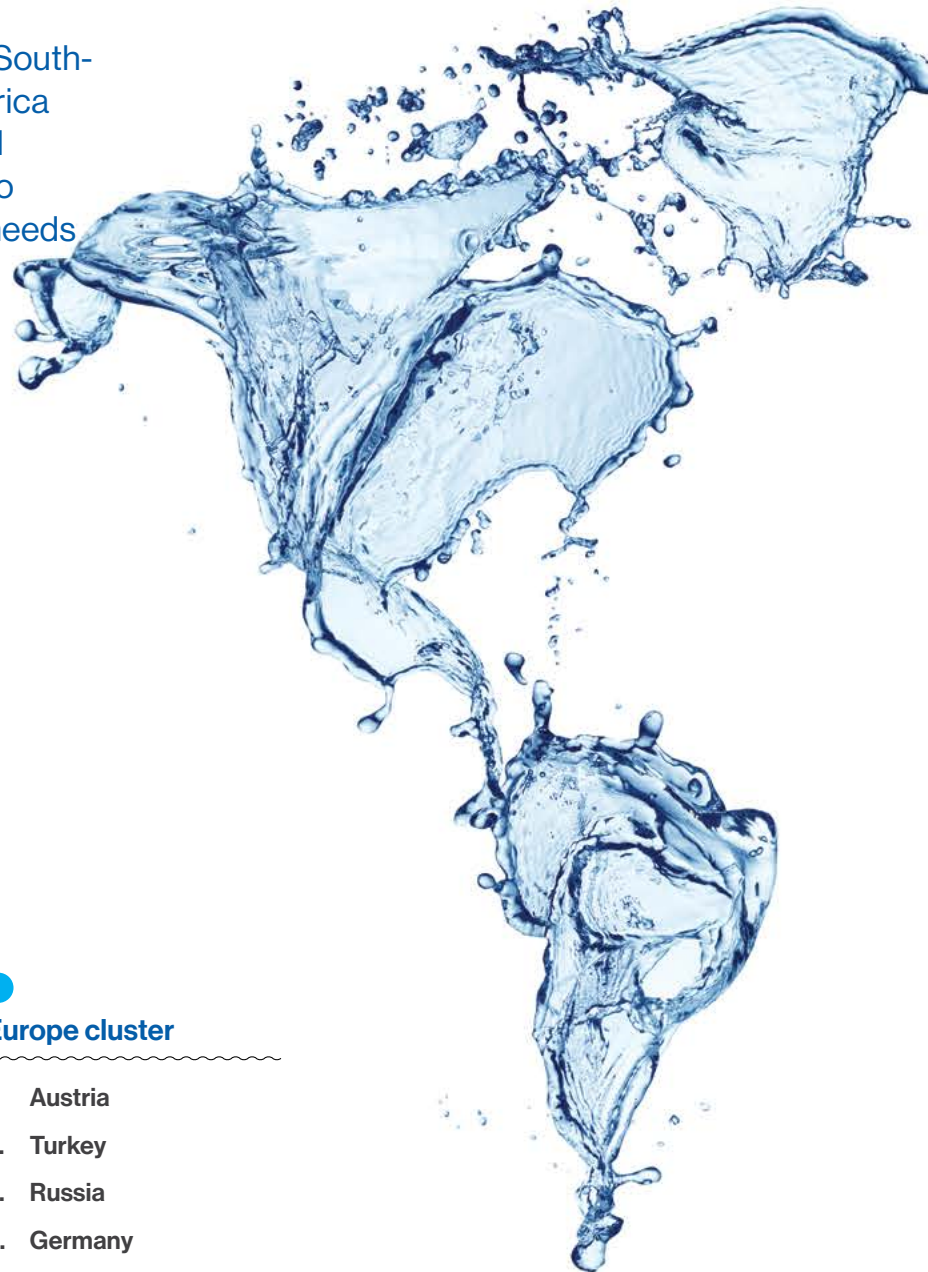


400 MLD SWRO Plant, Perur, Chennai, India

Flowing Across Continents

WABAG's global footprint spans over 25 countries across key geographies including India, South-East Asia, the Middle East Africa and Europe. This widespread presence allows us to cater to diverse water management needs across both municipal and industrial sectors.

With a deep understanding of local water challenges and a strong network of around 2,000 water professionals worldwide, we remain committed to delivering customised, sustainable and high-quality water solutions. Our global operations continue to support our strategic vision and reinforce our ability to address complex water issues across varied climatic, regulatory and infrastructural landscapes.



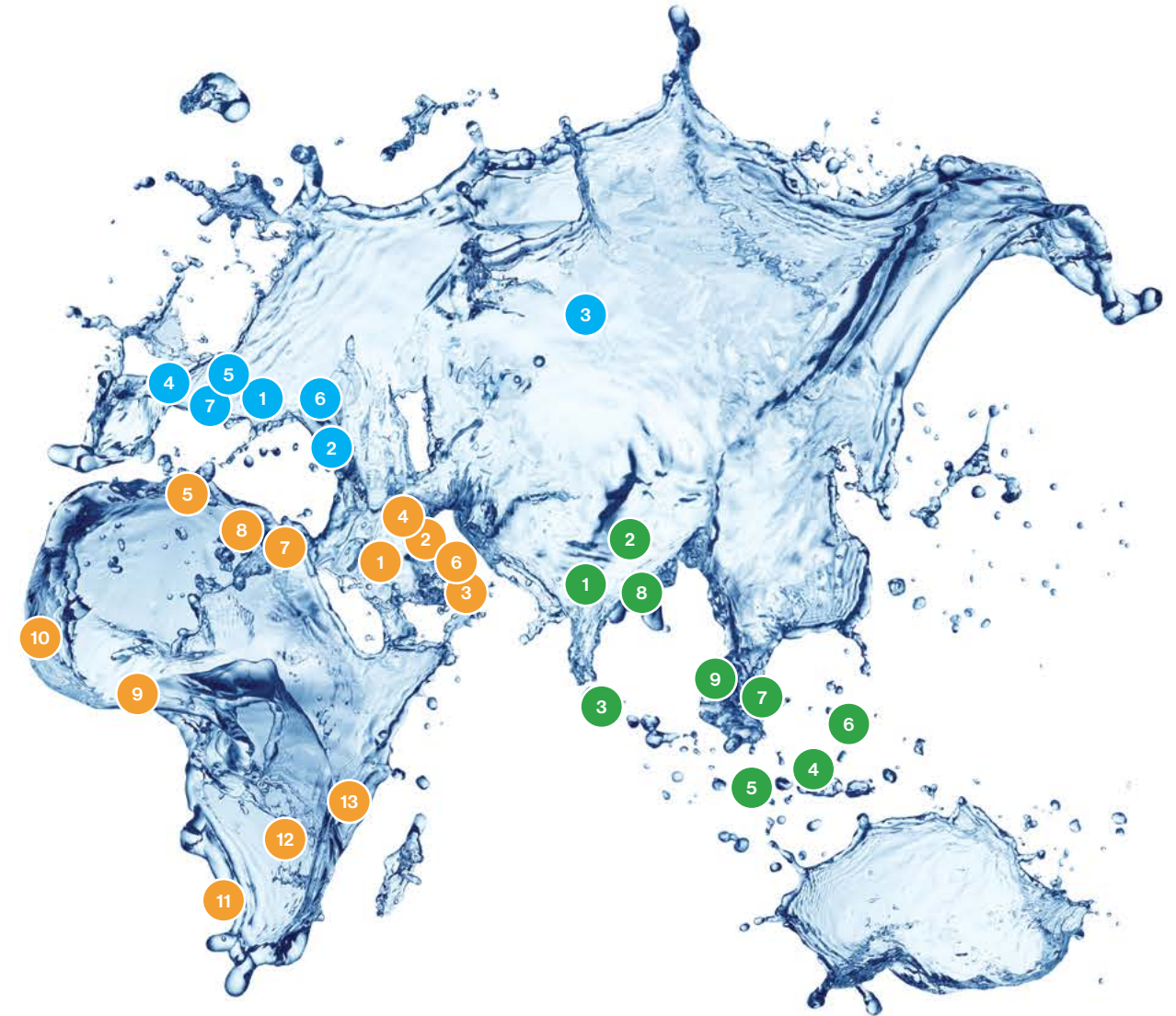
India cluster

1. India (global headquarters)
2. Nepal
3. Sri Lanka
4. Malaysia
5. Singapore
6. Philippines
7. Vietnam
8. Bangladesh
9. Thailand



Europe cluster

1. Austria
2. Turkey
3. Russia
4. Germany
5. Czech Republic
6. Romania
7. Switzerland



MEA cluster

- | | | |
|-----------------|-------------|--------------|
| 1. Saudi Arabia | 6. UAE | 11. Namibia |
| 2. Qatar | 7. Egypt | 12. Zambia |
| 3. Oman | 8. Libya | 13. Tanzania |
| 4. Bahrain | 9. Nigeria | |
| 5. Tunisia | 10. Senegal | |

Chairman and Managing Director's Message



Water is no longer just a utility — it is a strategic asset defining the future of nations. Across our core markets, a clear, policy-backed pipeline is rapidly converting into real, executable projects. In India, landmark programmes like Namami Gange, Jal Jeevan Mission, and Swachh Bharat are catalysing long-term demand across both municipal and industrial segments. This momentum echoes globally — from Saudi Arabia's Vision 2030 to the UAE's Water Security Strategy 2036, from Africa's Water Investment Action Plan to Southeast Asia's industrial surge and Central Asia's climate-driven urgency. These are not future promises — they are active, funded opportunities. And, at WABAG, we are in the thick of it — strategically placed, operationally ready, and fully geared to lead the next wave of water transformation.



Dear Stakeholders,

As I reflect on the past year, I am reminded yet again that water is not merely a resource, it is a lifeline, a great equaliser, and in today's context, an existential imperative.

Over the past 12 months, WABAG has not only stayed true to its mission, but we have deepened our role as an enabler of human dignity, environmental protection and economic resilience. As the world battles the harsh consequences of climate change, water security is no longer an abstract idea; it is now a lived reality for billions. In this environment, WABAG has stood taller, stronger and more purposeful than ever before.

Sustaining momentum

Coming off our historic centenary year, FY25 was marked by a quiet confidence - a sense of resolve that comes from knowing exactly who we are?, what we stand for?, and where we are headed?.

Despite a challenging global environment marked by inflationary pressures, currency volatility, and geopolitical disruptions, WABAG delivered another strong year of operational excellence. We secured new orders worth almost INR 5,700 Crores, maintained a healthy order book of over INR 13,600 Crores, and continued to execute complex projects across geographies with efficiency and precision. More importantly, we did so while adhering to our long-standing Asset Light strategy and by staying focused on high-margin, technology-driven business segments.

These numbers are not just financial indicators. They are stories of trust, of customers and communities that relied on us to treat their wastewater, of industries that turned to us to ensure zero discharge, of entire cities that looked to us for sustainable sources of potable water. Every project won is a community served. Every plant commissioned is a promise delivered.

Shaping the future of global water management

This year further cemented WABAG's position as one of the world's leading pure-play water technology companies. We continued to strengthen our international presence with marquee wins in the Middle East, North Africa and Asia, where demand for desalination and water reuse is rising sharply. With close to half of our revenues now coming from international markets, WABAG continues to march on its global mission. We are truly a Multinational Pure play Water-Tech group, proudly rooted in Indian engineering and ingenuity, but global in scale, vision and execution.

At a time when many nations are waking up to the urgency of water scarcity, WABAG remains ahead of the curve. Our pioneering expertise in tertiary treatment and reuse, deep capabilities in industrial effluent management, and our experience with energy-efficient desalination give us a leadership edge. Our plants treat over 27,000 MLD of wastewater globally, we have commissioned over 1,400 MLD of desalination capacity, and we are rapidly scaling up our biogas-based green energy solutions. Each of these achievements is part of a larger vision: to convert 'waste to wealth', 'effluent to resource', and 'crisis to opportunity'.

Purpose before profit

If there is one thing I wish to reiterate this year, it is that WABAG has never viewed water as a commodity. We see it as a shared human right - a public good that must be protected, replenished, and made accessible for all.

This is why, even as we pursue growth, we continue to act as a social enterprise at heart. As we often say, while many organizations give back from what they earn, we earn while giving back. We do not

just engineer water treatment systems; we engineer equity. Our reuse plants reduce dependence on freshwater; our biogas systems cut greenhouse emissions; our solar-backed facilities reduce energy footprint; our STPs free up drinking water for the most essential uses. We are in the business of circularity — not just in resource use, but in value creation.

And of course, I must reiterate a vital maxim that has only grown in relevance with time, "Water is too precious to be used only once". This simple truth lies at the heart of everything we do at WABAG. The concept of reusing and recycling water is no longer a choice, it is a necessity. We must shift from linear consumption to circular solutions, where every drop is recovered, treated, and reused responsibly. This is not just sound environmental stewardship; it is sound economics, and above all, an ethical imperative. Every drop we save, reuse, or regenerate is a step closer to securing the future, not just for us, but for generations to come. At WABAG, this philosophy is not just a slogan, it is embedded in our technology, our operations, and our global partnerships. We are not just treating water, we are restoring its value.

The path we have chosen is not the easiest. It requires deep domain knowledge, patient capital and long-term stakeholder alignment. But it is the right path. And in a world as water-stressed and climate-volatile as ours, it is the only path that matters.

Technology. Trust. Talent.

Over the last 25 years, WABAG has always kept its roots in water engineering and also has steadily evolved into a knowledge-centric, technology-first water solutions provider. Our R&D centres in India and Austria are constantly innovating — improving energy efficiency, minimizing chemical dependency, enhancing membrane life, and integrating advanced

digital technologies to optimize plant automation and performance.

Yet, beyond technology, it is the trust we have built, with the governments, global institutions, large industries, and local communities that remains the true foundation of our growth. We have become a partner of choice in flagship programmes like Namami Gange and have built one of the strongest O&M portfolios in the industry, managing over 120+ plants across continents.

And at the heart of it all lies our people. I have often said that people do not just work here — they engineer change. It is their blend of passion and engineering rigour that makes us who we are. Their ability to stay curious, agile, and committed to quality has helped us compete with global giants, win complex tenders, and deliver consistently even in volatile environments. In FY25, we doubled down on capability building — expanding our digital training programs, introducing new safety protocols, and nurturing a strong leadership pipeline from within.

Looking to tomorrow, responsibly and ambitiously

The world is at a watershed moment. Climate models predict that nearly two-thirds of the global population could face water stress by 2030. Urbanisation is outpacing infrastructure. Groundwater tables are depleting. And yet, policy, public awareness, and pricing mechanisms remain grossly inadequate.

As a global thought leader in water, WABAG has a responsibility that goes beyond execution. We must advocate, educate and lead by example. That is why we are stepping up our engagement with national missions, sustainability alliances, and think tanks. That is also why we are future-proofing our portfolio — from biogas-to-CBG projects, to integrated Zero Liquid Discharge solutions, to digital twins and AI-based monitoring of treatment plants.

We are also making decisive moves into few high-growth water intensive sectors such as Green Hydrogen, PV Solar and Semiconductors. WABAG's proven

capabilities in ultrapure water treatment, wastewater reuse with ZLD positions us as a critical enabler for these industries. As these sectors ramp up globally, especially in India with its rising Atmanirbhar Bharat thrust, WABAG is well positioned to become a trusted water partner in powering this next phase of industrial growth.

A hundred years behind us. A billion lives ahead.

In our centenary year, I wrote that the next hundred years would be even more exciting than the last. I stand by that belief, with more conviction than ever before.

The decades ahead will test humanity's ability to rethink, renew and regenerate. The choices we make today about how we treat our water, our waste, and our world will shape not just economies but civilisation itself.

At WABAG, we are choosing to lead. With courage. With conscience. With competence.

We remain focused on delivering profitable growth, unlocking value for our shareholders, and building capabilities that endure. But equally, we remain rooted in our core belief — that sustainable water solutions can and must enhance life quality, empower communities and protect our planet.

On the occasion of the Centenary year, backed by robust performance and a healthy cash position, your Board has recommended to the Shareholders, for approval, a dividend of INR 4 per share (200% of Face Value) for the year ended March 31, 2025. "This proposed dividend reflects our continued commitment to delivering value to our shareholders, while maintaining a prudent balance between rewarding the investors and reinvesting in our growth initiatives."

"WABAG's commitment to its employees' growth is reflected in its personalised coaching, recognition programs, awards, and ESOPs viz Wabag Centenary Stock Option Scheme. This supportive and empowering workplace culture not only nurtures professional excellence but also inspires a strong drive to succeed - making

WABAG an ideal employer. Further, your Company was recently shortlisted to receive the 'Most Preferred Workplace Award for FY 25-26', for the third consecutive year from Teammarksmen in association with India Today and Business Standard. Your Company's continued recognition reflects the strong culture, leadership, and employee-centric values that set your workplace apart."

Expanding Horizons: Opportunities Across Geographies

As we step forward into a future defined by resource constraints, climate imperatives, and rapid urbanisation, water security has become central to the global sustainability agenda. At WABAG, we are positioning ourselves at the heart of this transformation, seizing opportunities that align with our mission and strengths.

India – A National Thrust on Water Infrastructure

India remains a critical strategic market for WABAG, supported by strong policy commitment and capital allocation. The Ministry of Jal Shakti has allocated INR 99,500 Crores (~USD 12 billion) toward water sector initiatives, with INR 45,000 Crores worth of projects expected to be awarded shortly. Alongside, India's power sector is adding 80 GW of capacity, further driving water demand. Growth in the refining and petrochemical sectors is also accelerating demand for effluent treatment and desalination. Rising water stress across several states is catalysing a shift towards reuse, recycling, and tertiary treatment.

Middle East – Leading the Global Desalination Movement

The Middle East is at the forefront of global desalination, with demand expected to grow 62% by 2025. Currently, 63% of its water demand is met through desalination, and only 31% of treated wastewater is reused — highlighting both a challenge and an opportunity. Countries are making bold investments:

- KSA aims to invest USD 32 billion by 2027, with USD 12 billion through

PPPs, promoting high-efficiency technologies and circular water systems under Vision 2030.

- UAE will invest USD 2.08 billion by 2027, advancing its Water Security Strategy 2036 through ZLD and integrated water management.
- Qatar targets 70% reuse of treated water by 2030 and is investing in PPP-led treatment infrastructure.
- Kuwait, already sourcing over 90% of fresh water via desalination, is upgrading assets and expanding non-potable reuse with USD 1.5 billion allocated.
- Bahrain is set to double its desalination capacity by 2035, with an emphasis on privatisation and water-energy integration.
- Oman is growing its Independent Water Projects (IWP) portfolio, prioritising renewables and advanced brine management.

Africa – A Rising Frontier for Water Infrastructure

Africa's water infrastructure landscape is undergoing a transformative shift, driven by urgent demand for safe water and improved sanitation across both urban and rural areas. The Africa Water Investment Action Plan, which targets USD 30 billion in annual investments by 2030, is catalysing this momentum. Key focus areas include:

- Desalination projects in water-scarce regions such as Northern and Western Africa.
- Wastewater recycling and reuse, particularly for agriculture and industry.
- Urban water supply modernisation and rural access programs across Sub-Saharan regions.
- A growing shift toward PPP (Public-Private Partnership) and EPC+F (Engineering, Procurement, Construction + Financing) models to address funding gaps and execution capacity.

Asia – Urban Growth and Industrialisation Driving Demand

Urbanisation and industrial growth continue to fuel demand across Southeast and Central Asia:

- Indonesia, with a steady 5% GDP growth, is targeting 8% in the next five years. The wastewater market is growing at 6.6% CAGR with USD 10 billion allocated under its National Strategic Plan.
- Singapore aims to recycle 55% of its water by 2060, with the sector growing from USD 1.5 billion (2023) to USD 2.1 billion by 2030.
- Vietnam projects 13.7% CAGR in its water sector through 2032, while Malaysia is seeing 4.2% CAGR in industrial wastewater treatment.

CIS & Central Asia – A New Frontier for Water Infrastructure Investment

The CIS and Central Asian region is witnessing a decisive shift toward modern water infrastructure driven by climate challenges and sectoral diversification:

- Uzbekistan plans to invest USD 3.5 billion by 2030 to improve access, sanitation, and reuse infrastructure.
- Kazakhstan, through its "Auyl – El Besigi" program and other initiatives, is investing over USD 2.5 billion from 2024 to 2028, particularly in decentralised wastewater and ZLD systems for mining, chemicals, and energy.
- Azerbaijan is reforming its urban water systems with support from the World Bank and ADB, with focus areas including desalination, aquifer recharge, and circular models.
- Turkmenistan and Kyrgyzstan are mobilising investment in rural access and industrial treatment, increasingly through BOT and EPC+F partnerships.

Strategic Direction – Glocal Expansion with Focused Execution

To unlock these growth vectors, WABAG is actively executing on its "Glocal" strategy — going global while staying deeply local. We are entering new markets across GCC, Africa, Central Asia, CIS, and Southeast Asia. Our partnership and alliance models are being tailored market by market to ensure agility with depth. In parallel, we are strengthening our global delivery engine — investing in teams, capabilities, and execution excellence to stay ahead of the curve.

Together Towards a Water-Secure Future

As we look ahead, I remain confident that our unwavering commitment to purpose, backed by innovation, operational excellence, and strong partnerships, will continue to propel WABAG forward. Water, after all, is more than a sector — it is a responsibility. In an era defined by climate uncertainty, economic complexity, and shifting global priorities, our work has never been more relevant or more urgent.

To our customers, partners, employees and investors - thank you. Your trust continues to be the reservoir from which we draw strength, inspiration, and resilience.

Let us continue this journey together to power economies, to preserve the environment, and above all, to protect life.

Together, let us reaffirm our resolve to build a more water-secure, resilient, and equitable future — one drop, one community, one breakthrough at a time.

Warm regards,

Rajiv Mittal
Chairman & Managing Director

Chief Growth Officer's Message



Dear Shareholders,

FY 2024–25 marked a defining chapter in our pursuit of long-term growth aspirations at WABAG. This year, we commemorated a hundred years of our journey. We broadened our presence across emerging markets, enriched our value propositions and set in motion the foundations for scalable and sustainable growth.

Securing India's Water Future

India continues to be one of WABAG's most important markets and stands as a key pillar of our growth. We continue to consolidate our presence across both municipal and industrial segments, supported by a calibrated portfolio of Engineering, Procurement and Construction (EPC) and long-term Operations and Maintenance (O&M) projects. In an era where expedited urbanisation and industrial demand are augmenting the demand of water, our focus areas of desalination, effluent treatment, and water reuse are becoming increasingly critical. We are proud contributors to national missions such as AMRUT and Namami Gange and our 'One City One Operator' model is enabling integrated solutions for urban centres.

Emerging Markets, Enduring Value

Internationally, we are advancing a focused growth strategy across high-potential geographies, such as the Middle East, Africa and Southeast Asia. These regions are witnessing a surge in water infrastructure investment, spurred by both government initiatives and multilateral financing mechanisms. In FY25, we achieved notable momentum on major desalination and wastewater treatment projects in Saudi Arabia and the UAE. In Africa, our footprint continues to broaden, supported by structured financing from DFIs and export credit agencies to mitigate financing and delivery risks. We also

forayed into new growth markets, including Uzbekistan, Kazakhstan and Vietnam.

To accelerate execution and regional responsiveness, we strengthened our offshore and in-country teams. These efforts were further complemented by the adoption of a regional cluster-based delivery model. The 'glocal' approach, which fuses global expertise with local responsiveness is helping us meet diverse infrastructure requirements while maintaining cost efficiency and quality control.

Scaling Through PPPs and Asset-Light Investments

A major milestone of the year was the launch of a USD 100 million (INR 825 Crores) equity investment platform in collaboration with a consortium of global investors. This initiative enables us to participate in Build-Own-Operate-Transfer (BOOT) and Hybrid Annuity Model (HAM) projects, while remaining true to our asset-light philosophy. By contributing as a minority partner and assuming technical leadership, we are able to unlock long-term revenue streams without overextending our balance sheet. Through this vehicle, we aim for contributing to nation building by partnering with ULBs and bring about greener cities through sustainable water solutions and financial models.

This strategy strengthens our capacity to engage in large, capital-intensive municipal projects across India and emerging markets. It reinforces our financial flexibility and supports steady annuity income. With robust investor backing and a proven track record of delivery, we are scaling our PPP presence responsibly and profitably. Wabag's culture of collaboration and partnerships with industries, governments, and communities collectively would build a water-secure future in this planet for coming century.

“

Internationally, we are advancing a focused growth strategy across high-potential geographies, such as the Middle East, Africa and Southeast Asia. These regions are witnessing a surge in water infrastructure investment, spurred by both government initiatives and multilateral financing mechanisms.

”

Nurturing the human talent for the next decades

Practising an asset light business model, in Wabag, our growth is contributed largely by our technologies & our human talent. Nurturing the leadership talent has been one of our focussed action during the previous year. We collaborate with expert organization to support us in devising a year long development agenda for young leadership talent chosen through a rigorous process. We believe in diversity in our talent pool as a significant enabler for excellence and we vision our growth for next decades powered by young talent who are well nurtured by our senior experienced talent in the organization.

Advancing with Purpose

Our growth trajectory is aligned with the global transition towards sustainability, climate resilience and water circularity. We continue to channel our investments into advanced treatment technologies, digital platforms and energy-efficient solutions to meet evolving benchmarks of environmental stewardship and operational excellence. Initiatives such as Blue Seed enable us to commercialise next-generation innovations, ranging from Zero Liquid Discharge to AI-enabled plant operations to commercial readiness. The smart and data driven approach of Wabag's operation and maintenance of water treatment plants aims at ensuring maximum resource recovery & utilization leading to Zero waste.

With a strong order book, a healthy bid pipeline and a reliable execution model, WABAG stands poised to leap into its next chapter of growth with greater responsibility. Our decentralised delivery structure, technical depth and agile financing models equip us to scale sustainably while generating enduring value for governments, industries and communities. Our vision for next 100 years would not only be marked by longevity but also by a profound impact on clean and safe water availability and the well-being of the planet for generations to come.

I would like to express my sincere gratitude to our customers, partners, employees, shareholders and all other stakeholders whose confidence and collaboration have been instrumental in our journey. As we step into the future, we remain focused on embracing innovation, advancing sustainability and delivering operational excellence. Together, we look ahead to building a water-secure future that delivers meaningful impact across society.

Warm Regards,

S. Varadarajan
Whole Time Director & Chief Growth Officer

Chief Financial Officer's Message



Dear Shareholders,

FY 2024–25 was a year of purposeful performance—where financial discipline, operational agility, and strategic clarity converged to deliver long-term value. In a fast-changing global environment, we stayed true to our core—capital efficiency, resilient cash flows, and an asset-light strategy—while deepening our commitment to innovation and execution excellence.

Disciplined capital allocation, focused investments, and a steadfast emphasis on returns allowed us to reinforce our balance sheet strength and remain net cash positive for the fifth consecutive year—a hallmark of our prudent approach and operational consistency.

Performance with Purpose, Numbers with Precision

We closed the year with revenues of INR 3,294 Crores, powered by strong execution across domestic and international markets. EBITDA stood at INR 430 Crores, with a healthy margin of 13.1%, while PAT rose to INR 295 Crores, in line with our focused mantra of “Profitable Growth.”

Return on Equity improved to 14.9%, and Return on Capital Employed reached 18.4%, affirming our capital-efficient growth strategy. We maintained a net cash position of INR 705.6 Crores (excl. HAM SPVs) and kept our working capital cycle stable at 110 days, thanks to strong collections, milestone-driven billing, and project-level controls.

We also invested in strengthening operational resilience—enhancing our supply chain planning, digitising workflows, and driving delivery efficiency—measures that continue to improve execution timelines and cost competitiveness.

Asset-Light Thinking, Strategic Heavy Weighting

Our financial strategy remains anchored in the Asset-Light model. We sharpened our focus on high-value Engineering & Procurement (EP) and long-term O&M contracts—segments that offer higher margins, annuity-style cash flows, and lower capital intensity. We continued to advance our business development agenda, with a focused thrust on scaling our Industrial Portfolio and accelerating growth in key International Geographies.

At the same time, we continued to build structured partnerships to participate in select BOOT and HAM projects without balance sheet drag. Our collaborative approach, where we retain technical leadership with minority financial interest, enables us to capture long-term value while preserving capital efficiency. As part of this strategy, we embarked on the journey to establish a USD 100 million equity investment platform in partnership with marquee global financial institutions. This platform will catalyse our growth in PPP-led municipal projects across India and select international markets, enabling us to scale sustainably while remaining financially nimble.

Future-Ready

We continued to keep our funding strategy flexible, responsive, and aligned to evolving project needs. Following the shareholder's approval received last year, we worked on expanding our working capital limits to INR 5,000 Crores, providing the financial firepower to pursue larger, more complex projects globally reflected in our growing order book which now stands at INR 13,667 Crores.



We also invested in strengthening operational resilience—enhancing our supply chain planning, digitising workflows, and driving delivery efficiency—measures that continue to improve execution timelines and cost competitiveness.



While expanding our limits to support growth, we stayed laser-focused on optimising debt and reducing our cost of capital—evident in the reduction of both net finance costs and average borrowing rates during the year. Our consistent performance and prudent financial stewardship were acknowledged through a credit rating upgrade to AA– (Stable Outlook)—a clear endorsement of our strong fundamentals and strategic foresight.

Advancing with Purpose, Investing in the Future

Our growth trajectory is closely aligned with global priorities of climate resilience, water sustainability, and circularity. We continued to invest in next-gen treatment technologies, digital platforms, and energy-efficient solutions to meet evolving environmental standards and regulatory requirements.

Our innovation platform, Blue Seed, embodies our entrepreneurial spirit and commitment to nurturing breakthrough water technologies. By fostering early-stage innovations with high impact potential, we aim not only to future-proof our business but also to give back to society through sustainable water solutions. These efforts reinforce our leadership in environmental stewardship and smart water infrastructure.

Looking Ahead with Confidence

We step into FY 2025–26 with strength and optimism. Our robust order book, cash-positive balance sheet, and high-

margin business mix provide the visibility and confidence to chart our next phase of growth. With O&M forming a growing share of our portfolio, we expect even greater predictability in cash flows and profitability.

As the business evolves, the finance function will continue to be a catalyst—driving sharper decision-making, enabling growth with discipline, and creating long-term stakeholder value.

In closing, I extend my heartfelt gratitude to our shareholders, customers, bankers, vendors, sub-contractors, partners, and fellow WABAGites, for your continued trust and collaboration. As we turn the page to a new chapter, we remain deeply committed to innovation, sustainability, and excellence in execution.

Through innovation, discipline, and deep-rooted commitment, we are shaping a world where infrastructure does more than deliver water—it ensures resilience, equity, and continuity for generations yet to come.


Warm Regards,

Skandaprasad Seetharaman
Chief Financial Officer

Our Markets, Their Momentum

WABAG operates in high-growth markets in emerging economies with increasing demand for sustainable water infrastructure and treatment solutions. Each of our strategic clusters presents distinct opportunities driven by regulatory momentum, infrastructure investments and the urgent need for water security.



 **GNN TTRO Plant, Ghaziabad, India**

India Cluster

India Cluster

India continues to be one of the most promising markets for water and wastewater management. Government-led programmes such as the National Mission for Clean Ganga, AMRUT, AMRUT 2.0, Jal Jeevan Mission and Swachh Bharat Mission are driving sustained investments in municipal infrastructure. The Ministry of Jal Shakti has been allocated INR 99,500 Crores (~USD 12 billion), with projects worth INR 45,000 Crores expected to be awarded in the near term. Additionally, growth in the power, refining, and petrochemical sectors is accelerating demand for effluent treatment and desalination solutions. Opportunities are also emerging in areas such as biogas to compressed biogas (CBG), PV solar, semiconductor water systems, and green hydrogen, further expanding the industrial water market landscape.

Middle East and Africa Cluster

The Middle East and Africa continue to present substantial prospects, supported by a growing population, arid climatic conditions, and strong government focus on water resilience. Water consumption in the Middle East is expected to increase by 62% by 2025, with 63% of demand already met through desalination. Regional governments are investing in large-scale Zero Liquid Discharge (ZLD) and treated wastewater reuse projects under long-term programmes such as the Water Security Strategy 2036 (UAE) and Vision 2030 (Saudi Arabia). In Africa, the Africa Water Investment Action Plan aims to mobilise USD 30 billion annually for water security and sanitation by 2030. The region also benefits from multilateral funding and Public-Private Partnership (PPP) models that support the delivery of sustainable infrastructure.


Europe Cluster

Europe is experiencing rising water stress due to recurring droughts and ageing infrastructure, prompting accelerated investment in water reuse and advanced treatment systems. The new Urban Wastewater Treatment Directive mandates a fourth treatment stage to remove micropollutants such as pharmaceutical and cosmetic residues will become mandatory for wastewater treatment plants from 150,000 population equivalents (PE), with earlier requirements starting at 10,000 PE in particularly sensitive areas, and a phased implementation schedule requiring 20% of eligible plants by the end of 2033, 60% by 2039, and 100% by 2045. Europe's recycled water market is projected to grow at a CAGR of 9.4% through 2032, driven by municipal and industrial reuse applications. Countries like Spain, Italy and Romania are leveraging EU recovery funds to modernise water infrastructure and expand decentralised reuse systems.

Southeast Asia

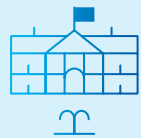
Southeast Asia is witnessing rapid urbanisation and industrialisation, which is increasing the pressure on water resources and treatment systems. In Indonesia, the wastewater treatment market is projected to grow at a CAGR of 6.6% between 2024 and 2030, supported by sustained GDP growth and urban expansion. Singapore targets increasing water recycling from the current 40% to 55% by 2060 to reduce reliance on imports. Vietnam's water sector is forecasted to grow at a CAGR of 13.68% during 2024–2032, while Malaysia's industrial wastewater market is also on a positive trajectory. These trends reflect the region's growing focus on advanced treatment technologies and infrastructure modernisation.



 **El Hamoly WWTP, Egypt**

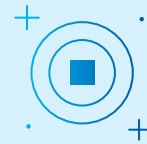
Strategy in Sync with the Future

WABAG's growth strategy is built to address the evolving priorities of the global water sector. With rising demand for climate-resilient infrastructure, increased public investment, and a sharper focus on sustainability, the sector is entering a transformative phase. WABAG's strategic roadmap responds directly to these developments with focused, future-aligned actions.



Capitalising on Policy-Driven Infrastructure Spending

With large-scale government programmes in India and multi-billion-dollar initiatives in the Middle East and Africa, we are actively aligning our market development efforts to capitalise on upcoming tenders and public-private opportunities.



Sharpening Cluster-Led Execution Focus

Our cluster-based approach allows us to adapt swiftly to region-specific regulatory, environmental, and customer requirements, enhancing competitiveness and execution efficiency across India, MEA & Europe clusters.



Scaling Long-Term O&M Revenue Streams

In line with increasing customer preference for lifecycle partnerships, we continue to scale our O&M portfolio, targeting annuity-based revenues that provide greater earnings stability and long-term visibility.



Addressing the Industrial Demand Shift

Growing industrial demand for advanced water solutions across power, refining, petrochemicals, and semiconductors is being met through our specialised offerings in effluent treatment, ZLD and water reuse.



Expanding Participation in Emerging Segments

New and adjacent segments such as waste-to-energy, green hydrogen, ultra-pure water and biogas to CBG are gaining traction, and we are actively participating in select opportunities that align with our core competencies.



Building on Digital and Delivery Synergies

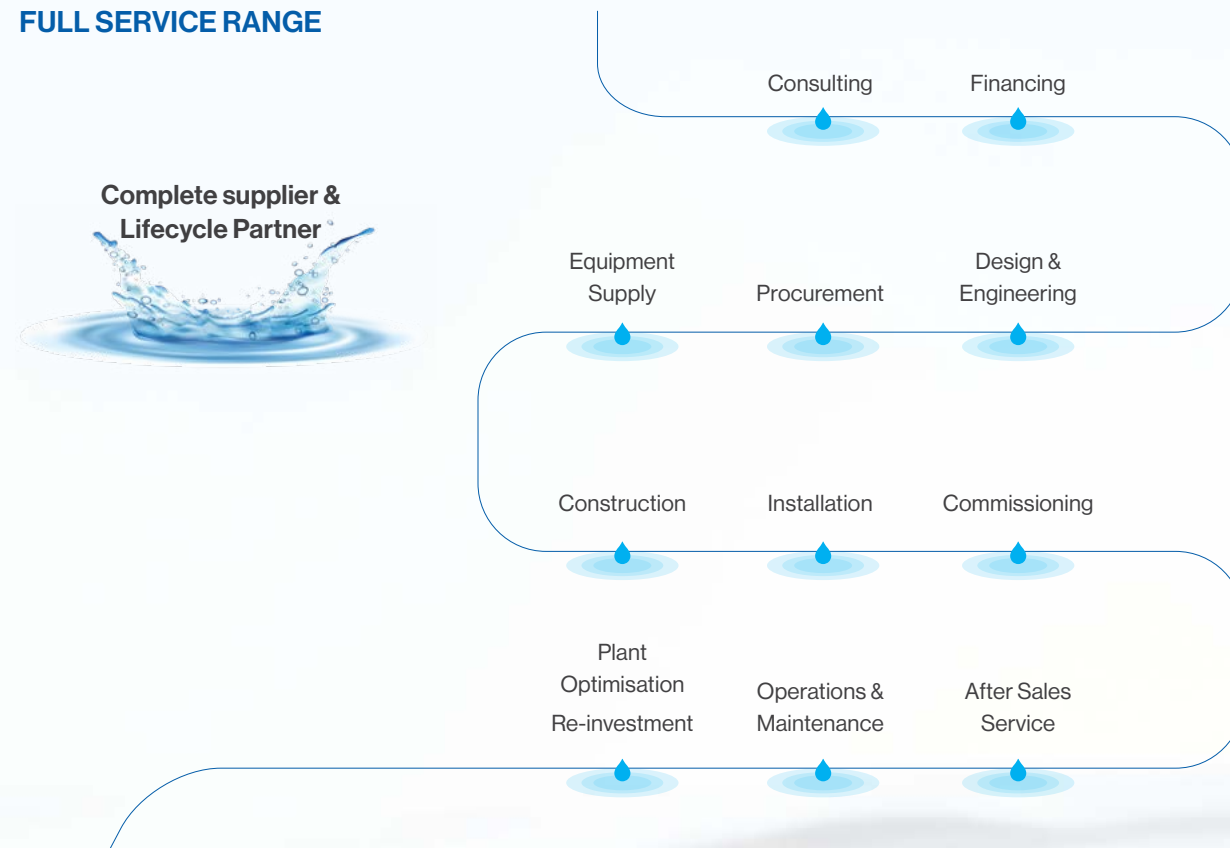
We are strengthening collaboration across global clusters and deploying digital tools to enhance project visibility, efficiency, and responsiveness, enabling faster turnaround and seamless execution.

Through these strategic imperatives, WABAG is not only tapping into robust sectoral opportunities but also reinforcing its role as a purpose-driven water technology partner to governments, industries, and communities.



Purpose in Every Process- Our Value Creation Model

FULL SERVICE RANGE



Comprehensive technical and economic know-how guarantee efficient project realisation.

Our service range is based on a holistic life cycle model- extending from project development to long term plant operation

EPC-Engineering-Procurement/and Construction
DBO-Design-Build-Operate
BOOT-Build-Own-Operate-Transfer
Turnkey order realization
Supply of System Components
Plant Modernisation
Plant Upgrade and Extension

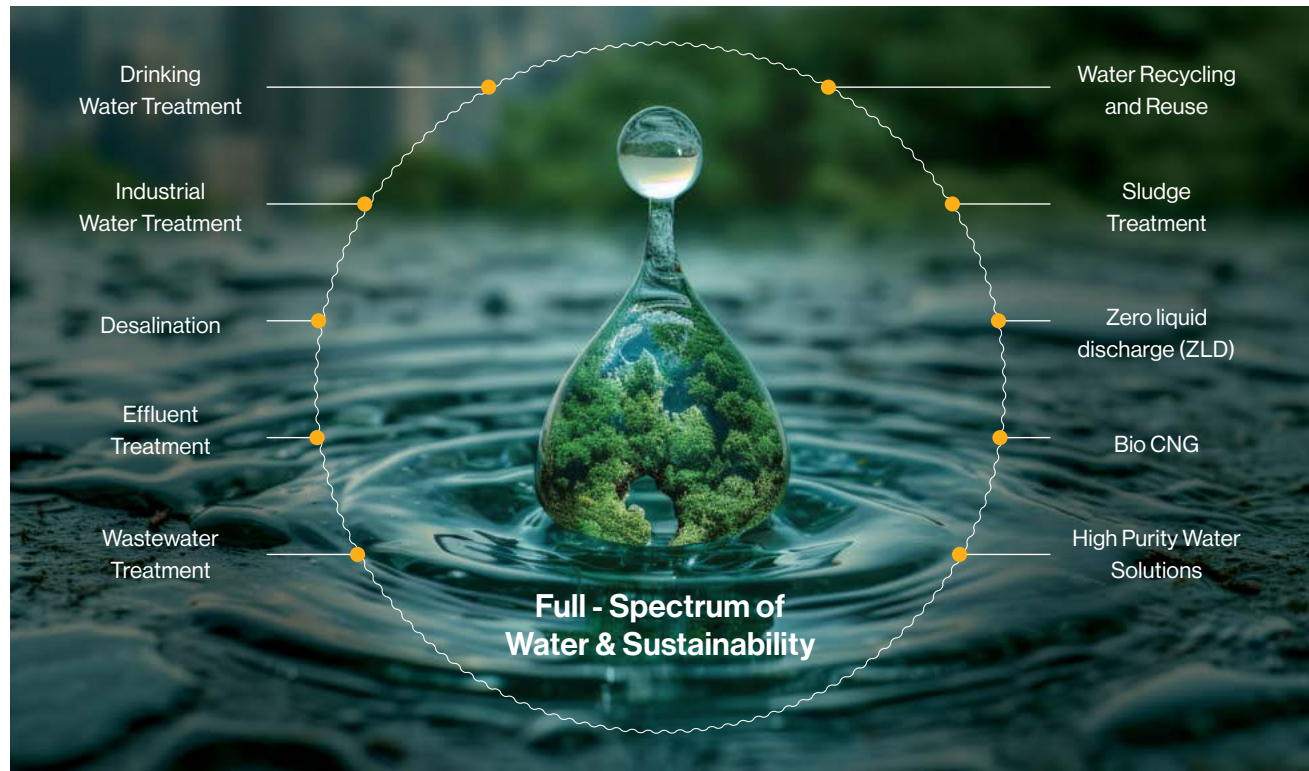
Solutions That Flow Full Circle

At WABAG, we deliver comprehensive, end-to-end water and wastewater management solutions, tailored to the evolving needs of municipalities and industries across the globe.

Our offerings span the entire water cycle from sourcing and treatment to recycling and resource recovery, ensuring a sustainable and secure water future for all stakeholders.



Since 1995



Engineering Procurement and Construction (EPC)

WABAG executes EPC projects, offering end-to-end services from conceptualisation to commissioning. Each EPC project involves continuous assessment of multiple factors, including diverse technologies and varying project locations.

Design-Build-Operate (DBO)

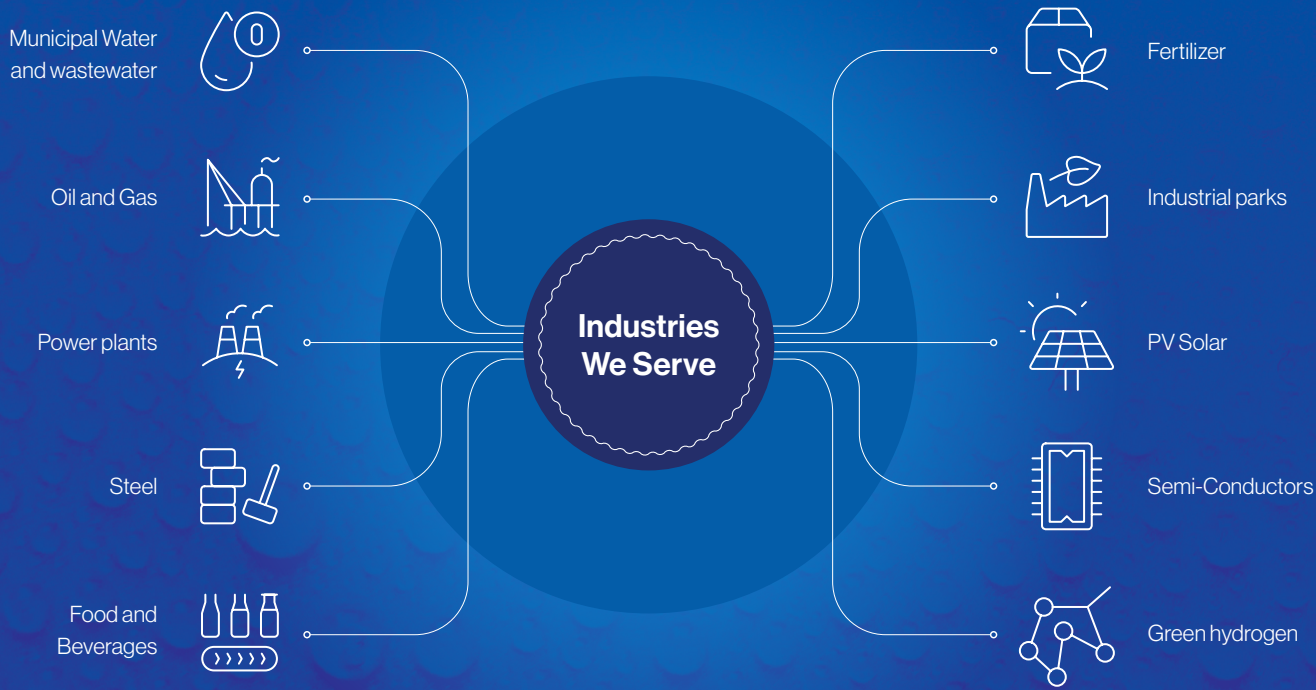
WABAG undertakes long-term design-build-operate contracts that enhance project performance while optimising lifecycle costs. Supported by our in-house engineering team, quality procurement, construction expertise and dedicated operations and maintenance, we are a trusted partner for DBO projects.

Operation & Maintenance (O&M)

WABAG diligently manages the operation and maintenance of existing water and wastewater plants. Leveraging our extensive expertise and experience, we streamline operational processes to improve our clients' efficiencies significantly.

Hybrid Annuity Model (HAM)

WABAG offers comprehensive solutions covering financing, construction and operation of water and wastewater projects under the Hybrid Annuity Model. Our asset-light approach enables us to secure competitive financing, ensuring timely project delivery and improved operational efficiency.





Drinking Water Treatment

130 MLD Upper Ruvu WTP, Mlandizi, Tanzania

First water project in Africa to be commissioned under EXIM India funding



Industrial Water Treatment

50 MLD BWRO (Desalination), for Reliance Industries, Dahej, India

Turnkey project executed in record 8 months 24 days



Desalination

110 MLD SWRO (Desalination) Plant, Nemmeli, Chennai, India

India's largest operational desalination plant till date



Effluent Treatment

102 MLD Industrial Effluent Treatment Plant for PETRONAS, Malaysia

Largest industrial Effluent Treatment Plant in Southeast Asia



Wastewater Treatment

140 MLD Dinapur WWTP, Varanasi

The first and largest STP to be built under "Namami Gange Programme"



Water Recycling and Reuse

45 MLD Koyambedu TTRO Recycle Reuse Plant, Chennai, India

One of the largest and technologically most advanced water reuse plants in India ensuring Chennai's Water security



Sludge Treatment

Rithala WWTP in India

Advanced wastewater treatment is integrated with state-of-the-art sludge management, utilizing a large solar drying bed and biogas utilization to generate electricity and cover 75% of the plant's energy needs



Zero liquid discharge (ZLD)

Centralized ZLD Plant for NMDC Steel Ltd. in India

A state-of-the-art approach to water treatment, aiming to eliminate liquid discharge from both industrial and municipal wastewater streams



High Purity Water Solutions

QS Technologies Polysilicon Project, Doha, Qatar

A complete raw water package, from seawater to Ultra-Pure Water – for one of the region's most advanced solar-grade polysilicon facilities

Innovation with Intent

At WABAG, innovation is deeply rooted in our culture, driving our relentless ambition to reimagine the future of water management.

We reaffirm our commitment to advancing global water security by harnessing breakthrough technologies and future-ready platforms, backed by a century of expertise. Guided by a bold vision to deliver more value with greater efficiency, we continuously push the boundaries of sustainable water solutions to meet the evolving needs of communities and industries worldwide.

Our innovation strengths include:

01

Global R&D centres in India and Europe focusing on complex water challenges such as zero liquid discharge (ZLD) systems and emerging contaminants like PFAS and microplastics.

02

Over 125 IP Proprietary technologies built around sustainability, energy recovery and circular economy principles.

03

Digitisation and automation advancements, including real-time plant monitoring via our Chennai NOC and AI-powered optimisation piloted at our TTRO facility.

04

Strategic partnerships with Pani Energy and a growing ecosystem of startups to accelerate data-driven, intelligent water management.



BLUE SEED: Fueling Innovation in Water

In 2024, WABAG launched BLUE SEED, a strategic initiative to foster innovation and support start-ups working in the water-tech space. Born from our vision to give back to the sector and shape the future of water through collaboration, BLUE SEED aims to identify, invest in, and scale disruptive technologies that address critical challenges in water treatment, wastewater recycling, desalination, and digital water management.

Over the past year, BLUE SEED has evolved into a vibrant platform connecting passionate entrepreneurs, technology innovators, investors, and the broader water ecosystem. Key milestones from the year include:

BLUE SEED Launch (May 2024):

Unveiled at WABAG's Global Headquarters by Mr. Gopal Srinivasan, Chairman & MD – TVS Capital Funds, the launch set the tone for our commitment to innovation and collaboration in the sector.

WASH Accelerator Program (July 2024):

A structured engagement with 10 high-potential start-ups in collaboration with Wash innovation Hub, ASCI, including pitch sessions, networking sessions from WABAG's experts and partners.

Pitch to Win – Water Edition (Feb 2025):

Hosted in partnership with IIT Madras Incubation Cell and PEAK Ventures, this platform brought together 15 cutting-edge water-tech start-ups for a day of live pitching,

mentorship, and recognition, reinforcing our role as an industry enabler.

Pitch Session with Startup Nation Central (March 2025): Connecting with Startup Nation Central, we hosted a curated virtual pitch session featuring four innovative start-ups from Israel's robust water-tech ecosystem, opening doors to international collaboration and joint opportunities.

With BLUE SEED, WABAG is not just investing in technology—we are investing

in ideas, people, and partnerships that will shape a sustainable water future. The journey has just begun, and the impact we envision will be powered by innovation, collaboration, and purpose.



125+

Proprietary technologies

10+

Collaborations with reputed international academic institutions

INR 4 Crore

Total R&D Spend in FY 2024-25

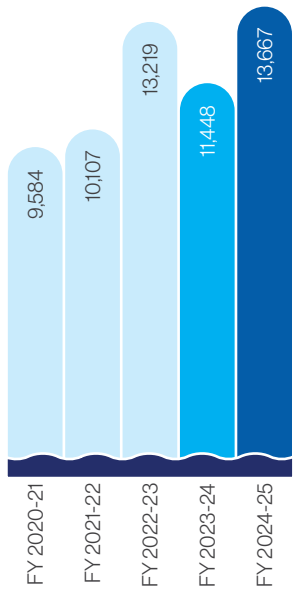
Financials that Fuel the Future

(INR in Crores)

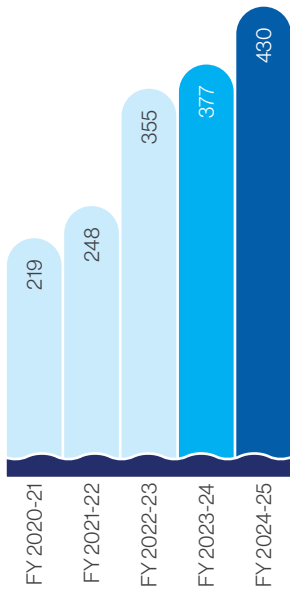
Revenue



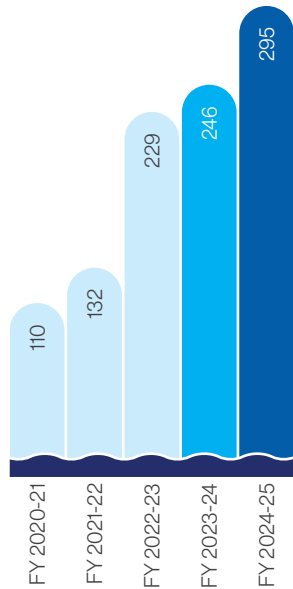
Order Book



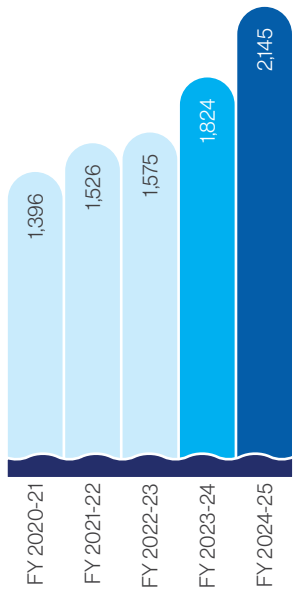
EBITDA



PAT



Net worth



Why Invest in WABAG

Invest in the Future of Water

WABAG represents a compelling investment opportunity, anchored in its global leadership, diversified presence and proven execution capabilities in the water sector. With a strong portfolio of sustainable water and wastewater treatment solutions, advanced proprietary technologies, and a balanced municipal-industrial mix, we are well-positioned for long-term growth. As water security becomes increasingly critical worldwide, WABAG remains committed to addressing these challenges through innovation, strategic expansion, and collaborative partnerships. Our asset-light, net cash positive model, along with a robust order book and consistent financial performance, reinforces our ability to generate sustainable value for all stakeholders.

Purpose-Led Growth for Shareholders

Through focused expansion across high-potential geographies and a diversified presence in both municipal and industrial water segments, we continue to deliver sustainable revenue growth while maintaining healthy profit margins. Our disciplined financial approach has supported consistent improvement in earnings and a strong return profile. With a resilient, asset-light business model and a robust order book, we remain committed to enhancing shareholder value through prudent capital allocation, stable dividends, and a long-standing net cash positive position.

Rewarding shareholders

On the occasion of its Centenary year, backed by robust performance and a healthy cash position, the Board has recommended to the Shareholders, for approval, a dividend of **INR 4 per share** (200% of Face Value) for the year ended March 31, 2025.



This proposed dividend reflects our continued commitment to delivering value to our shareholders, while maintaining a prudent balance between rewarding investors and reinvesting in our growth initiatives.

Rajiv Mittal
Chairman and Managing Director

The Force Behind Every Flow

We believe that our skilled and dedicated workforce forms the foundation of our success, and we are committed to nurturing an environment that enables every individual to grow, lead and thrive. We offer a safe, inclusive and empowering workplace, with competitive compensation and structured recognition frameworks. Our focus remains on investing in our people through industry-leading talent development programmes, leadership acceleration tracks, and hands-on exposure to strategic business initiatives.

219

Training Programmes Conducted

57,751

Learning Hours in FY 2024-25



Talent Development and Leadership Programmes

Wabag nurtures talent through the following flagship programmes.

01

Extra Milers and Emerging Talents (EM/ET)

Designed to identify and nurture high-potential talent from our Graduate and Executive Trainee pools.

02

Leadership Excellence Programme (LEX)

Targeting Managers and Deputy General Managers, this flagship programme builds strategic, cross-functional, and change leadership capabilities.

03

Young Entrepreneur Programme (YEP)

Strategic initiative aimed at developing mid-level leadership by sponsoring high-potential employees for Executive MBA programmes.

04

Hi-Pot Under 40 programme

Identifies and nurtures high-potential employees under the age of 40 for future senior leadership roles.



"Hi-Pot Under 40" - 2025 Cohort

Strategic exposure through special projects

At WABAG, leadership development is also embedded in critical business initiatives led by the CEO's office. These cross-functional projects allow young and mid-level talent to drive performance transformation.



Our Extra-milers at IIM Kozhikode

Workplace safety and well-being

Safety is a core value at WABAG, embedded across all levels of our operations. Our Environmental, Social, Health and Safety (ESHS) system is aligned with international standards, including ISO 45001:2018 and ISO 14001:2015.



200 MLD Independent Sewage Treatment Plant, Riyadh, KSA

Building a Unified Culture

This year, we introduced We Can! We Will! - a culture transformation and sensitisation initiative designed to align all Wabagians with our core values and cultural pillars: **Accountability, Collaboration, Customer Focus and Entrepreneurship**.

The programme catalyzes embedding our Vision, Mission and Values into everyday actions and decision-making. It reinforces a shared sense of purpose, cultivates an environment of innovation and inclusivity, and strengthens cross-functional collaboration and leadership accountability across the organisation.

Programme objectives

- Align teams with Wabag's cultural pillars
- Drive performance through ownership
- Enhance collaboration and communication
- Foster innovation and diversity
- Retain top talent and build leadership accountability

Living Our Cultural Pillars

Accountability

01

Conducted workshops and storytelling sessions to promote ownership

02

Launched personal commitment trackers and peer reviews

03

Rolled out a recognition program including "Accountability Stars" and team badges

Entrepreneurship

01

Hosted pitch competitions and innovation workshops

02

Mentored employees through the Intrapreneurship Program

03

Piloted 3 new business ideas based on employee pitches

Customer Focus

01

Rolled out empathy workshops and feedback integration programs

02

Tracked CSAT improvements and resolved 90%+ feedback points

03

Honored customer success stories in monthly townhalls

Collaboration

01

Enabled cross-functional projects and team-building activities

02

Promoted psychological safety and open dialogue

03

Launched a "Collaboration Champions" initiative



Employee Health and Safety Activities

Implementation of robust operational controls across all sites

Daily toolbox talks and regular first aid training

Health check-up camps at EPC and O&M locations

National Safety Month is celebrated across all sites

Observation Collection System and heat stress prevention campaigns

Continuous feedback and stakeholder engagement to strengthen ESHS culture



Shaping
Tomorrow,

T



Today



Strengthen global market position

We aim to expand our footprint in high-potential emerging markets, particularly across the Middle East, Africa, Southeast Asia and CIS countries. Our focus remains on enhancing our position as a leading global EPC and O&M player in the water sector.



Lead the sustainability and circular economy agenda

We are committed to advancing sustainable water solutions through technologies such as zero liquid discharge, wastewater recycling and reuse and waste-to-energy. Our goal is to enable climate-resilient, environmentally responsible infrastructure across markets.



Deepen technological leadership

We continue to invest in R&D, develop proprietary technologies and collaborate with academic and research institutions. Our focus is on digital platforms and next-generation solutions that reinforce our leadership in advanced water treatment.



Enhance capital efficiency and financial resilience

We are focused on maintaining an asset-light and debt-light business model, improving ROCE through efficient capital deployment, and securing long-term, annuity-based income via O&M and PPP contracts.



Build a high-performance organisation

We seek to be the employer of choice by nurturing technical and leadership talent, accelerating digital transformation and strengthening project execution capabilities, while upholding the highest standards of governance, compliance and safety.



Create long-term stakeholder value

Our strategic efforts are anchored in building trust-based partnerships with governments and multilateral agencies, broadening our institutional investor base and delivering sustainable returns to our shareholders.

Greening the Future

Environmental stewardship is deeply embedded in WABAG's identity and operations. With a century-long legacy in water technology, we are well-positioned to address global sustainability challenges by offering innovative solutions that promote water conservation, resource recovery, and climate resilience.

Our environmental commitments span strategy, infrastructure, project execution, and partnerships, ensuring we deliver lasting value to both communities and ecosystems.

We integrate sustainability principles into every aspect of our business, from the design of advanced treatment plants to the adoption of green technologies and vendor accountability. In doing so, we contribute meaningfully to environmental protection while supporting national and global climate goals.

Driving Impact Through Transparency and Recognition

WABAG received a 'B' score from the Carbon Disclosure Project (CDP) in both Water Security and Climate Change categories. This recognition affirms our commitment to environmental transparency and sustainable risk management. Our approach is guided by global frameworks such as the Task Force on Climate-Related Financial Disclosures (TCFD), enabling us to proactively identify and respond to physical and transitional climate risks.

Sustainable Infrastructure and Operations

Our global headquarters, WABAG House in Chennai, stands as a model for sustainable design and operations. It has achieved:

- Net Zero Water status through advanced reuse and recycling systems
- Near Net Zero Energy operations enabled by smart systems and energy-saving infrastructure
- Platinum-rated Green Building certification for three consecutive assessment cycles

Embedding ESG Across the Value Chain

Environmental responsibility at WABAG extends beyond internal operations into our ecosystem of partners and suppliers. During the year, we:

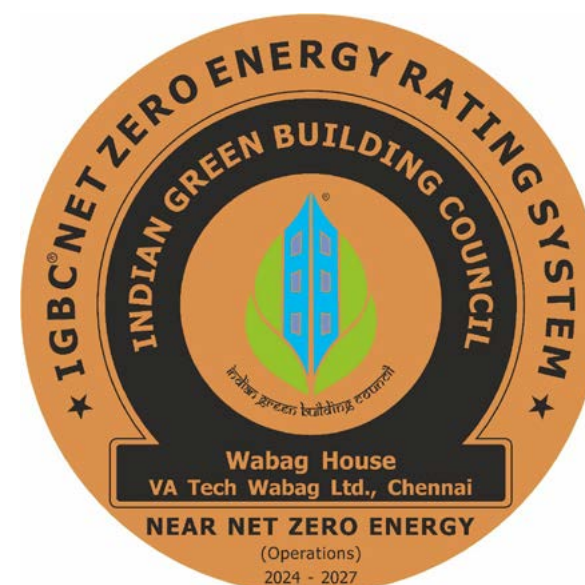
- Rolled out a comprehensive Environmental Policy focused on compliance, conservation, and continual improvement.

- Introduced a Vendor Sustainability Policy to align our supply chain with ESG standards.
- Conducted ESG awareness and training programmes for vendors and partners.
- Adopted the 5R Principles—Refuse, Reduce, Reuse, Recycle, and Recover—across all operations.

Sustainability through core business delivery

Our environmental impact is most visible through our core projects. Since 1995, we have delivered over 1,500 water and wastewater treatment plants worldwide, directly enhancing water availability and enabling treated water reuse. We promote the use of manufactured water and drive circular economy models through responsible project design. Our growing portfolio of waste-to-energy solutions supports clean energy generation while addressing complex solid and liquid waste challenges.

 **Rithala WWTP, New Delhi, India**



Purpose Beyond Projects

At WABAG, Corporate Social Responsibility is deeply embedded in our pledge to sustainability and inclusive development. Guided by our CSR Policy, we implement programmes that reflect our core expertise in water, wastewater management and sanitation, while aligning with local community needs and national development priorities.

Our CSR implementation is steered by the following key principles:

- Focusing**
on projects that resonate with our technical expertise in water and sanitation.
- Prioritising**
initiatives in the vicinity of our project and office locations to directly benefit nearby communities.
- Supporting**
skill development and training through the Industry Partnership model under the Apprenticeship Act.

Mahatma Award 2024

In recognition of our sustained efforts, WABAG was honoured with the 'Mahatma Awards – 2024' for Sustainable and Responsible Business Practices. Presented by Dr. Kiran Bedi, First Woman IPS Officer and 24th Lt. Governor of Puducherry, along with Mr. Amit Sachdeva, Founder of the Mahatma Foundation, this prestigious award reflects our continued commitment to meaningful CSR and ESG initiatives.



Driving Social Value: CSR at Work in FY 2024–25

Chennai City Sanitation Plan

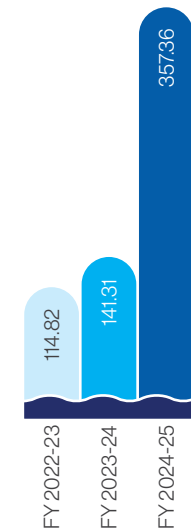
As part of the Government of Tamil Nadu's city-wide sanitation initiative, WABAG constructed two sanitation complexes in response to a request from the Greater Chennai Corporation. Located in Kamakoti Nagar and Ashtalakshmi Avenue, Pallikaranai, close to our office premises, each complex includes dedicated urinals and toilets for men and women, along with an incinerator. The facilities were handed over to the local association on January 25, 2023, and were maintained by WABAG for one year. Based on positive public feedback, the maintenance period was further extended by another year in FY 2024–25.

Apprenticeship Training under the Industry Partnership Model

In line with the Ministry of Skill Development and Entrepreneurship's notification under the Apprenticeship Act, WABAG continued its CSR efforts in skill development. During FY 2024–25, the Company engaged and trained 171 apprentices, including those under the statutory minimum mandate. This initiative reflects our dedication to building a future-ready workforce through structured, hands-on training.

WABAG remains committed to responsible growth, and our CSR initiatives continue to reflect our broader purpose of delivering sustainable value to communities and society at large.

CSR expenditure trends (INR in lakhs)



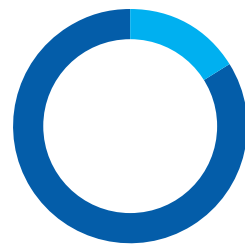
Graduate Engineering Trainee Batch 2025

Future-Ready Governance

At WABAG, good governance is fundamental to building a resilient, responsible, and future-ready organisation. Our governance framework is supported by a strong commitment to integrity, transparency, compliance and accountability. We believe that ethical conduct and robust internal controls are critical to maintaining stakeholder trust and driving long-term sustainable growth.

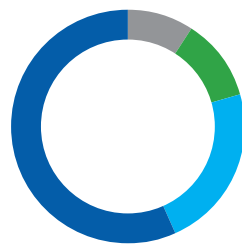
Board Metrics

Board diversity (in %)



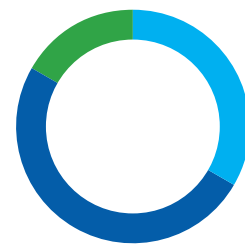
16.67% _ Women (1 Director)
83.33% _ Men (5 Directors)

Board tenure (in years)



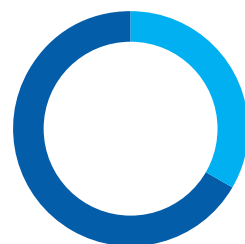
25 yrs _ 1 Director
10 yrs _ 1 Director
5 yrs _ 2 Directors
4 yrs _ 2 Directors

Board composition



2 _ Executive Directors
3 _ Independent Directors
1 _ Non-Executive Non-Independent Director

Board age profile (in %)



2 _ 35-60 Years
4 _ 60 Years



100%

Attendance of Independent Directors in Board Meetings

100%

Average Attendance of the Entire Board of Directors

5 years

Average Tenure of the Board

Whistleblower Policy and Vigil Mechanism

WABAG has put in place a strong Whistleblower Policy under its Vigil Mechanism to ensure that concerns around ethical misconduct can be raised safely and addressed promptly. This mechanism forms a critical part of our governance structure and demonstrates our commitment to fairness, openness, and accountability.

Key features of the policy include:

A secure
and confidential platform for employees and Directors to report concerns,

Protection
against retaliation or adverse action for complaints made in good faith,

Coverage
Coverage of unethical, unlawful, or improper activities that violate WABAG's Code of Conduct or core values.

Ethical Business Conduct

WABAG is committed to conducting its business in full compliance with applicable laws and the highest standards of ethics. A comprehensive Code of Conduct guides ethical behaviour across the organisation, encouraging employees to act in alignment with WABAG's core values. It applies to all Directors and Senior Management Personnel, who are expected to uphold the Code in letter and spirit. In case of ambiguity, individuals are encouraged to consult their reporting manager, department head, or the Company Secretary.

To further reinforce this commitment, WABAG has implemented a stringent Anti-Bribery and Anti-Corruption Policy, which:

Establishes
clear standards to prevent, detect, and report bribery and corruption

Applies
to all employees across WABAG's global operations

Emphasises
full compliance with local and international laws

Highlights
the serious legal and reputational risks of non-compliance

Our Board of Directors



Rajiv Mittal
Chairman and Managing Director

M

M



Milin Mehta
Independent Director

C

M

M

M

C

M



Vijaya Sampath
Independent Director

M

C

C

M

C



Ranjit Singh
Independent Director

M

C

M

C

M

M

M



Amit Goela
Non-Executive and
Non- Independent Director

M

M

M



S Varadarajan
Whole Time Director &
Chief Growth Officer

M

M

M

M

M

C

M

- Audit Committee
- Capital Allocation Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee

- Risk Management and Monitoring Committee
- Stakeholders' Relationship Committee
- Sustainability Committee

Leadership Team



Skandaprasad Seetharaman
Chief Financial Officer



Shailesh Kumar
CEO, India Cluster



Mahmut Gedek
CEO, Europe Cluster



V. Arulmozhi
CFO, India Cluster



Anup Kumar Samal
Company Secretary &
Compliance Officer



Rohan Mittal
Head-Strategy & Business
Growth-GCC

Honours and Achievements That Inspire Our Next



WABAG has been **re-ranked 3rd globally by GWI** among the world's top 50 private water operators, for its continued commitment to ensuring safe and clean



Honoured with the **“Best STP/ETP/WWTP – Private”** award by Water Digest World Water Awards 2024-25 for its outstanding wastewater treatment plants delivered for KMDA, Kolkata and DJB, New Delhi.



WABAG's 40 MLD TTRO project in Ghaziabad has received the Distinction Award for Water Reuse **Project of the Year at the Global Water Awards 2025**, Paris recognizing its innovative and sustainable approach to urban water recycling.



Honoured with the **‘Most Preferred Workplace 2025–26’ award for a third year** in a row by Team Marksmen, supported by India Today and Business Standard, with EY as the Knowledge Partner



WABAG received the prestigious **“Complete Water Solution Provider – Industrial”** award, recognising its comprehensive range of solutions tailored to meet industrial water treatment needs.



Ranked as the **3rd largest Desalination Plant Supplier** globally by Global Water Intelligence (GWI). This prestigious recognition highlights our relentless pursuit of excellence in delivering



Honored to receive the **“Excellence in Water Resource Management”** award at the ABP Live India Infrastructure Conclave 2024 for outstanding contributions & commitment to excellence



Honoured with 2 awards at the **17th CII-SR EHS Excellence Awards 2025**, recognizing our outstanding Environment, Health & Safety practices in construction projects across India.



Recognized as the **Most Admired Company in Water Infrastructure** at the ET NOW Infra Focus Awards 2024



Bagged a prestigious award under the **Exceptional Project Execution and Delivery** category at the IWA Project Innovation Awards 2024.



WABAG Singapore has been honoured with the **“Best Employer Award”** at The Asia Best Employer Brand Awards 2024



Awarded the **“Excellence in Water Desalination Technology, Equipment Design & R&D”** by Construction Academy – South

BOARD'S REPORT

Dear Members,

The Board of Directors hereby presents the Thirtieth (30th) Report of the Board regarding the business and operational performances of VA TECH WABAG LIMITED ("the Company" or "WABAG") together with the audited financial statements (standalone and consolidated) for the financial year ended March 31, 2025.

KEY FINANCIAL HIGHLIGHTS, RESULTS OF OPERATIONS AND STATE OF AFFAIRS

The key highlights of the financial performances for the financial year ended March 31, 2025:

(INR Mn.)

Particulars	Standalone		Consolidated	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Total Income (including Revenue from Operations and Other Income)	29,107	25,410	33,386	28,998
Profit before interest, tax & depreciation (EBIDTA)	4,029	3,577	4,302	3,768
Profit before tax	3,615	3,160	3,884	3,301
Tax Expenses	902	802	896	797
Profit for the period	2,713	2,358	2,948	2,504

FINANCIAL GROWTH

Your Company has achieved another year of profitable growth i.e., profits growing at a rate faster than the revenue growth. The Consolidated EBITDA grew by 14.2% YoY and the Consolidated PAT grew by 20.2% YoY. Your Company closed this financial year at a historic high order book position of about INR 136,667 Million, thereby providing a robust future revenue and growth visibility.

Key Orders received:

Order details	Nature of Contracts	*Value (INR Mn.)
200 MLD Al Haer ESC, Kingdom of Saudi Arabia – ISTP	EPC	17,212
100 MLD Indosol, Andhra Pradesh - Desalination	DBO	10,000
73 MLD Lusaka WSSC, Zambia – WWTP	DBO	7,753
110 MLD CMWSSB, Nemmeli Chennai – Desalination	O&M	4,149
Reliance, Nagothane & Dahej – Water Systems	EP	3,420
GAIL Pata, Uttar Pradesh – ETP, WWTP & ZLD	DBO	3,389
CPCL – Pipeline, Chennai – Desalination	EPC	1,452
BAPCO Refining, Bahrain – IWTP	O&M	1,205

*Exclusive of taxes

(EPC – Engineering, Procurement & Construction; EP – Engineering & Procurement; DBO – Design, Build & Operate; O&M – Operations & Maintenance, WWTP – Wastewater Treatment Plant, IWWTP – Industrial Waste Water Treatment Plant, ISTP – Industrial Sewage Treatment Plant, ETP – Effluent Treatment Plant, ZLD – Zero Liquid Discharge)

Key developments during FY 2024-25:

- Biogas to Bio-CNG** - We have entered into a strategic partnership with Peak Sustainability Ventures to set up 100 Bio-CNG plants across India, the GCC, Africa, and European countries, representing a business potential of approximately USD 200 million. As part of our ongoing efforts, we are analyzing the performance of existing plants to optimize bio-gas yield and minimize operational downtime. We are also actively working with municipal bodies on multiple projects that are in advanced stages of tendering.
- PV Solar, Semiconductor & Green H2** - The initiative aims to support the Group's ESG objectives by reducing Greenhouse Gas (GHG) emissions, offering a sustainable alternative to carbon-emitting fuels. We are well positioned as a comprehensive water solutions provider, covering the entire spectrum from raw water treatment to UPW and ETP/ZLD, supported by long-term O&M capabilities. We are closely collaborating with manufacturers and consultants and have developed a strong project pipeline. Notably, we secured a mega desalination order from the PV Solar sector during FY 2024–25.

- **Digitalization (AI for Operational Excellence)** - We have partnered with Pani Energy, a leading technology Company, to implement AI/ML based operational intelligence solutions across our treatment plants. The Koyambedu TTRO plant is already equipped with AI-powered platform, enhancing real-time performance monitoring and process optimization. Building on this success, we are actively exploring additional opportunities to digitalize our plants and water networks across India and the Middle East.
- **Blue Seed** - This is a part of our initiative to foster innovation and support emerging start-ups. We received an encouraging response from 'Waterpreneurs' and are actively exploring collaboration opportunities through pilot projects. A few start-ups focused on water technology have been shortlisted, and a detailed evaluation process is currently underway.

Return on Investments:

Your Company has been steadfast in implementing the long-term strategy "Wriddhi" which has enabled the Return on Equity (RoE) to grow robustly from ~7.9% in FY 2021 to ~15% in FY 2025. Your Company is committed to follow the path of "Wriddhi" and expects the RoE to sustain and continue growing in the years to come. Your Company has a presence in over 25 countries across the world in the form of the Subsidiaries, Joint Ventures, Associates, Branch Offices and Permanent Establishments, etc. These international presence enables WABAG group to secure marquee international contracts from new terrains at competitive prices against global competition.

Your Company will continue to focus and invest resources in emerging economies while reducing its exposure to the European region as envisaged in the long-term strategy, with the objective of improving returns on its investments. Majority investments of your Company are non-current in nature and invested in Group companies as equity instruments, hence return on investment ratio is not computed. Your Company's Global-Local (GLOCAL) approach helps in optimum utilisation of resources to deliver projects at cost, on time and at quality. Your Company owns over 125 IP Rights and continues to invest in the development of new technologies which provide both the right to win and early mover advantage, especially in emerging economies.

Liquidity:

The Group Treasury remains a cornerstone of WABAG's financial stability, ensuring resilience and growth through strategic foresight and disciplined management. During the year under review, your Company successfully enhanced banking lines, optimized cash flows and strategically deployed surplus funds. These efforts resulted in record interest income, a significant reduction in net financing costs and the release of overdue receivables. Additionally, the replacement of guarantees strengthened the operational and project delivery capabilities. By integrating corporate banking, trade finance, forex, debt, and cash management, fiscal discipline was reinforced, driving consistent profitability and supporting WABAG's long-term financial strength.

BUSINESS ENVIRONMENT

The global economy grew by 3.2% in CY 2024, showing resilience amid inflationary pressures, monetary tightening and geopolitical uncertainties. While advanced economies expanded at a modest 1.7%, emerging markets recorded a robust 4.2% growth. With inflation gradually easing and supportive policy measures in place, the global economy is expected to maintain a steady growth trajectory, supported by infrastructure investments, digital transformation and sustainability-led development.

(Source: [IMF World Economic Outlook, April 2025](#))

India sustained its growth momentum with a 6.5% GDP increase in FY 2024-25, supported by robust public spending and private investments. Programmes like Jal Jeevan Mission, AMRUT 2.0 and Namami Gange continued to accelerate investments in water reuse, digital monitoring and sustainable urban infrastructure, creating opportunities for private sector participation in long-term water security.

(Source: [Ministry of Statistics and Programme Implementation](#))

Your Company remains well-positioned in this evolving landscape, backed by its asset-light strategy, advanced engineering capabilities and ESG-focused solutions. The Water sector is experiencing growing demand for innovative solutions addressing scarcity, pollution and infrastructure challenges. Governments and agencies are investing in water security, recycling and smart management. Your Company, aligned with SDGs and ESG principles, is actively engaging global financial institutions, attracting investments and offering renewable energy-powered water solutions.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report, other than those disclosed elsewhere in this report.

DIVIDEND AND ITS POLICY

Final Dividend:

Based on the Company's performance and in line with the dividend policy of the Company, the Board of Directors are pleased to recommend a final dividend of INR 4/- per equity share of INR 2/- each fully paid-up i.e. (200%) for the FY 2024-25 which will be paid out of the profits of the year. The dividend, if approved at the 30th Annual General Meeting (AGM), will be paid to those Members whose names appear in the Register of Members of the Company (including Beneficial Owners) as of August 05, 2025, being the record date. The final dividend if approved by the Members, will be paid on or before September 10, 2025.

The dividend income is taxable in the hands of the Members, effective from April 01, 2020 pursuant to the Finance Act, 2020 and the Company is required to deduct tax at source from the dividend paid to its Members at prescribed rates as per the Income Tax Act, 1961.

Your Company has adopted a Dividend Distribution Policy which can be accessed at <https://www.wabag.com/investors/> in line with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR").

TRANSFER TO RESERVES

The Board of Directors of your Company has decided to retain the profits in the profit and loss account. Hence, the Company has not transferred any amount to Reserves for the financial year ended March 31, 2025.

SHARE CAPITAL AND FINANCE

Equity Share Capital:

During the FY 2024-25, there has been no change to the paid-up share capital of the Company and continues to remain at INR 12,43,80,856/- (Indian Rupees Twelve Crores Forty-Three Lakhs Eighty Thousand Eight Hundred and Fifty-Six only) consisting of 6,21,90,428 equity shares of face value of INR 2/- each.

Non-Convertible Debentures (NCDs):

During the FY 2023-24, the Company had allotted NCDs worth INR 100 Crores consisting of 1,00,000 NCDs of face value of INR 10,000 each (Series 1) to Asian Development Bank (ADB) which is secured, unlisted, redeemable, transferable, rated and interest bearing. The money raised through issue of NCDs were utilised in accordance with the conditions and objectives of the issuance and the Company has repaid about 17% of the principal amount during the FY 2024-25.

Banking arrangements:

Your Company has been effectively supported by a consortium of over fourteen (14) Banks and Financial Institutions for various banking and financing arrangements. Your Company has fulfilled all its payment commitments to the lenders.

CREDIT RATING

Your Company's borrowing arrangements has received improvement in credit rating by the India Ratings & Research (wholly owned subsidiary of Fitch Group), the credit rating agency of the Company, which upgraded the NCDs and Bank Loan's Long-Term Rating to 'IND AA-/Stable' during the FY 2024-25 as below:

- Fund based limits: IND AA-/Stable/IND A1+, Long-term rating upgraded; short-term rating affirmed
- Non-fund-based limits: IND AA-/Stable/IND A1+, Long-term rating upgraded; short-term rating affirmed
- Non-convertible Debentures: IND AA-/Stable, Upgraded

The details of the ratings are available on the websites of the Company and Stock Exchanges including the credit rating agency with rationale.

UNPAID / UNCLAIMED DIVIDEND AND SHARES

The Members may kindly note that the dividends if not claimed for a period of seven (7) years and the related shares on which such dividends have not been claimed by the Members for a period of seven (7) consecutive years are liable to be transferred to the Investor Education and Protection Fund ("IEPF") within the prescribed time pursuant to the provisions of Section 124, 125 and other applicable provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules").

The Company has been sending various communications from time to time through the stock exchanges and reminder letters, through its Registrar and Transfer Agent (RTA) to those specific Members whose dividends are unpaid / unclaimed and due for transfer to the IEPF. Your Company has provided a dedicated facilitation / support system to the Members, to enable them to claim their dividend entitlements and corresponding shares before those are transferred to the IEPF Authority in accordance with the IEPF Rules.

During the FY 2024-25, unclaimed dividends amounting to INR 1,06,700/- belonging to 511 Members and 897 shares belonging to 29 Members pertaining to the FY 2016-17 who had not claimed their dividends for seven (7) years have been transferred to the IEPF Authority during September 2024 and October 2024 respectively.

Further, the unclaimed dividends pertaining to the FY 2017-18 and its related shares shall be due for transfer to the IEPF Authority by September 2025.

The details of the Members with unclaimed dividend entitlements and shares which are transferred and/or liable to be transferred to the IEPF Authority are uploaded on the website of the Company at www.wabag.com. The Members are requested to approach the Company and/or the RTA for any support to claim their entitlements, if any.

WABAG CENTENARY STOCK OPTION SCHEME

WABAG Group across the globe had joyfully celebrated with pride and gratitude for a journey that had an humble beginning in 1924. As we celebrate 100+ years of WABAG's existence in delivering sustainable water solutions, the Board of Directors based on the recommendations of the Nomination and Remuneration Committee ("NRC") and approval of the Members had implemented a broad-based employee stock ownership program called the '**WABAG Centenary Stock Option Scheme 2023**' ("Scheme" or "ESOS 2023") as a strategic initiative to reward the employees for their dedicated service. The ESOS 2023 aims to reinforce employees' commitment, acknowledge their dedication, and align their interests with the long-term success of the Company as it continues on the journey beyond its Centenary year.

WABAG actively engages in diverse projects across its Group, further bolstering its overall growth trajectory. Thus, the Board of Directors of the Company, deems it beneficial to extend the Scheme's benefits to the employees not only within the Company but also across its Subsidiary(ies),

Associates, and its Group companies (existing and future). This inclusive approach was aimed to attract and retain key talents of the Group.

The Scheme comprises mega Grant for accomplishing Centenary year by the Company as well as periodic Grants which may be determined by the Nomination and Remuneration Committee (NRC) from time to time. The criteria to select the employees for Grant would be determined by the NRC, based on factors such as length of service, grade, individual performance ratings over past few years, present contribution, potential contribution, conduct, etc. as it may deem relevant. At the same time, the Company is aware that any discount should be compensated with appropriate vesting conditions based on achievement of mandatory corporate performance conditions such as revenue, earnings before interest, tax, depreciation and amortization, free cash flow, order book, etc.

Accordingly, the Members of the Company at the 15th Extraordinary General Meeting (EGM) held on January 30, 2024 approved the ESOS 2023 to create and grant from time to time, in one or more tranches, not exceeding 25,00,000 (twenty-five lakhs) Stock Options exercisable into not more than 25,00,000 (twenty five lakhs) equity shares of face value of INR 2/- (Indian Rupees Two only) each fully paid-up.

Further, the NRC of the Company at their meeting held on March 21, 2024 considered and approved the first grant of 15,00,000 (fifteen lakhs) Stock Options under the said Scheme to the eligible employees in terms of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations").

The following are the details pursuant to the Companies (Share Capital and Debentures) Rules, 2014 with regard to ESOS 2023 for the financial year ended March 31, 2025:

- a. Options granted – 15,00,000 Stock Options
- b. Options vested – 2,25,000 Stock Options (15% for the first year)
- c. Options exercised – Nil
- d. Total number of shares arising as a result of exercise of option – Nil
- e. Options lapsed – 1,10,060 Stock Options
- f. Exercise price – INR 513/- per option
- g. Variation of terms of options - Nil
- h. Money realized by exercise of options - Nil
- i. Total number of options in force - 25,00,000 Stock options
- j. Employee wise details of options granted to:
 - i. key managerial personnel - All the key managerial personnel (KMP) were granted a total of 52,150 Stock Options (except the Executive Directors cum Promoters who shall not be eligible)
 - ii. any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year – Nil
 - iii. identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued

capital (excluding outstanding warrants and conversions) of the Company at the time of grant – Nil

The Board of Directors hereby confirm that there has been no material change in the Scheme as on the date of this report and the Scheme is in compliance with the applicable provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations").

The Secretarial Auditors had confirmed that the Scheme of the Company is in compliance with the SBEB Regulations and that the Company has complied with the applicable provisions of the Companies Act, 2013.

The disclosures as required under Regulation 14 of the SBEB Regulations are uploaded on the Company's website at <https://www.wabag.com/investor-communications/>

DEPOSITORY SYSTEM

As of March 31, 2025, the total paid-up capital consisting of 6,21,90,428 equity shares of face value of INR 2/- each with 99.99% held in dematerialized mode connected with both the depositories viz. the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar and Transfer Agent (RTA) of the Company for the equity shares.

As on the date of this report, only 212 equity shares are held in physical mode by four (4) Members and the Company has been sending communications to the Members to create awareness about the benefits of holding shares electronically and also to achieve 100% dematerialised shareholding. The Members are also informed that the Company's shares are tradable through electronic mode only.

REGISTRAR AND TRANSFER AGENT (RTA)

Cameo Corporate Services Limited, Chennai, a leading Category I Registrar and Share Transfer Agent registered vide SEBI registration no: INR000003753, an ISO / IEC 27001:2013 certified Company is the RTA for the equity shares of the Company.

Integrated Registry Management Services Private Limited, Chennai registered vide SEBI registration no: INR000000544 is the RTA appointed for the Non-Convertible Debentures issued to the Asian Development Bank.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis of your Company's performance is enclosed as a separate report forming part of this Annual Report.

CORPORATE GOVERNANCE

At WABAG, Corporate Governance is fundamental to its business and core to its existence. Your Company is committed to the highest standards of Corporate Governance and Ethics. Your Company has implemented several best Corporate Governance practices to

enhance the Shareholders value on a long-term basis and respects Shareholders rights in all its strategic and business related decision. Your Company ensures best practices throughout the business cycle and follows a transparent procedure in sharing timely information to all its Stakeholders. Your Company places great emphasis on business ethics and ensures best practices throughout the business cycle.

The Report on Corporate Governance for the financial year ended March 31, 2025 pursuant to Regulation 34 of the SEBI LODR, is presented as a separate section, forming part of this Annual Report. A certificate from the Practicing Company Secretary, confirming the compliance conditions of Corporate Governance, as stipulated under the SEBI LODR, also forms part of this Annual Report. A Compliance Report on applicable compliances of the SEBI Circular, Notifications, and Regulations etc., issued by the Practicing Company Secretary was filed with the Stock Exchanges.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

Your Company being one of the top 1000 listed entities (by market capitalization) has adopted the Business Responsibility and Sustainability mechanism as part of its business under Environmental, Social and Governance (ESG) parameters since the FY 2022-23.

The Business Responsibility and Sustainability Report (BRSR), is intended towards a quantitative and standardized disclosures on ESG parameters to enable comparability across the companies, sectors and time which will be helpful for the investors to make better investment decision for the listed companies. A separate report on Business Responsibility and Sustainability is enclosed forming part of the Annual Report.

CORPORATE POLICIES

The Board of Directors of your Company have framed various statutory policies, codes as prescribed under the Act and the SEBI Regulations, from time to time. The Board / Committee continuously reviews and updates the policies and codes in line with the amendments to the Act and the SEBI Regulations, as applicable.

The key policies adopted by the Company are stated in detail in the Corporate Governance Report section forming part of the Annual Report.

The aforesaid policies can be viewed under "Policies / Codes" section at <https://www.wabag.com/investors/>. Other internal policies adopted by the Company are available on the Company's intranet portal.

BOARD OF DIRECTORS

Your Company is functioning professionally under the overall supervision and guidance of the Board consisting of six (6) Directors with three (3) Independent Directors including an Woman Independent Director, one (1) Non – Executive Non - Independent Director and two (2) Executive Directors.

EXECUTIVE DIRECTORS

Mr. Rajiv Mittal, Chairman and Managing Director and Mr. S. Varadarajan, Whole Time Director and Chief Growth Officer (CGO) are the Executive Directors and also the Promoters of the Company.

NON-EXECUTIVE DIRECTORS

INDEPENDENT DIRECTORS

During the FY 2024-25, there has been no change in the composition of the Board of Directors, till the date of this report.

DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

All the Independent Directors of the Company have confirmed that they meet the "Independence criteria" laid down under the Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR. In addition, they continue to maintain their directorship within the prescribed maximum limits as prescribed under the SEBI LODR. The Independent Directors has provided necessary declarations / disclosures to the Company in this regard.

NON-EXECUTIVE NON-INDEPENDENT DIRECTOR

Mr. Amit Goela is the Non-Executive Non-Independent Director of the Company.

RETIREMENT OF DIRECTOR BY ROTATION

Mr. Amit Goela (DIN: 01754804) Non-Executive Non-Independent Director, shall be eligible to retire by rotation at the ensuing 30th Annual General Meeting (AGM) and he, being eligible, offers himself for re-appointment and the Board of Directors of your Company recommends his re-appointment, retiring by rotation, pursuant to the provisions of Section 152 of the Act read with rules issued thereunder. A brief profile of Mr. Amit Goela forms part of the notice convening the 30th AGM of the Company.

APPOINTMENT OF THE DIRECTORS

The Nomination, Evaluation & Remuneration Policy lays down the criteria for determining qualifications, positive attributes and independence of a Director, pursuant to Section 134(3)(e) and 178(3) of the Act. The Nomination and Remuneration Committee (NRC) has formulated the criteria for appointment of the Director on the Board of the Company. In accordance with the provisions of the Act and SEBI LODR, the NRC based on the criteria formulated makes necessary recommendation to the Board for the appointment of the Directors.

In addition, the NRC on the basis of the performance evaluation of the Directors, recommends to the Board on reappointment / continuation of the term of office of the Independent Directors and other Directors from time to time.

BOARD'S OPINION ON INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

During the FY 2024-25, there were no new Independent Directors appointed to the Board. With respect to the proficiency of the Independent Directors, ascertained from the online proficiency self-assessment test conducted by the IICA (Indian Institute of Corporate Affairs), as notified under Section 150(1) of the Act, the Board of Directors have taken on record the declarations submitted by the Independent Directors that they have complied with the requirements.

KEY MANAGERIAL PERSONNEL (KMP)

The Key Managerial Personnel (KMP) of your Company as per Section 203 of the Act, during the financial year ended March 31, 2025 are as follows:

- a. Mr. Rajiv Mittal, Chairman and Managing Director;
- b. Mr. S. Varadarajan, Whole time Director and Chief Growth Officer;
- c. Mr. Skandaprasad Seetharaman, Chief Financial Officer;
- d. Mr. Shailesh Kumar, CEO - India Cluster;
- e. Mr. V. Arulmozhi, CFO - India Cluster;
- f. Mr. Anup Kumar Samal - Company Secretary and Compliance Officer.

BOARD DIVERSITY

Your Company recognizes the importance of a diverse Board for its sustainable growth and success and believes that a diverse Board will ensure effective corporate governance, responsible decision-making ability, sustainable business development and the Company's reputation.

The Company recognizes and sets out the approach to diversity of the Board in terms of thought, knowledge, skills, regional and industry experience, cultural and geographical background, perspective, gender, age, ethnicity and race in the Board, based on the laws/regulations applicable to the Company and as appropriate to the requirements of the businesses of the Company. The Nomination and Remuneration Committee of the Board sets out the approach to diversity of the Board.

ANNUAL EVALUATION OF BOARD AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Nomination and Remuneration Committee and the Board of Directors of your Company has laid down the manner in which formal annual evaluation of the performance of the Board, Committees, Individual Directors and the Chairman to be made, in accordance with the provisions of the Act and SEBI LODR.

During the year under review, the Board carried out an annual evaluation of its own performance, its Committees and performance of all the Directors individually and also the Chairman. A digital evaluation was carried out by the Directors by way of an organized questionnaire covering various aspects of the functions of the Board's adequacy, culture, execution and delivery of performance of specific duties, obligations and Governance.

The Independent Directors and other Directors of the Company reviewed the performance evaluation of the Board and its Committees, Individual Director and the Chairman at their meeting held on May 21, 2025. The Nomination and Remuneration Committee of the Board carried out a separate exercise to evaluate the performance of the Individual Directors. The report on Corporate Governance forming part of this Annual Report covers details of the Board evaluation process and other requisite information.

FAMILIARISATION PROGRAMME

As part of the Familiarisation Programme, your Company conducts various programs, sessions and seminars for the Directors, from time to time, to update them with various aspects covering the industry including the business process, procedures, laws, rules and regulations as applicable for the business of the Company, making presentations on the business areas of the Company including business strategy, risk opportunities, quarterly performance of the Company, etc.

A formal letter of appointment was issued to the Directors at the time of their appointment, capturing their roles, functions, duties and responsibilities and expectations of the Board. The Directors of your Company are given the full opportunity to interact with the Key Managerial Personnel including the Senior Management Personnel and provided with the access to all the documents/ information sought by them to have a good understanding of the Company, its business and various operations and the industry of which it is a part.

The details of the Familiarization Programme are disclosed in the report on the Corporate Governance and is available on the Company's website at <https://www.wabag.com/investor-communications/>.

BOARD & COMMITTEES

The Board of Directors of your Company comprises the following Directors as on the financial year ended March 31, 2025:

1. Mr. Rajiv Mittal, Chairman and Managing Director;
2. Mr. S. Varadarajan, Whole Time Director & Chief Growth Officer;
3. Mrs. Vijaya Sampath, Independent Director;
4. Mr. Milin Mehta, Independent Director;
5. Mr. Ranjit Singh, Independent Director;
6. Mr. Amit Goela, Non-Executive Non-Independent Director.

Your Company maintains the highest standards of the Corporate Governance practices and is in compliance with the requirements of the relevant provisions of applicable laws and statutes.

As on March 31, 2025, your Company consists of following key Committees of the Board viz:

- a) **Audit Committee** which acts as an interface between the statutory and the internal auditors, the Management and the Board of Directors. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviews the Company's statutory and internal audit processes. The Board reviews / accepts the recommendations made by the Audit Committee. The composition of the Audit Committee is mentioned in the Report on Corporate Governance forming part of this Annual Report.
- b) **Stakeholders Relationship Committee** *inter-alia* to look into various matters relating to the security holders of the Company.
- c) **Nomination and Remuneration Committee** *inter-alia* with wider terms of reference as per the statutory requirements.
- d) **Risk Management and Monitoring Committee** *inter-alia* to review and monitor the various projects of the Company from time to time and evaluate the risks existing in the business and ensure appropriate mitigation measures in a time bound manner.
- e) **Corporate Social Responsibility Committee**, *inter-alia*, to undertake CSR activities, monitoring and reporting system for utilization of funds for the CSR activities.
- f) **Capital Allocation Committee** *inter-alia*, to scrutinize, evaluate and approve any new / enhancement in the investment by the Company in setting up a branch / subsidiary / joint venture entity, in India or overseas and periodically monitor that the investments made in such group entities are used for such approved purpose so as to ensure that return on investment to the Company is protected in the long run. Please refer to the financial statements section of the Annual Report for investment made by Company in Overseas Direct Investment (ODI) entities.
- g) **Sustainability Committee** *inter-alia*, advising on implementation of Environment, Social and Governance (ESG), its ratings, ESG investing, etc.

The respective Chairperson of each Committee convenes the meetings of the Committees. The Board is apprised with the discussion held at the meeting of the Committees, from time to time, for review / necessary action, wherever required.

In compliance with the Secretarial Standards -1 issued by the Institute of Company Secretaries of India (ICSI), the minutes of the meetings of the Committees and the Board are circulated to all the Members of

the Committees / Directors for their comments, if any. The approved minutes are signed and certified signed minutes are shared with the Board and respective Committees and also tabled at the subsequent meeting of the Board of Directors / Committees.

The annual calendar of the Board and Committee meetings are finalized by the Board before the beginning of every financial year to enable the Directors to plan their schedule well in advance to ensure their participation in the meetings.

During the FY 2024-25, the Board of Directors of your Company met eight (8) times through physical and video conferencing / other audio visual means (OAVM) on May 07, 2024, May 21, 2024, July 08, 2024, August 08, 2024, November 06, 2024, February 07, 2025, February 20, 2025 and March 28, 2025. The details regarding composition of the Board, attendance of the Directors and other relevant information are set out in the Report on Corporate Governance forming part of this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with Section 134(5) of the Act, the Board of Directors of the Company to the best of its knowledge and belief and according to the information and explanations obtained, makes the following statements:

- a) that in the preparation of the annual accounts of the Company, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- c) the Directors had taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

REMUNERATION OF THE DIRECTORS

The Board of Directors has implemented the Nomination, Evaluation & Remuneration policy based on various evaluation criteria determined by the Nomination and Remuneration Committee in line with the

requirements of the applicable law. The objective of the said policy is to assess the effectiveness of the Board as a whole, Committees of the Board and Individual Directors on regular basis and to attract, motivate and retain the Directors, Key Managerial Personnel, Senior Management Personnel and other expert Individuals that the Company requires in order to achieve its strategic and operational objectives.

In accordance with the relevant provisions of the Act and SEBI LODR, the following policies / framework have been adopted by the Board upon recommendation of the Nomination and Remuneration Committee as part of the Nomination, Evaluation & Remuneration Policy:

- Board Nomination Policy;
- Policy for Appointment and Removal of Director, Key Managerial Personnel and Senior Management Personnel;
- Board Evaluation Policy;
- Board Diversity Policy;
- Policy related to Remuneration for the Executive Directors, Key Managerial Personnel and Senior Management Personnel;
- Policy related to Remuneration for the Non-Executive Directors / Independent Directors.

The Nomination, Evaluation & Remuneration policy of the Company is available on the website of the Company www.wabag.com/investors/. The information on Director's Commission and other matters as provided in Section 178(3) of the Act are disclosed in the Report on Corporate Governance forming part of this Annual Report. The overall limit of remuneration payable to the Board of Directors and Managerial Personnel are governed by the provisions of Section 197 of the Act and Rules made thereunder.

REMUNERATION OF THE EXECUTIVE DIRECTORS

The remuneration of the Executive Directors consists of fixed and performance based variable components on KPIs (Key Performance Index) and KRA (Key Results Area) discussed with the Executive Directors. The Nomination and Remuneration Committee makes annual appraisal of the performance of the Executive Directors based on a detailed performance evaluation and recommends the compensation payable to them, within the parameters approved by the Members, to the Board for their approval.

REMUNERATION OF THE NON-EXECUTIVE DIRECTORS

The Non-Executive Directors are paid remuneration in the form of commission subject to overall limits approved by the Members and as prescribed under the Act. The Board may determine different

remuneration for different Directors on the basis of their role, responsibilities, duties, time involvement etc. The Company has no pecuniary relationship with the Non-Executive Directors except for the commission paid to them.

REMUNERATION OF THE KMP / SENIOR MANAGEMENT / OTHER EMPLOYEES

The remuneration of the Key Managerial Personnel (other than the Executive Directors) and any revision thereof, shall be approved by the Board duly recommended by the Nomination and Remuneration Committee in accordance with the Nomination, Evaluation & Remuneration Policy of the Company and internal policy of the Company.

The Chairman & Managing Director and the Whole Time Director & Chief Growth Officer carry out the overall performance evaluation of the senior management / other employees and appraises the Board / Nomination and Remuneration Committee about the same and on the basis of the overall achievements of KPI (Key Performance Index) and KRA (Key Results Area), they are paid remuneration / any revision thereof.

POLICY ON PRESERVATION & ARCHIVAL OF DOCUMENTS

In accordance with the Regulation 9 read with the Regulation 30(8) of the SEBI LODR, your Company has framed a Policy on "Preservation & Archival of the Documents". This policy is available on the Company's website www.wabag.com/investors/. The policy provides guidelines for the retention of records, duration of preservation of relevant documents, archival / safe disposal / destruction of the documents. The policy inter-alia aids the employees in handling the documents efficiently either in physical form or electronic form. The policy not only covers the various aspects on preservation, but also archival of documents.

PARTICULARS OF THE EMPLOYEES

Pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, disclosures with respect to the remuneration of Directors, KMP and employees, are enclosed as **Annexure-I** to the Board's Report.

The information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including amendments thereof), is provided in the Annexure forming part of this Report. In terms of the first proviso to Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members excluding the aforesaid Annexure. Any Member interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company.

INDUSTRIAL RELATIONS

Your Company maintains a healthy, cordial and harmonious industrial relations at all levels with the Stakeholders. The enthusiasm and unstinted efforts of our employees have enabled your Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across the organization.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has implemented a Policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder ("POSH"). The Company maintains a collaborative, inclusive, non-discriminative safe work culture, and provides equal opportunities to all the employees and has a 'Zero Tolerance' policy towards sexual harassment at the workplace.

Your Company has constituted Internal Complaints Committee under POSH, which comprises four (4) Members, out of which two (2) are women members including one (1) external woman representative. All the employees viz. permanent, consultant, contractual, temporary and trainees are covered under the said policy.

During the year under review, your Company has not received any complaint and there were no cases pending due to Sexual Harassment at workplace. An Annual Report comprising details of the complaints received, disposed of and pending at the end of the calendar year i.e. December 31, 2024 was duly submitted by the Internal Complaint Committee, in accordance with the Section 21 of POSH.

AUDITORS

A. Statutory Auditors

The Members of the Company at the 28th AGM held on August 11, 2023 had re-appointed M/s Sharp & Tannan, Chartered Accountants, Chennai (Firm Regn No. 003792S) as the Statutory Auditors of the Company to hold office for a term of five (5) years from the conclusion of the 28th AGM until the conclusion of the 33rd AGM of the Company to be held in the calendar year 2028.

The Statutory Auditors of the Company have submitted Independent Auditors' Reports for FY 2024-25 and is forming part of this Annual Report. The Auditors' Report on Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, does not contain any qualification, reservation or adverse remark.

B. Cost Auditor

Pursuant to the provisions of the Section 148(1) of the Act, Mr.K. Suryanarayanan, Practicing Cost Accountant (Membership No.24946) was appointed as the Cost Auditor of the Company, for conducting the audit of cost records for the FY 2024-25. The audit of cost records is in progress and report by the Cost Auditor will

be filed with the Authority within the prescribed time. A proposal for ratification of remuneration of the Cost Auditors for the FY 2024-25 will be placed before the Members of the Company at the AGM. The cost records, as applicable to the Company are maintained in accordance with the Section 148(1) of the Act.

C. Secretarial Auditors

The Board of Directors had appointed M/s M. Damodaran & Associates, LLP, Practicing Company Secretaries, Chennai as the Secretarial Auditors of the Company for the FY 2024-25. The Secretarial Audit Report was placed before the Board and it does not contain any qualification, reservation or adverse remark. The Report of the Secretarial Auditors is enclosed as **Annexure-II** to the Board's Report.

The Board has based on the recommendations of the Audit Committee, had approved the appointment of M/s. M. Damodaran & Associates LLP, Practicing Company Secretaries, Chennai as the Secretarial Auditors of the Company for a consecutive term of five (5) years commencing from the FY 2025-26 till the FY 2029-30, subject to the approval of the Members at the ensuing AGM of the Company, at such remuneration and out-of-pocket expenses, if any as mutually agreed and other terms and conditions as may be determined by the Board of Directors (including its Committees thereof), and to avail any other services, certificates, or reports as may be permissible under the applicable laws.

D. Internal Auditors

Your Company has a robust Internal Audit function comprising both the Corporate Assurance Department of the Company (internal function) and M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, Chennai, (Firm Regn. No - 003990S/ S200018) (external firm). The Internal Audit function aims to provide independent and objective assurance services with a view to add value and improve efficiency of business operations. M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, along with the Corporate Assurance Department of the Company was appointed as the joint Internal Auditors of the Company to conduct the Internal Audit for the FY 2024-25.

M/s PKF Sridhar & Santhanam LLP, Chartered Accountants along with the Corporate Assurance Department of the Company conducts the Internal Audit as the Internal Auditors of the Company.

The Internal Auditors reports directly to the Audit Committee and makes comprehensive presentations at the Audit Committee meeting(s) on the Internal Audit Report covering the business areas required by the Audit Committee, from time to time.

None of the Auditors of the Company have reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Act, including rules made thereunder.

SUBSIDIARIES, JOINT VENTURES & ASSOCIATES

During the financial year ended March 31, 2025, the Board of Directors of your Company had considered and approved following decisions with respect to Subsidiaries, Joint Ventures and Associate entities:

Ganga STP Project Private Limited, Associate Company

During the FY 2024-25, the Company has infused INR 10.50 Crores in the form of Inter Corporate Deposit/Unsecured Loan, towards sponsor support.

DK Sewage Project Private Limited, Subsidiary Company

During the FY 2024-25 and till the date of this report, the Company has infused INR 3.18 Crores in the form of Inter Corporate Deposit/Unsecured Loan. Further the Company has approved for modification of terms of Investment made in DK Sewage Project Private Limited by way of conversion of Non-Convertible Debentures amounting to INR 19.08 Crores to Compulsorily Convertible Debentures in line with the requirement of lenders and the Concessioneing Authority.

Ghaziabad Water Solutions Private Limited, Subsidiary Company

During the FY 2024-25 and till the date of this report, the Company has infused INR 11.25 Crores in the form Non-Convertible Debentures and INR 2.90 Crores in the form of Inter Corporate Deposit/Unsecured Loan.

Kopri Bio Engineering Private Limited, Subsidiary Company

VA TECH WABAG LIMITED (WABAG) holds 51% of the equity shares in Kopri Bio Engineering Private Limited (KBEPL) and balance 49% of the equity shares are held by A K Electrical and Works Private Limited (AKEPL). A Shareholders Agreement was signed between the WABAG, AKEPL and KBEPL on May 09, 2024 to record the terms and conditions which will govern the relationship of shareholders of the KBEPL and the management and governance of and the investment into the KBEPL.

Please refer Key Project Updates section of the Board's Report for more details.

Your Company has 17 Subsidiaries, Associates and Joint Venture entities worldwide as on date of this report. Pursuant to Section 129(3) of the Act, a statement containing the salient features of the Financial Statement of our subsidiaries in the prescribed format Form AOC-1 is enclosed as **Annexure-III** to the Board's Report.

MATERIAL SUBSIDIARIES

The Board of Directors of your Company has framed a policy for "Determining Material Subsidiaries" in accordance with the SEBI LODR. The policy is also made available on your Company's website www.wabag.com.

In accordance with the provisions of the SEBI LODR and Policy for Determining Material Subsidiaries, your Company has one (1) Material Subsidiary i.e. VA Tech Wabag GmbH, Austria, as on the date of this report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company for the financial year ended March 31, 2025 are prepared in compliance with the applicable provisions of the Act including Indian Accounting Standards specified under Section 133 of the Act. The audited consolidated financial statements together with the Auditors' Report thereon forms part of this Annual Report.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Subsidiaries, Associates and Joint Venture entities of the Company are available for inspection by the Members at the Registered Office of the Company. Your Company shall provide a copy of the financial statements of its Subsidiary companies to the Members upon their request. The statements are also available on the website of your Company at www.wabag.com.

RELATED PARTY TRANSACTIONS

All transactions entered into with the Related Parties, during the year under review, were in the ordinary course of business and at arm's length basis and in accordance with the provisions of the Act and the SEBI LODR. There were no materially significant Related Party Transactions entered into by the Company with the Promoters, the Directors, the Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The details of the same are given in the notes to the Financial Statements. The Related Party Transactions were placed before the Audit Committee for their review, consideration and approval / recommendation and then placed before the Board for taking note / approvals. The amended Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on the Company's website www.wabag.com/investors/.

The details as required to be provided under Section 134(3) (h) of the Act, in the prescribed Form AOC-2 are enclosed as **Annexure - V** to the Board's report.

OVERSEAS DIRECT INVESTMENT

Over the years, your Company has expanded its global footprint through Overseas Direct Investments (ODI) by establishing Subsidiaries, Associates, and Joint Venture entities. Your Company also executes in overseas geographies through the establishment of a Branch, Project Management Offices and other permanent establishment (PE) models.

During the financial year, no new investments were made in ODI entities and the total equity investment is INR 605.40 Million.

Further, there were no new guarantees or loans extended to the ODI entities during the year. The guarantees executed so far to the group entities have been closed in line with the completion of projects as per the contractual obligations. The Company has also not provided any loans to its ODI entities during the year, demonstrating the financial stability of the overseas subsidiaries.

The Group's international presence has enabled advanced Research & Development activities in India and Europe leading to over 125 IP Rights which are proprietary in nature and used for the Group's business operations to provide best in class customised and innovative technological solutions to our customers at competitive cost.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Committee is responsible for formulating and monitoring the CSR policy of the Company. Pursuant to Section 135(4) of the Companies Act, 2013, the major contents of CSR policy include your Company's CSR approach and guiding principles, core Ideology, total outlay for each financial year, allocation of resources and thrust areas, formulation of annual action plan, Executing Agency/ Partners and Impact Assessment.

The CSR policy is available on the Company's website in the following link: <https://www.wabag.com/investors/>. In terms of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time ("CSR Rules") and in accordance with CSR Policy and in accordance with the Annual Action Plan, your Company allocated an amount equivalent to 2% of the average net profits (calculated as per Section 198 of the Act) of its three (3) immediately preceding financial years for implementation of CSR activities.

Pursuant to the provisions of Section 135(6) of the Companies Act, 2013, there was no unspent amount for the FY 2024-25 pertaining to ongoing projects which has to be transferred to a separate bank on or by April 30, 2025.

Further, during the year, your Company implemented the following CSR projects:

- a) Maintenance of Chennai City Sanitation Plan - On going Project;
- b) Renovation of Govt. Public School Restroom facilities - other than On-going Project;
- c) Apprenticeship Training Programme, a project under Industry Partnership Model under Apprenticeship Act) - other than On-going Project.

The details of the aforesaid projects are covered in the annual report on CSR activities forming part of this Board's Report.

The CSR Committee of the Board has been constantly reviewing the projects and gives directions to expedite implementation of the projects undertaken. It also focusses on proposals covering skill development CSR initiatives in the form of training and development programmes to enrich the knowledge, skill sets, communication, on the job training, improve efficiency and performance level of technical and non-technical persons viz., diploma holders, graduates and other eligible persons.

Core Ideology: For WABAG, responsible business practices include being responsible for our business processes, engaging in responsible relationship with the employees, customers and the community. Hence for the Company, Corporate Social Responsibility goes beyond just adhering to statutory and legal compliances, and creates social and environmental value while supporting the Company's business objectives and reducing operating costs and at the same time enhancing relationship with the key Stakeholders and Customers.

Your Company's commitment to CSR will be manifested by investing resources in one or more of the following areas:

- a) by taking up CSR projects largely within the framework of the Company's expertise, i.e. water, wastewater management and sanitation;
- b) by focusing on CSR projects in the Company's project / office neighbourhoods;
- c) imparting training by supporting apprenticeship under Industry Partnership model;
- d) any other projects and / or contribution for any specific purpose notified CSR and / or recommended / approved by CSR Committee / Board of the Company from time to time.

The annual report on CSR activities undertaken by the Company is enclosed as **Annexure - IV** to the Board's Report.

CSR ACTIVITIES OF THE GROUP

Ganga STP Project Private Limited, an Associate Company (Ganga STP) implementing projects at Kolkata for the Kolkata Metropolitan Development Authority (KMDA) under the National Mission for Clean Ganga with financial assistance from World Bank, had undertaken various CSR activities around its projects locations during the FY 2024-25 as detailed below, benefitting ~6200 students and staff community:

- a) Installation of Reverse Osmosis (RO) drinking water plant at Baranagar Mohan Girls High School, Bantra BBPC Girls High School and Santragachi Kedarnath Institution;
- b) Installation of CCTVs at Bhabatarini Mondal Memorial School and Chakpara Sarada Devi Girls High School; and
- c) Installation of 3KW Solar Power system at Bhattanagar Kulakamini Vidyamandir, 5KW Solar Power system at Hemnagar Hemchandra Smriti Vidyamandir and 3KW Solar Power system at Ichapur High School.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans, guarantees and investments, as on March 31, 2025, are given in the notes to the financial statements of the Company pursuant to the provisions of Section 186 of the Act and Schedule V of the SEBI LODR.

INTERNAL CONTROL / AUDIT AND ITS ADEQUACY

Your Company has built a robust control system upon which the internal controls are built to mitigate the risks. Under the controlled environment, the Company's policies, procedures and standards are developed to uphold control across the organisation. Adequate internal controls are in place to commensurate with the business and operating dynamics. Internal controls are designed to provide reasonable assurance over:

1. Achieving strategic objectives;
2. Efficiency and effectiveness of business operations;
3. Prevention and detection of frauds and errors;
4. Safeguarding its assets;
5. Complying with applicable laws and regulations;
6. Providing reliable financial information.

Your Company has a robust internal audit function, spearheaded by industry veterans and process experts. The Audit Committee of the Board periodically reviews the audit functions and key issues are acted upon immediately. The Key controls are periodically reviewed and improvements are made to enhance the reliability of information. The Company through its global ERP continues to align its processes and controls with the industry best practices.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Act, re-emphasizes the need for an effective Internal Financial Control system in the Company, which should be adequate and shall operate effectively. The details are as under:

1. The internal financial controls within the Company commensurate with the size, scale and complexity of its operations;
2. The Audit Committee of the Board periodically reviews the internal audit plans and provides observations/ recommendations to the Internal and Statutory Auditors;
3. The controls were tested during the year and there were no reportable material weaknesses;
4. Your Company continuously tries to automate these controls to increase its reliability;
5. Your Company follows accounting policies which are in line with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. These are in accordance with the Generally Accepted Accounting Principles (GAAP) in India;
6. Your Company's Books of Accounts are maintained in IFS (Industrial and Financial Systems), a global Enterprise Solution and transactions are executed through IFS setups to ensure correctness / effectiveness of all the transactions, integrity and reliability of the reporting;

7. Your Company has a mechanism of building budgets at an integrated cross functional level. The budgets are reviewed on a monthly basis so as to analyze the performance and take corrective action, wherever required;
8. Overseas subsidiaries provide required information for consolidation of accounts in the format prescribed by your Company along with the certification from the auditors of the respective entities.

RISK MANAGEMENT

Your Board has constituted a dedicated Board Committee viz. "Risk Management and Monitoring Committee" to review risks trends, exposure, its potential impact analysis and mitigation plans. The Committee consists of four (4) Directors out of which two (2) are Independent Directors and two (2) are Executive Directors. The details on your Company's risk Management framework / strategy, risk assessment, risk acceptance, risk avoidance, risk mitigation, risk review etc. forms part of Management Discussion and Analysis section of this Annual Report.

AWARDS & RECOGNITIONS

During the year under review, your Company received numerous awards and accolades conferred by the reputable organizations, distinguished bodies and clients for the achievements in sustainable solutions, project completion etc. Please refer to this Annual Report for the details of the rewards and recognition achieved by the Company during the FY 2024-25.

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

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

INSOLVENCY AND BANKRUPTCY CODE, 2016

There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016 (IBC).

OTHER DISCLOSURES

(a) Deposits:

Your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), during the year under review.

(b) Contracts or Arrangements with the Related Parties:

Particulars of contracts or arrangements with the related parties referred to in Section 188(1) of the Act, in the prescribed Form AOC-2 is enclosed as **Annexure - V** to the Board's Report.

(c) One-time settlement

There was no instance of one-time settlement with any bank(s) or financial institution(s).

(d) Annual Return

In accordance with Section 134(3)(a) read with Section 92(3) of the Act, a copy of the annual return of the Company for the FY 2024-25 in the prescribed format is available on the Company's website in the following link: <https://www.wabag.com/investor-communications/>.

(e) Secretarial Standards

The Company has complied with applicable Secretarial Standards issued by the ICSI.

(f) Conservation of Energy

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Act, read with the Companies (Accounts) Rules, 2014, is enclosed as **Annexure - VI** to the Board's Report.

(g) Differential Rights

The Company has not issued sweat equity shares or equity shares with differential rights as to dividend, voting or otherwise, during the year under review.

(h) Nature of Business

During the year under review, there was no change in the nature of business of the Company or any of its subsidiaries.

QUALITY, HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION (QHSE)

Your Company is committed to provide a safe, healthy and conducive environment to all of its employees and associates and complied with the labour related laws. The details of quality, health, safety, environmental initiatives, objectives and achievements made by the Company are detailed in the other sections of this Annual Report.

SUSTAINABILITY INITIATIVES

For your Company's business, Sustainability is the core principle. Globally, your Company is actively engaged in providing sustainable solutions for the future that are eco-friendly and renewable in nature. As this report demonstrates, your Company's contribution and commitment towards sustainability is pro-nature as is an integral component of our business.



WHISTLE BLOWER POLICY / VIGIL MECHANISM

Your Company has formulated a Whistle Blower Policy which serves as a mechanism for its Directors, Employees, Business Associates and other Stakeholders to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct without fear of reprisal. The vigil mechanism provides a dedicated e-mail id.

Any Director or employee who becomes aware of an unethical behavior or fraud or violation of code shall report to the Ethics Committee for redressal as provided in the policy. The Audit Committee of the Board oversees the functioning of this policy. The policy is available on the website of the Company www.wabag.com.

GREEN INITIATIVES

WABAG stands for sustainability and has demonstrated its commitment to creating a green earth for over ten (10) decades. WABAG's vision is aligned to the United Nations Sustainable development goals (SDGs) 2030 and this has been reflected in the Group's numerous initiatives as highlighted below:

- Green Initiatives begin at home:** Over 82% of the total power requirement of our headquarters in Chennai is derived from renewable energy, thereby bringing down energy cost by over 10% as well as becoming a part of green energy compliant corporate. It is in recognition of this initiative that our headquarters, WABAG HOUSE, has been Certified as Near Net Zero in energy by Indian Green Building Council (IGBC), in addition to being Re-Certified as Platinum rated Green building during September 2024.
 - Achieved IGBC Near Net Zero in Energy;
 - Achieved IGBC Net Zero in Water;
 - During September 2024, WABAG House has been **Re-Certified as "Platinum Rated Green Building"** with higher scores for the green building initiatives taken under O&M Existing Buildings category;
 - With the above initiatives, achieved the status of **"First Corporate Building in India"**, and this was recognized in person by Mr. Shekar Reddy, National Vice-Chairman, CII-IGBC and Mr. Mahesh Anand, Co-Chair, CII-IGBC Chennai Chapter.



Other initiatives taken by us are as follows:

- Paper Waste is being sent to ITC Limited for recycling and the proceeds obtained in the form of stationeries are distributed to local panchayat schools;
- Batteries, oil waste and e-Waste are being disposed for recycling through Pollution Control Board (PCB) authorized re-cycler;
- Employee friendly initiatives like ergonomics, indoor air quality and LUX level are maintained as per standards;
- Conservation of energy and water management resulted in low Energy and Water Performance Index;
- Food wastes are converted into natural manure by implementing in-house compost pit management system; being used for in-house plants;
- Improved the rain water harvesting systems percolation capacity @ WABAG House and thereby achieved more than 2.7X times of water used in the building is returned to earth through rain water;
- E-Tender process for sourcing materials in our procurement function as a step towards digitization.

- 2. Digitisation:** Moving forward on its commitment towards a Green Planet for future generations and in furtherance of digitization commitment to Go-Green initiative of the Government, your Company has been using digital mechanism to conduct Board / Committee Meeting(s) as per the provisions of law and the agendas, notes and other supporting documents of the Board / Committee meetings are circulated through a secured electronic platform for ease of access to the Directors / Members for their review and consideration, thereby reducing usage of papers to a limited purpose.

WABAG took various initiatives to reduce the usage of physical Annual Reports by continuously persuading the Members to get registered their e-mail ids with their respective DPs to avail the e-version of Annual Reports and providing e-voting facility to all its Members to enable them to cast their votes electronically on all resolutions set forth in the Notice including attending AGM electronically.

- 3. Breathing life into lifelines:** Clean water and rejuvenated rivers are key to enhancing the Green cover on Planet Earth. Your Company has been playing an integral role to ensuring this by collaborating with Governments worldwide. In India particularly, your Company has emerged as one of the foremost partners of the Government in rejuvenating India's lifeline, Holy River Ganga under the world's largest river cleaning programme Namami Gange.

4. Advancing Circular Economy Principles at Your Company:

Your Company regards circles as the epitome of nature's perfection — from celestial bodies like the sun and moon to the elemental cycles on Earth, including the water cycle. This circularity epitomizes sustainability, inspiring Your Company to adopt the principles of a circular economy to address modern wastewater challenges.

In contrast to the linear "take–make–dispose" model, Your Company embraces the holistic approach of Circularity for Sustainability. This principle transforms wastewater from a disposal problem into a resource opportunity. By leveraging innovative technologies, Your Company elevates sewage treatment plants (STPs) from mere treatment facilities to resource recovery centers.

Your Company's core philosophy, Total Resource Recovery, underpins this approach. This concept not only treats wastewater but also extracts valuable resources. Treated water can be repurposed for non-potable uses, sludge can be converted into fertilizer, and biogas generated from sludge digestion can be harnessed for renewable energy.

Your Company optimizes these processes to reduce energy consumption and waste generation while enhancing efficiency in treatment, nutrient recovery, and biogas production. This is not a distant goal but a functional reality, exemplified by Your Company's global projects.

Pioneering Projects and Achievements

Your Company set the standard for the circular economy over two decades ago with the Kodungaiyur Power-Neutral WWTP in Chennai. This plant, the first in India to complete 110,000 hours on a single gas engine, uses biogas from sludge digestion to generate green energy, making it power-neutral and independent of grid power.

Another successful case is the Pappankalan WWTP in New Delhi, which has set a classic example of a resource recovery-based circular economy by discharging treated wastewater into the Yamuna River, producing green energy from bio-sludge, reducing operational costs, and utilizing bio-sludge as a nutrient-rich fertilizer for agricultural use.

Your Company's Dinapur WWTP in Varanasi, the largest under the Namami Gange Programme and inaugurated by Hon'ble PM Shri Narendra Modi, operates on a similar model. It treats wastewater to help restore the health of the Ganga River.

Other significant projects include the WWTPs built for KMDA in Kolkata under the NMCG Scheme, the K&C Valley WWTP in Bangalore, Madinat Salman STP in Bahrain, MARAFIQ WWTP in Jubail, Saudi Arabia, and the Rithala WWTP in New Delhi.

Commitment to Water Reuse and Sustainability

Your Company is driven by the belief that 'Water is too precious to be used just once.' Your Company's infrastructure for water recycling and reuse ensures that treated water is reintroduced into the water grid, maintaining a constant supply while protecting freshwater sources.

Your Company's advanced systems handle both municipal and industrial wastewater — treating 27 million m³ of wastewater daily, producing 2.7 million m³ of recycled water, generating over 41 MW of green energy, and reducing greenhouse gas emissions by over 630 tonnes daily.

Manufactured Water – Protecting the Environment. Powering Economies

Your Company has been playing a crucial role in the new-age water technology space by manufacturing high-quality water from used water through state-of-the-art water reuse technologies. This not only protects the environment by safeguarding groundwater and freshwater sources but also ensures a reliable water supply for industries, enabling uninterrupted production throughout the year.

Your Company has numerous global references showcasing cutting-edge technologies in water recycling and reuse.

The world's first Direct Potable Reuse (DPR) plant in Namibia, the industrial effluent recycle and reuse plant at IOCL - Panipat, and the Tertiary Treatment Reverse Osmosis (TTRO) plants in Chennai and Ghaziabad are prime examples.

In Windhoek, Namibia, your Company built the world's first DPR plant in 2002, employing a nine-step multibarrier treatment system to produce high-quality drinking water from secondary effluent.

The Koyambedu TTRO plant in Chennai, one of India's largest and most advanced, treats municipal water to potable standards, supplying it to industrial hubs and saving 1,600 Crores litres of freshwater annually. Executed with the same technology, the Ghaziabad TTRO Plant is poised to become a reliable water source for bolstering the economy of the Sahibabad industrial area.

Your Company also successfully completed one of the largest Central Zero Liquid Discharge Plants (CZLD) for NMDC Steel Ltd. in Jagdalpur, Chhattisgarh. Employing advanced technologies like Ultrafiltration and Reverse Osmosis, the project treats effluent from steel production to produce high-quality water suitable for reuse as make-up cooling water. This project has significantly contributed to the sustainability goals of NMDC Steel Ltd.

Recognitions and Future Directions

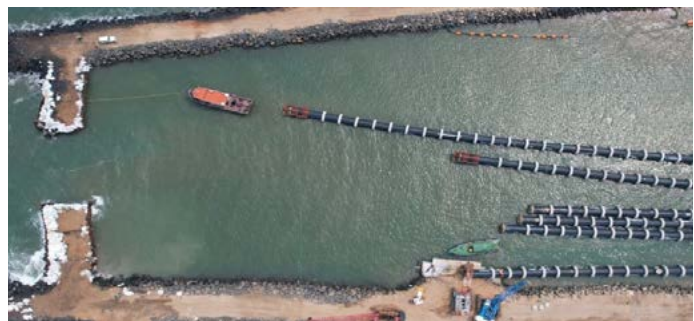
Your company's unwavering commitment to sustainability and innovation is further underscored by a series of prestigious accolades, including the "Excellence in Water Resource Management" award at the ABP Live India Infrastructure Conclave 2024, the "Water Reuse Project of the Year" at the Global Water Awards 2025, and the "Most Admired Company in Water Infrastructure" title at the ET NOW InfraFocus Awards 2024.

In addition, your Company was recognized as the "Complete Water Solutions Provider" at the Water Digest World Water Awards 2024–25, earned the "Industrial Project of the Year" at the Global Water Awards 2024, and received the "Best STP/ETP/WWTP – Private Sector" award at the Water Digest World Water Awards 2023–24.

KEY PROJECT UPDATES

INDIA CLUSTER

CHENNAI METROPOLITAN WATER SUPPLY AND SEWERAGE BOARD, INDIA – SWRO DESALINATION PLANT - PERUR



Perur Desalination Plant Hits Marine Milestone:
3 Pipelines Completed in a Record 1 Month

WABAG, in joint venture with METITO Overseas Limited, is executing a prestigious Design-Build-Operate (DBO) contract from the Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) for the development of a 400 million litres per day (MLD) Sea Water Reverse Osmosis (SWRO) Desalination Plant. The project, valued at approximately INR 4,400 Crores, is located at Perur, near the existing 110 MLD desalination plant constructed by WABAG on East Coast Road, Chennai. This marks the largest order in the Company's history and, upon completion, the facility will be the biggest desalination plant in the South East Asian region. The new plant is designed to meet the drinking water needs of Chennai City, including expanded areas such as Tambaram and Pallavaram.

With this addition, desalination plants will supply nearly half of Chennai's total water requirement of approximately 1,560 MLD. Funded by the Japan International Cooperation Agency (JICA), the project aims to bolster Chennai's water security by providing a reliable, long-term source of potable water. The comprehensive contract covers the design, engineering, procurement, construction, installation, testing, and commissioning of the 400 MLD SWRO plant, along with the associated seawater intake system, to be constructed over a period of 42 months, followed by 20 years of operation and maintenance. Key components of the project include the construction of intake and outfall structures, pipelines, pre-treatment units, the SWRO desalination system, a remineralisation facility, GIS electrical substations, and other supporting infrastructure—all within the designated project site—to deliver 400 MLD of high-quality drinking water. Once operational, this landmark project will establish Chennai as the 'Desalination Capital of India', with an aggregate capacity of approximately 750 MLD of desalinated water along its coastline. Notably, WABAG will be responsible for about 70% of Chennai's desalinated water production, reinforcing its leadership in the sector.

The project has recorded a significant accomplishment with considerable engineering progress, ordering of most of items and advanced stage of Marine Works, etc. Procurement activities are well on track, with all major supply items ordered. Deliveries of critical components—including Energy Recovery Devices (ERDs), Reverse Osmosis (RO) membranes, Reverse Osmosis Pressure Vessels (ROPVs), Glass-Reinforced Plastic (GRP) pipes, and Super Duplex Stainless Steel (SDSS) pipes—have commenced at site, while the remaining materials are in various stages of fabrication and manufacturing.

Significant milestones have been achieved on the construction front, including the successful completion of breakwater construction, welding of the intake pipeline, and its precise launching into the flotation channel. Dredging activities and welding of the outfall pipeline are currently progressing as planned, with the launching of both intake and outfall pipelines scheduled for April and May 2025, respectively.

This marks a landmark achievement for WABAG — executing marine works of this scale and complexity for the first time. It reflects not only our growing capabilities but also the unwavering commitment and determination of our team to take on bold, challenging projects and deliver with excellence.

Construction activities continue to gain momentum, with multiple work fronts opened and progressing at a rapid pace, reflecting strong execution and project management capabilities.

AGCC – SIBUR



Your Company is executing a prestigious project in CIS region for Amur Gas Chemical Complex LLC. (AGCC) in Russia. AGCC is a joint venture between SIBUR Holding (Russia) and China Petroleum & Chemical Corporation (Sinopec), and is poised to become one of the world's largest basic polymer production facilities. As the technology and system integrator for the Integrated Treatment Facilities (Wastewater Treatment Unit), WABAG will implement cutting-edge technologies to manage complex wastewater streams. The plant will include a concentrate evaporator unit to ensure Zero Liquid Discharge (ZLD), and the generated sludge will undergo dewatering and drying. Designed to Recycle and Reuse wastewater from the petrochemical process, the facility will reduce the fresh water intake requirement by approximately 25%—a major step towards environmental sustainability and regulatory compliance. WABAG's scope encompasses the design, engineering, procurement, supply, and supervision during the erection and commissioning of the facility. This includes process and technology equipment, piping systems, electrical and instrumentation/control systems, as well as building and architectural materials. This technology-driven, high-value order in the CIS region, particularly within the Russian Federation, represents WABAG's largest order to date in the Oil and Gas sector. Winning this prestigious project from a renowned customer amid intense global competition underscores WABAG's technological leadership and proven execution capabilities. Your Company takes pride in this significant achievement and is confident that this project will serve as another landmark reference, reinforcing its reputation as a trusted partner in delivering sustainable and high-performance solutions to the Oil and Gas industry.

The project has now reached its final stages — with almost all supply items delivered to the site in Russia, barring a few residual components. Despite extreme sub-zero conditions, our dedicated WABAG ites continue to provide diligent on-site support, ensuring smooth and uninterrupted supervision of ongoing erection activities.

Successful execution of this landmark project will pave the way for new business opportunities, further expanding WABAG's footprint in the global Oil & Gas landscape, particularly across the CIS region.

DHAKA WATER & SEWERAGE AUTHORITY, PAGLA – 200 MLD STP



This prestigious assignment is being executed by your Company for the Dhaka Water Supply and Sewerage Authority (DWASA) and involves the treatment of 200 million litres per day (MLD) capacity at Pagla Wastewater Treatment Plant.

This landmark project is Bangladesh's first of its kind, where bio-gas engines will generate power from digested sludge, promoting sustainable wastewater management. With a total project value of approximately INR 800 Crores, the scope includes a 40-month execution period, followed by 60 months (5 years) of comprehensive Operation and Maintenance.

The project is jointly funded by the World Bank, the Asian Infrastructure Investment Bank (AIIB), and the Government of Bangladesh, reinforcing its strategic importance and global credibility.

The state-of-the-art facility will be based on the activated sludge process, utilizing lamella clarifiers to optimize land usage. To maintain environmental integrity, the plant will also feature advanced odour control systems for an odour-free surrounding. The digested sludge from the treatment process will produce methane, which will be used to generate captive power via bio-gas engines, supplying up to 40% of the plant's energy requirement.

The project will be delivered in compliance with the World Bank's stringent ESG (Environmental, Social, and Governance) guidelines, which align with your Company's internal ESG commitments. It exemplifies your Company's strategic focus on: Expanding into new international markets; Prioritizing wastewater treatment; Pursuing multilateral-funded projects. This project sits at the intersection of these strategic priorities and serves as a strong testament to your Company's dedication to delivering sustainable and innovative infrastructure solutions globally. Amid challenging geo-political conditions and a temporary suspension of work in Bangladesh, the WABAG team has exemplified extraordinary dedication and perseverance. Undeterred by the obstacles, the team worked tirelessly to ensure the successful dispatch of GRP pipes, crossing the Bangladesh border, executed critical lagoon de-sludging, and achieved key milestones including the completion of sand filling to a larger extent and pile casting are ongoing.

INDOSOL SOLAR

In a major stride towards strengthening India's renewable energy infrastructure, WABAG has secured a significant order valued at INR 1,000 Crores from Indosol Solar Private Limited. The project aims to bolster water security for the rapidly expanding solar photovoltaic (PV) sector in the country. The scope of the project includes Engineering, Procurement, Installation and Commissioning for a 100 MLD desalination plant, which will cater to Indosol Solar's upcoming 10 GW integrated solar PV manufacturing facility in Andhra Pradesh. The plant will deploy cutting-edge, energy-efficient desalination technologies to ensure reliable and sustainable water supply for solar manufacturing operations. The construction phase of the project is scheduled to span 38 months, after which WABAG will also manage the plant's Operation and Maintenance (O&M) for a period of 15 years. This long-term engagement reflects WABAG's commitment to delivering sustainable, integrated solutions at the intersection of water and renewable energy.

WABAG has made a strategic entry into the fast-growing solar PV sector by securing this order for the supply of ultrapure water for PV cell manufacturing—demonstrating the critical link between advanced water solutions and clean energy. This milestone positions WABAG as a trusted partner in the renewable energy space and is expected to serve as a strong reference to unlock further opportunities with leading players in the solar industry.

GAIL (India) Limited – PATA, Uttar Pradesh



Your Company has been awarded a prestigious contract by GAIL (India) Limited for the design, construction, and operation of state-of-the-art water treatment facilities at GAIL's integrated petrochemical complex in Pata, Uttar Pradesh.

The scope of the project includes the establishment of a 450 cubic meters per hour Ultrafiltration (UF) and Reverse Osmosis (RO)-based Effluent Recycle Plant, a Zero Liquid Discharge (ZLD) Plant utilizing evaporator technology, a new Wastewater Treatment Plant, and upgrades to existing treatment infrastructure. These systems are designed to support GAIL's sustainability goals by maximizing water recovery and minimizing environmental impact.

The EPC phase is expected to be completed within 24 months, followed by a six-month Operation & Maintenance (O&M) phase to ensure seamless commissioning and performance.

Once operational, the treated water will be reused as Cooling Tower Make-Up water, significantly reducing GAIL's reliance on freshwater resources and reinforcing its commitment to sustainable industrial operations.

Chennai Petroleum Corporation Limited – Chennai

WABAG has been awarded a contract by Chennai Petroleum Corporation Limited (CPCL) for a strategic water infrastructure project in Tamil Nadu. The scope of work includes engineering, supply, fabrication, installation, and commissioning of desalinated water pipelines connecting CPCL's Manali Refinery to its desalination plant in Kattupalli. The project is slated for completion within 12 months.

The project's inherent complexities—such as pipeline laying through marshy terrain, across canals, and railway crossings—underscore CPCL's continued trust in WABAG as the ideal partner to deliver this challenging project.

This initiative will play a vital role in meeting CPCL's industrial water requirements. The award also reaffirms WABAG's long-standing partnership with CPCL, who once again entrusted WABAG with the delivery of a mission-critical infrastructure project.

RELIANCE INDUSTRIES LIMITED – 2 X 1100 m³ / hr SWRO

Your Company is currently marching closer towards the completion of 2 x 1100 m³/hr Sea Water Reverse Osmosis (SWRO) Desalination Plant at Jamnagar for Reliance Industries Limited (RIL). The treated water will support RIL's new energy initiatives, including its ventures in renewable energy and the hydrogen economy. This continued partnership reflects RIL's confidence and trust in WABAG's expertise and performance. The EPC (Engineering, Procurement & Construction) contract, includes the complete lifecycle of the SWRO plant—from design, engineering, procurement, supply, and construction, to erection, pre-commissioning, commissioning, and a performance guarantee test run. It will incorporate state-of-the-art pre-treatment systems such as lamella clarification, Dissolved Air Flotation (DAF), and Ultrafiltration (UF), followed by advanced Reverse Osmosis (RO) technology to transform seawater into high-quality process water.

The Ultra Filtration (UF) system has been successfully commissioned, while mechanical works for the Reverse Osmosis (RO) unit are completed, with commissioning activities currently underway.

Simultaneously, construction works for the Pre-Treatment Plant (PTP) are progressing steadily. The project is on track to achieve mechanical completion by the end of May 2025, followed by full commissioning by June 2025. Final Acceptance Certificate (FAC) is expected in Q3 FY 2026.

RIL Packages

During the year under review, WABAG has secured large repeat orders from RIL towards Water Treatment System for Dahej and Nagothane facilities. WABAG's excellent track-record with RIL for almost 3 decades and a technically superior & competitive bid ensured this repeat order win, reinforcing WABAG's leadership in the Industrial water segment. This win marks yet another milestone in WABAG's long-standing relationship with RIL, a key client for nearly three decades. The said repeat order further strengthens WABAG's reputation as a trusted and preferred partner for water and wastewater solutions in the Oil, Gas, and Petrochemical sector.

PROJECTS UNDER NATIONAL MISSION FOR CLEAN GANGA (NMCG)

A. BIHAR URBAN INFRASTRUCTURE DEVELOPMENT CORPORATION (HAM) – STP & NETWORK



Your Company, a leading pure-play Indian multinational in water technology, is currently executing the largest project awarded under the Namami Gange Programme, valued at INR 1,187 Crores. Awarded by the Bihar Urban Infrastructure Development Corporation (BUIDCO) under the National Mission for Clean Ganga (NMCG), the project is being implemented in Digha and Kankarbagh zones of Patna, one of the most densely populated cities situated along the banks of the River Ganga. This prestigious project involves the construction of Sewage Treatment Plants (STPs) with a total capacity of 150 million litres per day (MLD), along with a comprehensive sewerage network spanning over 453 kilometers. It is a combination of Design, Build and Operate (DBO) and Hybrid Annuity Model (HAM) execution, with the DBO component valued at around INR 940 Crores and the HAM portion at approximately INR 247 Crores. Notably, this marks the first water infrastructure project in the state of Bihar

to be implemented under the HAM model, where 40% of the EPC cost will be provided as a grant during construction, and the remaining 60% will be paid as annuity over 15 years, along with operational costs. At the heart of the project is the development of two major STPs viz (i) a 100 MLD plant in Digha, accompanied by interception and diversion works, two sewage pumping stations, a redesigned 300-kilometer sewerage network; and (ii) a 50 MLD plant in Kankarbagh, which includes flow diversion works and a newly designed 150-kilometer network. The STPs are designed with a resource recovery model, incorporating green energy generation from biogas, which helps to minimize operational costs and reduce environmental impact. Additionally, these plants are being constructed with a focus on compact design and high efficiency, ensuring a minimal footprint while maximizing the performance. WABAG is making commendable progress on this project, advancing steadily on all fronts and reinforcing its role as a trusted partner in India's mission to rejuvenate the River Ganga and improve urban sanitation through sustainable, future-ready water solutions. The Company is particularly focused on completing the HAM project by July 2025. This successful completion will contribute significantly towards improved sanitation and a cleaner Ganga River in Patna.

B. GHAZIABAD NAGAR NIGAM (HAM) – TTRO



WABAG, through its wholly owned subsidiary Ghaziabad Water Solutions Private Limited (SPV entity), has signed a concession agreement with Ghaziabad Nagar Nigam (GNN) in Uttar Pradesh for the development of a 40 MLD Tertiary Treatment Plant (TTP). The project, awarded under the Hybrid Annuity Model (HAM) as part of a Design-Build-Operate (DBO) contract, is valued at INR

594 Crores. Under this agreement, WABAG was responsible for constructing the plant over a period of two years and will operate and maintain the new facility along with the existing upstream 56 MLD Sewage Treatment Plant (STP) for a duration of 15 years post-commissioning. This milestone project was notable not only for its scale but also for its innovative financing model, as the construction phase is co-funded by one of the India's first municipal Green Bonds issued specifically for a water treatment initiative. The Ghaziabad TTP treats effluent from the existing STP to produce high-quality, industrial-grade recycled water, which will be supplied to the industries in the Sahibabad Industrial Estate. This landmark project further cemented WABAG's leadership in water reuse and recycling technologies in India. The use of green bond funding, a first for any water treatment project in the country, underlines the project's alignment with environmental sustainability and ESG priorities. Adding to its credibility, GNN is a debt-free entity and has consistently maintained a revenue surplus in recent years, according to India Ratings, enhancing the project's financial robustness and long-term viability.

The project was internationally recognized when it received the Best Municipal Treated Water Reuse Award at the Water Digest World Water Awards 2024-25. Additionally, an international delegation from West Suffolk College, UK, visited the TTP as part of a study tour on smart and sustainable cities.

C. KOLKATA METROPOLITAN DEVELOPMENT AUTHORITY (KMDA, HAM) – STP



WABAG successfully executed a major wastewater project in West Bengal for the Kolkata Metropolitan Development Authority (KMDA), which involved the construction of three Sewage Treatment Plants (STPs) at Arupara (65 MLD), Bally

(40 MLD), and Baranagar (60 MLD), along with associated pumping systems and sewage transmission lines. The project was implemented under the Hybrid Annuity Model (HAM) with support from the National Mission for Clean Ganga (NMCG) and financial assistance from the World Bank. WABAG had achieved financial closure for the project, with debt funding provided by a consortium comprising the International Finance Corporation (IFC), a World Bank Group member and Tata Cleantech Capital Limited (TCCL). In alignment with its asset-light strategy, WABAG had partnered with Kathari Water Management Pvt. Ltd., a wholly owned subsidiary of EverSource Capital, which manages the Green Growth Equity Fund (GGEF). GGEF is supported by anchor investments from the National Investment and Infrastructure Fund (NIIF) of India and the UK's Foreign, Commonwealth & Development Office (FCDO). The project, with a total treatment capacity of 187 MLD (including an existing 22 MLD facility), now plays a key role in eliminating the discharge of untreated sewage into the Ganga River. It also marked the first HAM-based water project in West Bengal. While WABAG had previously collaborated with KMDA on EPC and DBO contracts, this project strengthened its presence in PPP-HAM projects with prominent institutional partners.

The project has been successfully commissioned and completed, marking a significant milestone in its journey. Now in the Operation & Maintenance phase, the team continues to ensure seamless performance and sustainability. This achievement paves the way for a cleaner, healthier future for the city's waterways.

D. JAJMAU TANNERY EFFLUENT TREATMENT ASSOCIATION – CETP



Your Company is currently executing INR 520 Crores worth order secured from Jajmau Tannery Effluent Treatment Association (JTETA) towards Engineering, Procurement, Construction, Operation & Maintenance of a 20 MLD Common Effluent Treatment Plant (CETP) along with treated sewage dilution facility for Jajmau leather cluster, in the State of Uttar Pradesh. The scope of this Design and Build contract includes Design, Engineering, Supply, Erection, Construction and Commissioning of 20 MLD CETP. The CETP scheme includes pre-treatment, sulphide removal, denitrification, two stage extended aeration

and tertiary treatment consisting of clarification, quartz filtration and ultra-filtration. The scope also includes setting up a collection and conveyance system, to collect and pump the effluent from various tanneries up to the treatment plant; setting up common chrome recovery unit, to treat chrome tanning effluents by recovering the chrome so that they can be reused in the tanneries and setting up a pilot plant with a zero liquid discharge facility. The salient features of the project are effluent from 380 Tanneries will be treated as per the revised norms of the Ministry of Environment and will be released for irrigation purpose. The proposed 20 MLD CETP project will have treatment process up to tertiary treatment including Ultra Filtration in Phase-I and an add-on Modular RO system in Phase-II. Spent Chrome liquor collection from each Tannery unit would be transported through tankers to CCRU and the recovered chrome shall be sent through drums or sold. This will ensure that the chrome liquor is uniformly treated from all tanneries. Zero Liquid Discharge (ZLD) based field scale pilot plant with a capacity of 200 KLD is developed for Research and Development activities to demonstrate high recovery of water (>95%) and high purity sodium chloride and sodium sulphate salts. Post successful commissioning, your Company will also Operate & Maintain the above plants for a period of five (5) years. The construction of this plant is being funded under the prestigious Namami Gange Programme and the Operation & Maintenance will be self-financed by JTETA. While the network is in the final phase of completion, the CETP has been treating common effluent for more than a year.

MEA CLUSTER

SONEDE BEJAOUA, TUNISIA – 345 MLD WTP

WABAG secured a major water treatment contract in Tunisia, valued at 215 million Tunisian Dinars (approximately INR 110 Crores), under a consortium arrangement funded by the French Development Agency (FDA) and the European Investment Bank (EIB). The project, awarded by SONEDE, Tunisia's national water utility, involves the design, construction, and commissioning of a 345 MLD Water Treatment Plant. WABAG is responsible for a significant portion of the project, contributing both Engineering & Procurement (EP) and Operation & Maintenance (O&M) services for one year —accounting for nearly half of the total project value. Under the EP scope, WABAG will lead the design, engineering, and supply of critical electromechanical components, including advanced compact lamella clarifiers, and will manage the plant's installation and commissioning. WABAG is partnering with Entreprise Gloulou Mohamed et Salem (EGMS), who is in charge of executing the civil works for the project.

RAS TANURA RTR – IWWTP

WABAG has secured a prestigious order from SEPCO III Electric Power Construction Corporation (SEPCO III) for engineering and procurement services for a 20 MLD Industrial Wastewater Treatment Plant (IWWTP) within Ras Tanura Refinery Complex, Kingdom of Saudi Arabia.

This \$33.5 million project, developed by Miahona, a leading PPP developer and operator of water and wastewater projects in the Kingdom, aims to treat a complex mix of effluents, including desalted effluent, tank farms, and oily wastewater sumps.

The scope of work includes the design, engineering, procurement, supply, and supervision of installation and commissioning. The 20-month project will employ advanced biological treatment, filtration, and reverse osmosis technologies to enable partial reuse of the treated effluent within the refinery. The treatment scheme also integrates wet air oxidation for processing spent caustic effluent.

This contract will be executed jointly by WABAG India and WABAG Austria, exemplifying the Company's "One WABAG" philosophy. It marks a breakthrough in the Middle East wastewater sector, demonstrating WABAG's capabilities in handling stringent influent and effluent conditions.

WABAG is proud to collaborate with Miahona, a key player in Saudi Arabia's wastewater industry, and to serve the end user, Aramco. This achievement strengthens WABAG's brand presence in the Middle East, positioning the Company for future wastewater opportunities in both municipal and industrial sectors.

Currently under execution, the project has completed its engineering and procurement phases, with material deliveries expected to conclude by December 2025.

AL HAER – ISTP

WABAG has secured a significant order from Miahona's HESCO (Al Haer Environmental Services Company) for engineering, procurement, and construction of a 200 MLD Municipal Sewage Treatment Plant (ISTP) at Al Haer, near Riyadh, Saudi Arabia.

Developed by Miahona, a leading PPP developer and operator of water and wastewater projects in Saudi Arabia, the \$196 million project is designed to treat municipal sewage from the existing STP's inlet chamber.

The project scope encompasses design, engineering, procurement, construction, supply, and supervision of installation and commissioning. Over the 30-month execution period, the facility will utilize Nereda-based biological treatment, followed by disc filtration for tertiary treatment and UV disinfection. The treated water will then be repurposed for irrigation.

This contract will be executed locally established WABAG India's branch office, supported by engineering teams in India, Turkey, and Saudi Arabia, reinforcing the Company's "One WABAG" philosophy.

This project represents a breakthrough for WABAG in the Middle East and is distinguished by its use of Nereda technology. WABAG is honored to collaborate once again with Miahona, a key player in Saudi Arabia's wastewater sector, and to serve the end user, SWPC.

DUQM - O&M



WABAG has secured a O&M contract for 5 years from Nama Water for the 10 MLD SWRO Desalination Plant at DUQM, Oman. The five-year contract, valued at \$10 million, marks a key milestone in WABAG's presence in the Middle East. Originally built by WABAG in 2011, the plant was successfully operated and maintained for eight years.

Under this agreement, WABAG will provide manpower, chemical supplies, consumables, and power management over the 60-month period. The contract will be executed locally through WABAG India's subsidiary, WABAG Muscat LLC. This achievement reinforces WABAG's strong position in Oman's water sector and strengthens its brand presence across the Middle East.

BAPCO O&M



WABAG has secured this order from Bahrain Petroleum Company (BAPCO) for the operation of the 24 MLD Membrane Bioreactor (MBR) Wastewater Treatment Plant.

The seven-year contract, valued at \$14 million, marks another significant milestone for WABAG in the Middle East. Under the agreement, WABAG will provide manpower, chemical supplies, and minor consumables to ensure the efficient operation of the facility. The contract will be executed over an 84-month period through WABAG India's subsidiary, WABAG Belhasa JV WLL.

The Company is honored to collaborate with BAPCO, a leading entity in the Kingdom, and this marks WABAG's first industrial client in Bahrain.

WABAG's Centenary Year: Strengthening Our Footprint & Achievements in Middle East

As WABAG marks its **Centenary year**, we reflect on a legacy of excellence and innovation in water treatment while celebrating key achievements and expansion in the **Middle East**. The year commenced with a landmark breakthrough securing an **engineering and procurement contract** for a **20 MLD Industrial Wastewater Treatment Plant (IWWTP) at Ras Tanura Refinery Complex, Saudi Arabia**.

Strategic Growth & Business Expansion in the Middle East

The Middle East continues to serve as a **strategic growth engine** for WABAG, contributing significantly to our global expansion. With dedicated efforts from the **"Go to Market" team**, the business has successfully generated tender opportunities exceeding **USD 5 billion** across key regional markets, namely **Saudi Arabia, UAE, Oman, and Qatar**.

WABAG's business strategy for the region focuses on a **balanced mix of projects**, categorized into:

- Engineering & Procurement (EP) – 16%
- Engineering, Procurement & Construction (EPC) – 57%
- Operations & Maintenance (O&M) – 26%

Additionally, we have observed a **notable shift towards large-scale PPP projects**, as opposed to the traditional EPC model. This transformation in market trends highlights growing opportunities for **long-term infrastructure investment and sustainable water management solutions** in the Middle East.

Centenary Celebrations & Stakeholder Engagement

In honor of WABAG's 100-year journey, we have organized **grand celebrations across multiple regions**, commemorating our stakeholders who have contributed to our success.

- **Saudi Arabia** witnessed a **spectacular event**, blending **Indian and Middle Eastern cultural themes**, reflecting the strong synergy between WABAG's diverse business presence.

- This event successfully acknowledged and honored **our esteemed clients & partners**, who have been instrumental in shaping WABAG's Middle Eastern success stories and reinforcing our leadership in **water and wastewater treatment solutions**.



Key Milestones achieved in FY 2024-25

1. **Class A Contractor Certification – Saudi Arabia**
 - This prestigious recognition enables WABAG to bid for **EPC projects within the Kingdom**, further strengthening our foothold in the region.
2. **Regional Headquarters Established in Riyadh**
 - Marking a **significant expansion milestone**, our new **regional HQ in Riyadh** enhances operational efficiency and local market engagement.
3. **Enhanced In-Country Value (ICV) Score – Qatar**
 - WABAG achieved a substantial leap in its **ICV score**, reinforcing our commitment to local value creation.
4. **Client Development & Market Positioning**
 - A strategic focus on **client development** has resulted in **29 new client registrations**, strengthening WABAG's market position and business network in the Middle East.
5. **New Market Penetration – CIS Expansion**

As part of our expansion strategy, WABAG initiated market entry into **Uzbekistan, Azerbaijan, and Kazakhstan**, establishing **business connections and participating in key bids** to understand the local market dynamics.

Record Growth in Order Booking & Revenue Generation

- **Middle East operations recorded a 6-fold growth in order inflow in FY 2024-25**, surpassing last year's achievements.
- The **business mix comprises 89% EPC and 11% O&M**, reflecting **continuous improvement in project diversification** and long-term sustainable growth.

Strengthening Brand Presence & Market Recognition

With strategic **branding, networking, and industry engagement**, WABAG has become a **trusted name for EPC projects in the Middle East**, positioning itself among the **leading water and wastewater solution providers in the region**.

Active Participation in Global Industry Events

To expand market insights, enhance collaboration, and reinforce our leadership in water sustainability, WABAG actively participated in the following high-profile conferences and summits:

- **COP 29** is the United Nations Climate Change Conference, took place in Baku, **Azerbaijan** from 11 to 22 November 2024. Among the key priorities of COP 29 are securing a new goal on climate finance, ensuring every country has the means to take much stronger climate action, slashing greenhouse gas emissions and building resilient communities. The Company's Official participated in COP 29, had a greater understanding of how the water market looks like specifically focused on CIS region and also had an opportunity to visit few of the research stations of Azersu (State Water Company).



- The **IDRA World Congress 2024**, hosted by the Department of Energy **Abu Dhabi** with widespread endorsement from key government stakeholders, is a unique platform for profound knowledge-sharing and impactful interaction to address water scarcity. This congress is strategically designed to pave the way to a more secure water future by delving into various technical and business topics that revolve around innovative desalination and water reuse solutions. The delegation from WABAG included many senior personnel from the Sales & Marketing, Business Development and Technology departments.



- Also, we participated in other events like Global Water Expo in Riyadh, 1st edition of SWPC Forum & Award Ceremony in Riyadh and 5th MENA Desal Expo in Abu Dhabi.

As WABAG celebrates 100 years, we embrace our heritage while forging ahead towards continued success and expansion. Our strategic focus on EPC, O&M, and sustainable water management solutions positions WABAG as a trusted industry leader in the Middle East and beyond.

With strong market positioning, breakthrough contracts, and sustained growth, WABAG remains committed to driving innovation in water treatment and delivering world-class solutions for the future.

Africa Business achievements

WABAG Expands into Zambia with a Landmark Sanitation Project

Your Company is proud to announce its entry into the Zambian market with a major contract from Lusaka Water Supply and Sanitation Company (LWSC). As part of this milestone, your Company will design, build, and operate two of Zambia's largest and most advanced wastewater treatment plants in the recent decade in Ngwerere and Chunga, with a total capacity of 73,000 m³/day.

These state-of-the-art facilities will incorporate advanced wastewater treatment and sustainable sludge management. By utilizing the produced biogas and solar power, the plants will ensure energy self-sufficiency and environmental sustainability. Financed by the European Investment Bank (EIB) and German KfW, this transformative project represents a significant contribution to the Zambian government's mission to enhance water and sanitation infrastructure, improving public health and supporting long-term economic growth. This marks another step in our commitment to delivering sustainable water solutions across Africa.

The WWTPs will incorporate state-of-the-art mechanical and biological treatment processes. The anaerobic sludge treatment will enable efficient sludge management and biogas utilization, contributing to energy self-sufficiency and sustainability. The integration of solar power will further enhance the environmental impact and operational

efficiency of the facilities. Furthermore, the plants are already prepared for extension for nutrient removal in Phase B, enabling Water Reuse.

Ngwerere, a rapidly growing suburb of Lusaka, has experienced significant expansion in recent years. Chunga, located approximately 100 kilometers from Lusaka in Eastern Zambia, is also a critical area for development. These WWTPs will address the increasing demand for advanced sanitation infrastructure, supporting the region's growth and improving public health standards.

EUROPE CLUSTER

THIBAR WWTP, Beja, Tunisia



WABAG has realised the contract for design and construction of a new municipal Wastewater treatment and Water Reclamation plant in Thibar, Governorate of Béja for national ONAS. The plant features a three-stage treatment process including mechanical and biological treatment (activated sludge), sand filtration, and UV disinfection for safe reuse in agricultural irrigation, contributing to the conservation of Tunisia's scarce water resources. With a capacity of 1,150 m³/d, the plant is expected to save nearly 420,000 litres of water annually and supports sustainable water management in rural areas. Pre-commissioning was successfully completed, and commissioning began on May 01, 2025, with a duration of three months.

TAKELSA WWTP, Nabeul, Tunisia



WABAG has completed the design and construction of the new municipal wastewater treatment and water reclamation plant in Takelsa, Nabeul, under a Design-Build-Operate (DBO) contract. The plant utilizes a three-stage process comprising mechanical and biological treatment (activated sludge), followed by sand filtration and UV disinfection. The treated water is reused for agricultural irrigation, helping preserve Tunisia's limited water resources. With a treatment capacity of 1,360 m³/d, the facility is projected to save approximately 497,000 litres of water annually and plays a key role in advancing sustainable water practices in rural regions. Pre-commissioning was finalized successfully, and commissioning commenced on March 21, 2025 for a period of three months. The operational phase is scheduled to begin on June 21, 2025 and will continue for 12 months.

Kasseb Dam WTP – Tunisia



WABAG, in consortium with a local civil partner, constructed a 30 MLD drinking water treatment plant at Kasseb Dam for national SONEDE, delivering safe drinking water to around 200,000 people in the Béja governorate. The plant features a space-efficient, multi-stage treatment process with lamella clarifiers, and includes both raw and treated water pumping stations. The project, financed by KfW, was executed on a

turnkey basis. Following successful commissioning in October 2024, WABAG carried out a six-month operation and maintenance period, completed by the end of March 2025.

NOOR City - Wastewater and Water Reclamation Plant – Egypt

WABAG has secured a repeat order in Egypt from the Arab Company for Urban Investment in March 2025, following the successful execution of the Madinaty WWTP Phases I & II. The new project will serve NOOR City, a forward-looking urban development near Cairo and the New Administrative Capital, designed to set international standards for smart, sustainable cities. The NOOR WWTP will be executed in consortium with Alexandria Construction Company (ACC). WABAG's scope includes engineering, procurement, installation, and commissioning of the electromechanical equipment. The project is based on WABAG's proven CYCLOPUR® SBR technology, with tertiary treatment through disc filters and disinfection to enable treated water reuse for irrigation. The plant will initially have a capacity of 10 MLD, with future expansion planned to reach 80 MLD, serving approximately 450,000 people. The total contract value is EUR 17.1 million, with WABAG's share amounting to EUR 8.69 million. Commissioning is scheduled for December 2026. The project is currently undergoing the Design Approval Process.

Ismailia WTP, EGYPT - Highly Compact Design for 180,000 M3/D Drinking Water Treatment Plant



WABAG was contracted by the Suez Canal Authority (SCA) to design and build a new water treatment plant (WTP) for the city of Ismailia with a capacity of 180,000 m³/d. The plant treats water from the River Nile, sourced via a nearby irrigation channel.

A compact, multi-stage system – including flocculation and sedimentation, filtration, and disinfection – was implemented. Treated water tanks (7,800 m³ each) were installed beneath the clarifiers, and all pumps positioned under the filter cells. This intelligent design enabled the construction of a large-scale WTP on a limited footprint and allowed integration into the existing plant complex, with shared use of selected components. The commissioning and start-up started already.

Al Hamoly WWTP, at Al Fayoum



WABAG was awarded the 15,000 m³/d municipal wastewater treatment (stage I) plant by national Authority for Potable Water and Sewage (NOPWSD). The plant comprises mechanical/biological wastewater treatment with final disinfection step and sludge thickening and drying and Pumping station. The plant was successfully commissioned.

Taha El Bahsa WWTP - Bani Sueif

WABAG was awarded the 15,000 m³/d municipal wastewater treatment (stage I) plant by national Authority for Potable Water and Sewage (NOPWSD). The plant comprises mechanical/biological wastewater treatment with final disinfection step and sludge thickening and drying and Pumping station. The plant was successfully commissioned.

Komesyon Sharq WWTP at Kafr Al Shiekh

WABAG was awarded the 5,000 m³/d municipal wastewater treatment (stage I) plant by national Authority for Potable Water and Sewage (NOPWSD). The plant comprises mechanical/biological wastewater treatment, disc filtration and a final disinfection step. The scope further includes sludge thickening and drying and Pumping station. The plant was successfully commissioned.

Old Kohafa WWTP: Contract for Upgradation and Expansion

The WABAG-ACC consortium was awarded a contract for the rehabilitation, upgrade, and expansion of the existing Old Kohafa WWTP in Sohag, Egypt. Funded by the European Bank for Reconstruction and Development (EBRD) and the European Union, in December 2023.

The project includes upgrading the existing 60 MLD plant to 90 MLD and constructing an in-situ expansion (New Kohafa WWTP) with a capacity of 20 MLD. The treated effluent will be discharged into the Kamal drain. The total contract value exceeds EUR 19 million, with WABAG's share around EUR 7 million. As of now, plant design approval has been granted, and project progress is on schedule.

WABAG'S CENTENARY CELEBRATIONS CONCLUDED IN CHENNAI WITH A GRAND FINALE

(A fitting tribute to WABAG's legacy, bringing together industry leaders to celebrate our shared vision)

WABAG's 100-year journey has been commemorated across the globe from Vienna to Riyadh, New Delhi and culminating in a grand centenary finale held on **February 21, 2025 at Radisson Blu Hotel & Suites GRT, Chennai**. This milestone event brought together **250 distinguished senior leaders** from utilities and industries, marking the conclusion of a century of excellence in the global water sector.

WABAG was honored to welcome **Dr. Raj Bhushan Chaudhary, Hon'ble Minister of State, Ministry of Jal Shakti, Government of India**, as its Guest of Honour. His presence reinforced the importance of WABAG's shared commitment to water sustainability and the impact of WABAG's contributions to the sector. The evening was **a heartfelt tribute to WABAG's clients, partners, and colleagues** who have been instrumental in shaping WABAG's legacy. A key highlight was the unveiling of the **'WABAG Handbook of Water and Used Water Purification,'** a testament to its unwavering commitment to innovation and sustainability. Adding to the grandeur of the celebration were vibrant cultural performances, reflecting the traditions and values that continue to inspire WABAG's journey forward.

As the final event in WABAG's centenary celebration series, this moment reaffirmed its dedication to shaping a water-secure future. With a legacy built on trust, innovation, and sustainability, WABAG now stepped into the next century with a renewed commitment to: **Preserving Resources. Protecting Environment. Powering Economies.**



ACKNOWLEDGEMENTS

Your Board thanks the Banks, Financial Institutions, Lenders, JV Partners, Business Associates, Customers, Government of India & Overseas Countries, State Governments in India, Regulatory & Statutory Authorities, Investors & Shareholders and other Stakeholders, society at large, Corporations, Municipalities for their valuable support & co-operation. For the continued contribution, commitment & dedication, your Directors thank the employees of the Company and the WABAG Group.

For and on behalf of the Board of Directors of
VA TECH WABAG LIMITED

Milin Mehta

Independent Director
(DIN: 01297508)

Rajiv Mittal

Chairman and Managing Director
(DIN: 01299110)

Date: May 21, 2025
Place: Chennai

Annexure – I

PARTICULARS OF EMPLOYEES

Information as per Rule 5 (1) & 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The ratio of remuneration of each Director to the median remuneration of employees of the Company for the FY 2024-25	Mr. Rajiv Mittal, Chairman and Managing Director– 72.41:1 Mr. S. Varadarajan, Whole Time Director & Chief Growth Officer – 38.28:1 Mr. Milin Mehta, Independent Director – 2.80:1 Mrs. Vijaya Sampath, Independent Director – 2.80:1 Mr. Ranjit Singh, Independent Director – 2.80:1 Mr. Amit Goela, Non-Executive Non-Independent Director – 2.80:1
ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the FY 2024-25	Chairman & Managing Director– 12.77% Whole Time Director & CGO – 19.37% Other Directors –No change CEO - India Cluster – 7.71 % Chief Financial Officer – 9.29 % Chief Financial Officer – India Cluster – 7.87 % Company Secretary & Compliance Officer – 16.91 %
iii) The percentage increase in the median remuneration of employees in the FY 2024-25	-3.71%
iv) The number of employees on the rolls as on March 31, 2025	1,000
v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year is 10.65% and the average percentile increase in the managerial remuneration in the last FY is 9.60% on a like to like basis.
vi) Affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration is paid as per the Nomination, Evaluation and Remuneration Policy of the Company.
vii) A statement showing the name of top ten (10) employees of the Company in terms of remuneration drawn A statement showing the name of every employee of the Company, who a. if employed throughout the Financial Year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rupees One Crore and Two Lakhs. b. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rupees eight lakhs and fifty thousand per month	Pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, disclosures with respect to the remuneration of Directors, KMP and employees, are enclosed as Annexure - I(A) to the Board's Report. The information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including amendments thereof), is provided in the Annexure forming part of this Report. In terms of the first proviso to Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members excluding the aforesaid Annexure. Any Member interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company.

For and on behalf of the Board of Directors of
VA TECH WABAG LIMITED

Date: May 21, 2025
Place: Chennai

Milin Mehta
Independent Director
(DIN: 01297508)

Rajiv Mittal
Chairman and Managing Director
(DIN: 01299110)

Annexure – II

Form MR 3

Secretarial Audit Report

for the financial year ended March 31, 2025

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
VA TECH WABAG LIMITED
(CIN: L45205TN1995PLC030231)
"WABAG House", No. 17, 200 Feet
Thoraipakkam - Pallavaram Main Road,
Sunnambu Kolathur, Chennai – 600 117,
Tamil Nadu, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VA TECH WABAG LIMITED** (hereinafter called the 'Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025** ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') wherever applicable; including amendment/ re-enactment made thereto:

- a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with clients;
- e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');
- f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- g) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

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

- i. The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited and BSE Limited under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

- ii. Secretarial Standard -1 (SS-1) for Board Meeting and Secretarial Standard -2 (SS-2) for General Meeting issued by The Institute of Company Secretaries of India (ICSI).

During the period under review, the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Circulars, Notifications, Guidelines, Secretarial Standards, etc. mentioned above and there are no other specific observations requiring any qualification on non-compliances.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice was given to all the Directors to schedule the Board and Committee Meetings. Agenda and detailed notes on agenda were sent at least seven (7) days in advance for meetings other than those held at shorter notice with the consent of all the Directors/Members, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the respective the Chairperson, the decisions of the Committees and Board were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the Company to commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period,

- a. the shareholders of the Company, *inter alia*, has;
- i. passed an ordinary resolution under sections 152, 196, 197, 198 and 203 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 at the 29th Annual General Meeting (AGM) held on August 14, 2024 for re-appointment of Mr. Rajiv Mittal, (DIN: 01299110) as the Chairman and Managing Director of the Company for a further period of five (5) years with effect from April 01, 2025 to March 31, 2030 on such terms and conditions including remuneration.
 - ii. passed an ordinary resolution under section 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 at the 29th AGM held on August 14, 2024 for re-appointment of Mr. Amit Goela,

(DIN: 01754804) as a Non-Executive Non-Independent Director of the Company to hold office for a period of five (5) years with effect from July 20, 2024 till July 19, 2029, who shall be liable to retire by rotation.

- iii. passed a special resolution under section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 at the 29th AGM held on August 14, 2024 to increase the borrowing limits of the Company upto INR 6,000 Crores (Indian Rupees Six Thousand Crores only) or the aggregate of the paid-up capital and free reserves and securities premium of the Company from time to time, whichever is higher.
- iv. passed a special resolution under section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 at the 29th AGM held on August 14, 2024 to increase the limits for creation of charges on the assets of the Company upto INR 6,000 Crores (Rupees Six Thousand Crores only) or the aggregate of the paid-up capital and free reserves and securities premium of the Company from time to time, whichever is higher.
- b. Board of Directors of the Company, *inter-alia*, has considered and approved, at its meeting held on July 08, 2024, the sale of 100% stake in Wabag Water Services S.R.L., Romania ('Wabag Romania'), a step down Subsidiary Company. The share transfer process was completed on August 05, 2024. Consequently, Wabag Romania ceased to be a step down Subsidiary of the Company.
- c. The Company's Registrar and Share Transfer Agent for the Equity shares has been changed from "KFin Technologies Limited" to "Cameo Corporate Services Limited" vide the communications received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) confirming the shifting of electronic connectivity of both the Depositories viz., CDSL and NSDL (i.e., effective from July 01, 2024).

M. DAMODARAN

Managing Partner

M DAMODARAN & ASSOCIATES LLP

Membership No.: 5837

COP.No.: 5081

FRN: L2019TN006000

PR 3847/2023

Place: Chennai

Date: May 20, 2025

ICSI UDIN:F005837G000382422

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

Annexure A

To,
The Members,
VA TECH WABAG LIMITED
CIN: L45205TN1995PLC030231)
"WABAG House", No. 17, 200 Feet
Thoraipakkam- Pallavaram Main Road,
Sunnambu Kolathur, Chennai – 600 117,
Tamil Nadu, India.

Our Secretarial Audit Report of even date is to be read along with this letter.

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

M. DAMODARAN

Managing Partner

M DAMODARAN & ASSOCIATES LLP

Membership No.: 5837

COP. No.: 5081

FRN: L2019TN006000

PR 3847/2023

ICSI UDIN: F005837G000382422

Place: Chennai

Date: May 20, 2025

Annexure – III

FORM AOC-1

Statement containing the salient features of the financial statements of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section(3) of Section 129 of the Companies Act 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 - AOC-1)

Part “A”: Subsidiaries

(All amounts are in INR Millions, unless otherwise specified)

S. No.	Name of the Subsidiary, Country of Incorporation	Date of acquisition / Incorporation	Reporting Period Ended	Reporting Currency	Share Capital	Reserves and surplus	Total Assets	Total Liabilities	Details of Investment (Except in case of Investment in Subsidiary)	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	Extent of shareholding (in%)
1	VA Tech Wabag (Singapore) Pte. Ltd, Singapore	August 14, 2007	March 31, 2025	SGD	210	523	1,353	620	-	1,573	155	(8)	146	-	100%
2	VA Tech Wabag (Philippines) Inc., Philippines	May 05, 2011	March 31, 2025	PHP	9	114	1,152	1,030	-	275	(65)	(3)	(67)	-	100%
3	VA Tech Wabag Limited Pratiha Industries Limited JV, Nepal*	August 12, 2016	March 31, 2025	NPR	-	46	60	13	-	6	2	(0)	1	-	NA
4	Wabag Muhibbah JV SDN BHD, Malaysia	September 14, 2015	March 31, 2025	MYR	555	(416)	200	61	-	0	(15)	-	(15)	-	70%
5	VA Tech Wabag Muscat LLC, Oman	April 10, 2011	March 31, 2025	OMR	18	7	45	21	-	61	1	-	1	-	70%
6	Wabag Belhasa JV WLL, Bahrain	December 24, 2015	March 31, 2025	BHD	1	37	264	226	-	161	14	-	14	-	49%
7	VA Tech Wabag and Roots Contracting L.L.C, Qatar	March 29, 2015	March 31, 2025	QAR	3	5	15	6	-	-	(2)	-	(2)	-	60%
8	DK Sewage Project Private Limited	September 26, 2019	March 31, 2025	INR	-	-	-	-	-	-	-	-	-	-	100%#
9	Ghaziabad Water Solutions Private Limited (Formerly known as Digha STP Projects Private Limited)	April 30, 2020	March 31, 2025	INR	17	(180)	2,068	2,231	-	296	(164)	41	(123)	-	100%
10	Kopri Bio Engineering Private Limited	November 27, 2020	March 31, 2025	INR	-	-	-	-	-	-	-	-	-	-	51%
11	VA Tech Wabag GmbH, Austria	June 26, 1990	March 31, 2025	EUR	92	3,514	5,370	1,763	25	1,670	871	(0)	870	-	100%
12	VA Tech Wabag Deutschland, GmbH, Germany	February 02, 2014	March 31, 2025	EUR	21	(21)	-	-	-	-	-	-	-	-	100%
13	Wabag Water Services S.R.L., Romania*	February 18, 2008	March 31, 2025	EUR	1	29	802	772	-	72	(13)	3	(11)	-	100%
14	VA Tech Wabag Tunisie S.A.R.L., Tunisia	December 22, 2016	March 31, 2025	EUR	59	163	1,385	1,163	-	930	83	(12)	70	-	100%
15	VA Tech Wabag Su Teknolojisi Ve Tic. A.S., Turkey	October 06, 2010	March 31, 2025	EUR	141	(358)	27	244	-	157	3	(1)	1	-	100%

* The Company entered into a Joint Venture with Pratiha Industries Limited in Nepal to execute a project. Considering the fact that the Group has control over the governing body and over the operating and financial decisions of the JV entity, the same has been treated as a subsidiary

Economic interest held by the Company is 49.8% and 100% Equity is held by the Company

s Wabag Water Services S.A.R.L., Romania, a step down subsidiary was divested on August 05, 2024

Note: Exchange rate used for Balance Sheet items is the rate as on March 31, 2025 and for Profit and Loss account items, the rate used is the average rate for the FY 2024-25

Currency	Rate for Balance Sheet Items (INR)	Rate for Profit & Loss Account items (INR)
1SGD	63.67	63.19
1PHP	1.49	1.46
1NPR	0.63	0.63
1MYR	19.27	18.79
1THB	2.59	2.34
1OMR	222.03	219.64
1BHD	226.96	224.32
1BRL	15.40	15.55
1EUR	92.48	90.76

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(All amounts are in INR Millions, unless otherwise specified)

Name of Associates/Joint Ventures, Country of incorporation	VA Tech Wabag and Roots Contracting L.L.C., Qatar	Windhoek Goreangab Operating Company (Pty) Limited, Namibia	DK Sewage Project Private Limited, India	Ganga STP Project Private Limited, India
Latest audited Balance Sheet Date	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
Date on which the Associate or Joint Venture was associated or acquired	March 29, 2015	January 12, 2001	September 26, 2019	April 05, 2019
Shares of Associate/Joint Ventures held by the Company on the year end				
No. of Shares	98	33	27,319,999 [^]	18,264,999 [^]
Amount of Investment in Associates/Joint Venture	2	25	274	183
Extent of Holding %	49%	33%	49.8% [#]	26% [§]
Description of how there is a significant influence	There is significant influence due to percentage (%) of shareholding	There is significant influence due to percentage (%) of shareholding	There is significant influence due to percentage (%) of shareholding	There is significant influence due to percentage (%) of shareholding
Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Networth attributable to Shareholding as per latest audited Balance Sheet	16	38	320	276
Profit / (Loss) for the year				
Considered in Consolidation	(2)	2	(13)	35
Not Considered in Consolidation	-	-	-	-

Note: [^] Includes other Securities

[#] Economic interest held by the Company is 49.8% and 100% Equity is held by the Company

[§] Economic interest held by the Company is 26% and 51% Equity is held by the Company

For and on behalf of the Board of Directors

VA TECH WABAG LIMITED

Milin Mehta

Independent Director
(DIN: 01297508)

Rajiv Mittal

Chairman and Managing Director
(DIN: 01299110)

Date: May 21, 2025
Place: Chennai

Annexure – IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

CSR PROGRAMME IMPLEMENTATION

In furtherance of CSR Policy, CSR programme of VA TECH WABAG LIMITED ("the Company" or "WABAG") is implemented on the following important guiding principles among others:

- To take up CSR project largely within the framework of the Company's expertise, i.e. water, wastewater management and sanitation;
- To identify CSR projects in the Company's project / office neighbourhood; and
- To impart training by supporting apprenticeship under Industry Partnership model.

WABAG has been honoured with 'MAHATMA AWARDS – 2024' for Sustainable & Responsible Business Practices. This prestigious recognition acknowledges our efforts in CSR and ESG initiatives aligned with our vision of sustainability. This award was presented to WABAG by Dr. Kiran Bedi, First Women IPS Officer, 24th Lt. Governor of Puducherry, and by Mr. Amit Sachdeva, Founder of Mahatma Foundation, during ceremony in New Delhi on the eve of Gandhi Jayanthi.



During the FY 2024-25, WABAG implemented the following CSR projects including the on-going projects:

Project 1: Chennai City Sanitation Plan

The Sanitation Programme pertains to the Government of Tamil Nadu that comprises toilet construction as part of the Chennai City Sanitation Plan. In response to the appeal made by the Greater Chennai Corporation (GCC), under Chennai City Sanitation Plan, WABAG built two (2) sanitation complexes in its office neighbourhood, i.e. at Kamakoti Nagar and Ashtalakshmi Avenue, Pallikaranai. Each complex consists of two urinals and two toilets for men and two toilets and one incinerator for women. The project has been completed and handed over to the local Association on January 25, 2023. As part of the arrangement, WABAG took the responsibility to maintain the facility for a period of one (1) year from February 01, 2023 to January 31, 2024.

As this facility was maintained well, there was representation from public and GCC to maintain the two sanitation complexes for a further

period of one year. Accordingly, WABAG extended the maintenance of this sanitation facility for another year by spending ~ INR 1.50 Lakhs.

Glimpses of Chennai City Sanitation Project are as under:



Other than on-going Projects for FY 2024-25:

Project 2: Project under Industry Partnership Model:

In line with the notification issued by the Government of India, Ministry of Skill Development and Entrepreneurship, WABAG implemented the CSR project under the Apprenticeship Act by engaging apprentices as per minimum mandate and imparted training. For the FY 2024-25, WABAG engaged apprentices aggregating to around 171 apprentices, which included the minimum mandate as per the Apprenticeship Act. Glimpses of the Apprentices Training Program are as under:



1. Brief outline on CSR Policy of the Company:

Pursuant to the provisions of Section 135(4) of the Companies Act, 2013 ("the Act"), the major contents of the CSR policy includes WABAG's CSR approach and guiding principles, core ideology, total outlay for each financial year, allocation of resources and thrust areas, formulation of annual action plan, executing agency / partners and impact assessment. The CSR Policy of WABAG was initially approved by the Board at its meeting held on May 24, 2014 and subsequently got amended by the Board at its meeting held on June 05, 2021 and February 10, 2023 as per the recommendation of the CSR Committee.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Vijaya Sampath	Independent Director (Woman Director) – Chairperson	3	3
2	Mr. Ranjit Singh	Independent Director - Member	3	3
3	Mr. Amit Goela	Non-Executive Non- Independent Director – Member	3	3
4	Mr. S. Varadarajan	Whole Time Director & Chief Growth Officer - Member	3	3

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

<https://www.wabag.com/wp-content/uploads/2025/07/CSR-Policy.pdf> and <https://www.wabag.com/board-committees/>

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. a) Average net profit of the Company as per Section 135(5): **INR 17,868 Lakhs**
- b) Two percent of average net profit of the Company as per Section 135(5): **INR 357.36 Lakhs**
- c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
- d) Amount required to be set off for the financial year, if any: **NIL**
- e) Total CSR obligation for the financial year (b+[c]-[d]): **INR 357.36 Lakhs**
6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **INR 357.36 Lakhs**
- b) Amount spent in Administrative Overheads: **NIL**
- c) Amount spent on Impact Assessment, if applicable: **NA**
- d) Total amount spent for the financial year [(a)+(b)+(c)]: **INR 357.36 Lakhs**
- e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year	Amount Unspent (in INR Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
357.36	Nil	-	NA	-	NA

- f) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in INR Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	357.36
(ii)	Total amount spent for the financial year	357.36
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

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

Details of Unspent CSR fund out for the preceding three financial years.

Amount (in INR Lakhs)

Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135(6)	Balance Amount in Unspent CSR Account under section 135(6)	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(6), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1	2023-24	-	-	-	-	-	-	-
2	2022-23	-	-	-	-	-	-	-
3	2021-22	136.97	2.31	2.31*	-	-	-	-

*INR 2.31 Lakhs was spent during the FY 2024-25 in addition to the CSR obligation for the FY 2024-25.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

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

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

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of entity/ Authority/ beneficiary of the registered owner
(1)	(2)	(3)	(4)	(5)	(6)
-	NA	-	-	-	-

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

Not Applicable

For and on behalf of the Board of Directors of
VA TECH WABAG LIMITED

Date: May 21, 2025
Place: Chennai

Vijaya Sampath
Chairperson - CSR Committee
(DIN: 00641110)

Rajiv Mittal
Chairman and Managing Director
(DIN: 01299110)

Annexure – V

FORM AOC-2

PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH RELATED PARTIES

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis

a. Name(s) of the related party and nature of relationship	
b. Nature of contracts / arrangements / transactions	
c. Duration of the contracts / arrangements / transactions	
d. Salient terms of the contracts or arrangements or transactions including the value, if any	
e. Justification for entering into such contracts or arrangements or transactions	Not applicable since there were no contracts or arrangements or transactions entered into during the year ended March 31, 2025, which were not at arm's length basis.
f. Date (s) of approval by the Board	
g. Amount paid as advances, if any	
h. Date on which the resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis

a. Name(s) of the related party and nature of relationship	
b. Nature of contracts / arrangements / transactions	
c. Duration of the contracts / arrangements / transactions	
d. Salient terms of the contracts or arrangements or transactions including the value, if any	
e. Date(s) of approval by the Board, if any	Not applicable since there were no material contracts or arrangements or transactions entered into during the year ended March 31, 2025.
f. Amount paid as advances, if any	

All related party transactions are in the ordinary course of business and on arm's length basis and are approved by Audit Committee of the Company.

For and on behalf of the Board of Directors of
VA TECH WABAG LIMITED

Date: May 21, 2025
Place: Chennai

Milin Mehta
Independent Director
(DIN: 01297508)

Rajiv Mittal
Chairman and Managing Director
(DIN: 01299110)

Annexure – VI

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

(Particulars pursuant to the Companies (Accounts) Rules, 2014)

(A) Conservation of energy

(i) The steps taken or impact on conservation of energy:

Energy Conservation measures adopted at WABAG

- a. Effective planning and implementing of 52-week maintenance schedule with continuous monitoring which leads not only to energy conservation but also on the increased life cycle of equipment.
- b. Integrated building management system to remotely monitor and control all utility equipment for better energy conservation.
- c. Operation of Active Harmonic Filter to improve Power quality and increasing lifecycle of equipment.

d. Taking advantage of natural light by opening blinds during the day has significantly reduced reliance on artificial lighting.

e. Encouraging employees to turn off lights and electronics when not in use, taking the stairs when possible.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

Entered into a wheeling agreement with Wind power generating company and obtained an overall 82% wind power against the total annual consumption.

(iii) The capital investment on energy conservation equipments:

NA

(B) Technology absorption-

- (i) The efforts made towards technology absorption;
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - (a) The details of technology imported;
 - (b) The year of import;
 - (c) Whether the technology been fully absorbed;
 - (d) If not fully absorbed, areas where absorption has not taken and the reasons thereof.

The details on R&D efforts and technology absorption are disclosed in the Management Discussion & Analysis and in theme section forming part of this report.

(iv) The expenditure incurred on Research and Development INR 40 Million

(C) Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(INR in Lakhs)

	2024-25	2023-24
Earnings in Foreign Currency	172,902	68,501
Expenditure in Foreign Currency	78,297	47,952

For and on behalf of the Board of Directors of
VA TECH WABAG LIMITED

Rajiv Mittal

Chairman and Managing Director
(DIN: 01299110)

Milin Mehta

Independent Director
(DIN: 01297508)

Date: May 21, 2025
Place: Chennai

Management Discussion and Analysis

Economic overview

Global economy¹

In Calendar Year (CY) 2024, the global economy remained robust in 2024, growing at a rate of 3.2%, despite headwinds from geopolitical conflicts, unpredictable trade conditions, and changing monetary policies. Inflation, which remained elevated in the previous year's began to ease, dropping from an estimated 6.7% in CY 2023 to 5.8% in CY 2024.

The growth of the economy can be attributed to tighter monetary policies implemented by central banks, tight monetary policies together with an improved energy supply that helped stabilize prices and supported economic expansion. However, growth was not spread evenly across the board. The developing and emerging markets recorded a growth rate of 4.2%, owing to strong consumer demand and increased foreign investment, especially in manufacturing and

technology sectors. On the other hand, advanced economies grew at a much slower rate of 1.7% as higher costs and cautious spending held back momentum. The developing markets played a vital role in sustaining the global economy amidst such economies displayed good recovery and played a crucial role.

Industry Outlook

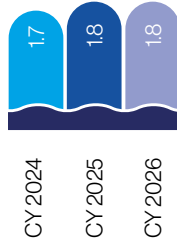
The global economy is expected to continue on a steady growth part, thanks to lower inflation and pro-growth monetary policies. Easing monetary measures will make the environment more conducive to long-term growth. That said, challenges such as geopolitical tensions and structural issues in major emerging markets such as China remain, but there is cautious optimism among experts. With continued government support and responsible financial policies point to a more balanced and inclusive growth. Global GDP is projected to rise by 3.3% in both 2025 and 2026, signalling a steady and sustainable recovery.

Global Real GDP Growth Projection (%)

World Output



Advanced Economies



Emerging Market and Developing Economies



Source: IMF World Economic Outlook 2025

Indian economy²

The Indian economy grew by 6.5% in FY 2024-25, maintaining its status as one of the world's fastest growing economies.³ This growth momentum is powered by a combination of strong economic policymaking, a rise in foreign investments, and the government's continued focus on boosting public spending and business activities.

Another significant contributor to this growth is the rise in consumer spending, showing growing confidence among people and a larger willingness to buy more goods and services. The government is also laying the groundwork for long-term productivity and growth by investing heavily in infrastructure—especially in roads, transportation, power and water,

¹<https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

²https://www.rbi.org.in/Scripts/BS_ViewBulletin.aspx

³<https://pib.gov.in/PressReleasePage.aspx?PRID=2106921>

strengthening the economy. Sectors such as financial services have also performed well, adding stability to the economy's overall performance.

Sustainability has emerged as a core focus area, with special emphasis on water and sanitation. As the government scales up in water infrastructure, companies in the water treatment and desalination segments are likely to see growth opportunities. Their expertise in designing, building and operating advanced water and wastewater treatment plants supports the country's broader goal of improving water security and enhancing sustainability.

There is also a growing emphasis on smart water management solutions, including digital monitoring systems and energy-efficient wastewater treatment technologies. Owing to rapid urbanisation and industrial expansion, there is an increase in water demand. In this scenario, the companies that offer advanced and innovative solutions for water management are well-placed to support sustainable development.

Industry Outlook

India's economy is expected to grow steadily aided by tax relief measures that enhance disposable incomes for middle-class households. As retail inflation eases, consumer spending is likely to gain further momentum. The government's emphasis on reducing regulatory bottlenecks, attracting and accelerating private investment are expected to play an important role in supporting medium and long-term growth. Sectors such as retail and digital services are expected to benefit from higher incomes and improved connectivity. With growing investor confidence and proactive policymaking, India's economic outlook remains promising for the foreseeable future.

GDP growth trend in India (%)



Source: PIB Press Release

Industry overview [Industry Structure, Developments, Strengths, Weaknesses, Opportunities, Threats etc.]

Global water industry

The global water market witnessed a subdued year in 2024, with transaction volumes falling to their lowest, owing to macroeconomic headwinds. However, it showed signs of recovery due to a stable monetary environment, increased regulatory clarity, and improved financing conditions. Emerging markets, in particular, became hotspots for water infrastructure investments, offering scale diversification to the investors. These developments indicate that the sector may be closer to its turning point in the year 2025.

Sustainable water management continued to gain importance as a core element in global sustainability agendas alongside carbon reduction. Businesses increasingly recognized water stewardship as an environmental imperative through investments in conservation, water recycling and reuse. The intensifying impact of climate issues from droughts to floods, highlighted the urgent need for adaptive water strategies. Meanwhile, progress towards the United Nations Sustainable Development Goal 6 (focuses on ensuring access to clean water and sanitation for all) remained behind schedule, emphasizing the urgency to modernise water infrastructure and expand access to safe, reliable source of water globally. The companies faced intense scrutiny over water use, driving innovation in conservation technologies.

This year marked an increase in the adoption of decentralized water solutions. Small-scale systems such as onsite reuse and rainwater harvesting became popular globally as the communities struggled with extreme weather events. Additionally, the digital transformation of water utilities continued with smart metering, remote sensing, and AI-powered analytics, enabling more efficiency across utilities. These technologies proved essential for predictive maintenance and improved operational adaptability against climate impacts and cyber threats.

Global water treatment industry overview⁵

The global water and wastewater treatment industry is on a good growth trajectory, fuelled by rapid urbanization, increasing environmental concerns and the mounting demand for water. In 2024, the market was valued at approximately \$ 347.9 billion and is projected to reach a whopping \$ 652.3 billion by 2034, reflecting a compound annual growth rate (CAGR) of 6.5%. This growth is due to a convergence of factors such as stringent regulations around water quality, increasing prevalence of waterborne diseases and increased awareness of water as a critical resource.

Technological advancements continue to shape the landscape of the industry's evolution. Advanced solutions, such as separation, UV disinfection, and chemical treatments, are helping industries achieve higher efficiency and reliability in treatment outcomes.

Among global regions, the Asia-Pacific region stands out for its swift expansion. With accelerated industrialization and fast-paced

⁴<https://pib.gov.in/PressReleaseDetail.aspx?PRID=2022323®=3&lang=1>

⁵<https://www.precedenceresearch.com/water-and-wastewater-treatment-market?utm>

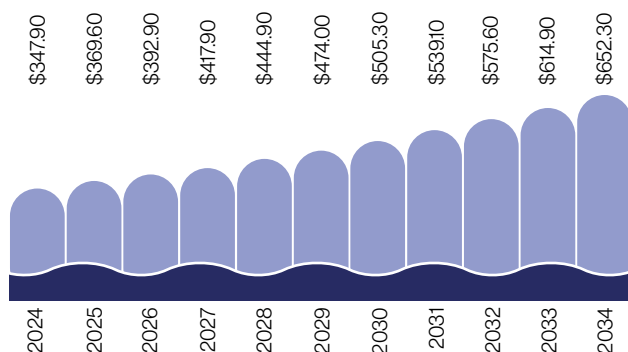
urbanisation, the region's market is expected to grow from \$ 125.6 billion in 2024 to \$ 282.8 billion by 2034, at a CAGR of 8.5%. Key industry players are prioritising sustainability and energy efficiency, integrating modern technology with aging infrastructure to combat resource conservation and operational costs.

Global wastewater treatment industry⁶

Increased water use, industrialization, urbanization, and population growth has expanded the global water and wastewater treatment market by both scale and significance. In 2024, the market stood at about \$ 347.90 billion and is expected to reach \$ 623.2 billion by CY 2032, reflecting a CAGR of nearly 7.6%. The tightening of regulatory frameworks has pushed utilities and private operators to adopt advanced treatment solutions. The focus has shifted from just basic compliance to a more holistic approach with an emphasis on reducing ecological impact along with the improving water quality.

Advancements in technology continue to play a big role. Intelligent automation, energy-efficient treatment systems and digital operations are gradually addressing the challenge of resource efficiency and regulatory compliance.

Water and Wastewater Treatment Industry Size 2024 to 2034 (in BN \$)



Source: <https://www.precedenceresearch.com/water-and-wastewater-treatment-market?utm>

Global industrial wastewater treatment overview

The global industrial wastewater treatment market has been on a strong growth path, owing to stringent environmental regulations, rapid industrialization, and growing concerns over fresh water scarcity.

Key drivers of this growth can be attributed to a global shift towards circular economy practices, rising emphasis on water recycling and reuse, stronger corporate responsibility standards, advancements in treatment technologies, and supportive government incentives and funding.

Governments worldwide are implementing stricter regulations to improve wastewater management practices, as seen in India's recent Liquid Waste Management Rules of 2024. These rules aim

to significantly improve water reuse by promoting decentralized treatment models to address the limitations of large centralized plants. The regulatory framework is actively driving industries towards adopting sustainable wastewater management practices while ensuring compliance with environmental standards. As sustainability and corporate responsibility move higher in the agenda, the demand for innovative treatment technologies is expected to grow steadily, further shaping the landscape of the industrial wastewater treatment market.

Global desalination market overview⁷

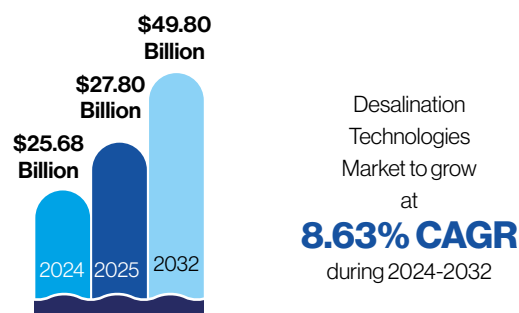
The global desalination technologies market is briskly expanding as freshwater shortages and rising demand steps up the need for alternate water sources. Valued at \$ 25.68 billion in 2024, the market is expected to grow to almost \$ 27.80 billion in 2025 and \$ 49.80 billion by 2032, registering an impressive CAGR of 8.63%.

The Middle East and Africa region dominated the market, accounting for 52.95% of the global share, equivalent to \$ 13.06 billion. This dominance can be attributed to the region's rapid population growth and rising socio-economic activity, placing mounting pressure on water sources. To address these challenges, countries in this region are aggressively investing in desalination projects for long-term water security.

Government policies play an instrumental role in shaping the desalination market. Many countries, particularly those in arid regions like the Middle East and North Africa, are pursuing large-scale desalination through public-private partnerships and policy reforms to attract capital, increase project timelines and strengthen their defence against climate risks.

Reverse Osmosis (RO) continued to lead the market due to its cost efficiency and widespread adoption, and low energy consumption. However, hybrid desalination systems—integrating multiple technologies like RO with thermal distillation—are gaining popularity. These innovative systems enhance water output while optimising energy consumption, making them especially valuable in regions that battle both water scarcity and energy availability.

Desalination technologies growth rate



Source: Fortune Business Insights

⁶<https://www.cervicornconsulting.com/water-and-wastewater-treatment-market?utm>

⁷<https://www.fortunebusinessinsights.com/desalination-technologies-market-109806>

Demand drivers

Increasing health consciousness among consumers

As health and wellness takes centre stage in daily decision-making, the demand for safe and clean water solutions continues to stretch. Consumers are increasingly choosing healthy hydration alternatives, such as bottled and premium water products, over sugary beverages. This trend is typically seen more in millennials and health-conscious people who value natural, low-calorie options. Water's status as a preferred option has been cemented by the belief that it is essential for preserving general health, as evidenced by the fact that it is the beverage of choice in major global markets.

Sustainability and water stewardship

The companies are placing greater emphasis on responsible water management than ever as sustainability has now become a core imperative. To combat the challenges posed by climate change and the depletion of freshwater sources, the companies are embracing advanced technologies for conservation, recycling and reuse. Water stewardship is soon becoming a strategic priority for long-term growth as a result of stakeholder expectations and global sustainability commitments.

Technological advancements in water processing

Advancements in the processing of water have drastically improved both the quality and safety of treated water. Revolutionary systems are being widely adopted across sectors, including microelectronics and renewable energy. These sophisticated innovations not only ensure compliance with stringent safety norms but also enhance efficiency, enabling the companies to meet the growing demand for clean, high-quality water.

Urbanization and infrastructure development

Rapid urbanisation in developing economies is spurring the demand for reliable water management systems. As cities grow, the need for consistent access to safe drinking water becomes increasingly urgent. Therefore, investments in modern infrastructure, particularly in regions grappling with water scarcity, is critical for supporting public health and urban development.

Increased focus on industrial water solutions

Industries such as semiconductors, pharmaceuticals, and energy are driving demand for specialized water treatment solutions. With the increased emphasis placed on reshoring initiatives, the investments in decentralised and customised water systems are gaining popularity. These systems both meet rigorous process requirements and support sustainability and cost-efficiency goals.

Climate change impact on water availability

The impact of climate change on global water resources is creating a renewed urgency on sustainable practices. The rising water scarcity and the ever-increasing sourcing costs are becoming financial risks for businesses more than ever. With the billions living in water-stressed areas, the demand for innovative water solutions continues to

intensify, creating opportunities for environmentally and economically viable technologies.

India's Water Sector Overview

India, home to nearly 18% of the world's population, possesses only about 4% of global freshwater resources. The pressure on water resources continues to intensify due to rapid urbanization, industrialization, and population growth. Water scarcity is emerging as a major concern in several regions, making water security a top priority for both the government and private stakeholders.

India's water demand is dominated by the agricultural sector, which consumes nearly 80% of available freshwater. However, rising urban demand, driven by expanding cities and improved living standards, is significantly altering usage patterns. Industrial and domestic water consumption are on the rise, pushing for more efficient water management practices and infrastructure upgrades. The sector faces numerous challenges, including over-extraction of groundwater, pollution of surface water sources, inefficient irrigation techniques, and inadequate wastewater treatment. Climate change has exacerbated the situation, with unpredictable rainfall patterns and frequent droughts impacting water availability. Additionally, the lack of robust infrastructure and uneven distribution of water resources further complicates the issue.

The Indian government is also promoting initiatives such as the Jal Jeevan Mission, which aims to provide tap water to every rural household and the Atal Bhujal Yojana, focused on sustainable groundwater management. Regulatory reforms are being introduced to encourage water reuse, improve monitoring systems and promote public-private partnerships in water infrastructure projects.

The role of technology has become crucial in transforming water management in India. Smart water meters, IoT-based monitoring and AI-driven analytics are helping utilities and industries optimize water usage. Private players are increasingly contributing through turnkey solutions in water treatment, desalination, and smart plumbing systems, making the sector more efficient.

Government initiatives

AMRUT 2.0

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0, launched in October 2021 and continuing for a span of five years into 2025-2026, is a flagship urban development initiative by the Government of India aimed at ensuring universal coverage of water supply and improved sanitation in all urban areas. By 2025, AMRUT 2.0 has made significant progress in addressing the growing water demands of Indian cities through a focus on sustainable infrastructure, smart water management, and digital monitoring systems. The mission emphasizes circular economy practices in water use, energy efficiency, and the reduction of non-revenue water through advanced technologies such as SCADA systems and automatic meter reading.

In 2025, AMRUT 2.0 has also prioritized capacity building and community participation, encouraging urban local bodies to adopt

innovative and citizen-centric approaches. With a goal of making cities “water secure,” the mission integrates urban planning with green infrastructure, including water body rejuvenation, storm-water management, and rainwater harvesting. The outcomes achieved under AMRUT 2.0 by this year, are aligned with the broader objectives of India’s Smart Cities Mission and Sustainable Development Goals (SDG-6), aiming to provide safe, inclusive, and resilient urban living environments.

Jal Shakti Abhiyan:⁸

Launched on March 22, 2005 - World Water Day, this initiative promotes water conservation through community engagement in 148 districts in India. The campaign, “Catch the Rain - 2025,” focuses on “People’s Action for Water Conservation - Towards Intensified Community Connect”.

Jal Jeevan Mission (JJM)⁹

Since its inception on August 15, 2019, The Jal Jeevan Mission has revolutionised rural water access. This mission aims to provide tap water connections to every rural household by 2024. As of October 6, 2024, over 15.19 Crores households have been connected with tap water, covering 78.58% of rural India. The mission emphasises quality construction, community participation, and technological innovations like IoT solutions.

Atal Bhujal Yojana:

The Atal Bhujal Yojana is a central sector scheme focused on groundwater sustainability in identified water-stressed areas. This scheme is being expanded to 5 additional states to strengthen efforts in regions facing acute water problems. The goal of Atal Bhujal Yojana (Atal Jal) is to demonstrate community-led sustainable ground water management which can be taken to scale. The major objective of the Scheme is to improve the management of groundwater resources in select water stressed areas in identified states viz. Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, and Uttar Pradesh.

Namami Gange Programme¹⁰

The Namami Gange Programme is an initiative for integrated river basin management aimed at rejuvenating the Ganga River by addressing pollution and restoring ecological balance. As of January 25, 2024, the NMCG has sanctioned 494 projects with a total cost of INR 39,625 Crores. These projects include the development of 5,249 km sewer network and the creation of 6,131 million liters per day (MLD) of sewage treatment capacity. Also, the Government had approved three new projects worth INR 609.15 Crores in the state of Uttar Pradesh, including a INR 577.23 Crores project in the city of Bulandshahr. These initiatives aim to reduce pollution and enhance the river’s ecosystem. The NMCG continues to focus on sustainable development and community participation to ensure the long-term health of the Ganga.

National River Conservation Directorate (NRCD)

The National River Conservation Directorate (NRCD) plays a central role in advancing India’s river rejuvenation agenda. Entrusted with the implementation of river conservation plans across the country, the NRCD continues to make efforts aimed at ensuring the long-term sustainability of river ecosystems. In March 2025, the NRCD hosted the 10th International Groundwater Conference, themed “Groundwater Vision 2047: Towards Water Security under Changing Climate”. The event brought together global experts and policy makers to draw strategic pathways for ground water conservation.

National Infrastructure Pipeline (NIP)

The National Infrastructure Pipeline (NIP) is an initiative by the Government of India aimed at enhancing the country’s infrastructure across various sectors. It encompasses both brownfield and greenfield projects in areas such as energy, transportation, water, and social infrastructure. It also involves collaborative efforts from central and state governments, as well as the private sector, to ensure comprehensive development.

Company overview


With a legacy of over a century, VA TECH WABAG LIMITED (“WABAG” or “the Company”) has established itself as a global leader in water technology. Operating across four continents, the Company offers comprehensive water and wastewater solutions, combining global best practices.

The Company’s portfolio is anchored in constant innovation and sustainability. Through its dedicated R&D centres in both Europe and India, WABAG has developed more than 125 proprietary technologies. It is a trusted partner for EPC (Engineering, Procurement, and Construction) projects of varying scale and complexity, delivering turnkey plants for purification, treatment and desalination of water.

By leveraging the experience of over 100 years, the Company has built a reputation for quality execution and timely delivery. It continues to drive innovation in the water sector to not only address today’s water challenges but also build the foundation for a more sustainable future.



6500+
Municipal & Industrial projects



100+
Sustainable years



25+
Presence in Countries



3rd Largest
Private Water Operator

⁸<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2113865&utm>

⁹<https://pib.gov.in/PressNoteDetails.aspx?NotelId=152025&ModuleId=3®=3&lang=1>

¹⁰<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2096022#>

SWOT Analysis



Strengths

Global presence:

Active in 25+ countries with a strong footprint in both developed and emerging markets, backed by over 125 proprietary technologies.

Diverse solutions portfolio:

Full-scale water player specialized in desalination, wastewater treatment, water reuse, and zero liquid discharge, among others.

Sustainability leadership:

Aligned with UN SDGs, generating 41+ MW of green energy/day and reducing GHG emissions significantly.

Robust order book:

INR 136+ billion, offering revenue visibility and backed by multilateral funding.

Strong Governance & ESG:

Comprehensive ethics, risk management, and employee well-being policies; platinum-rated sustainable HQ.



Weaknesses

Dependency on Government projects:

A large part of the business is municipal and public-sector dependent, potentially affected by policy shifts. However, the Company focuses on municipal sector jobs which are backed by multi-lateral financial institutions, the federal government and sovereign guarantees.

Geographical risks:

Operating across the world in over 25 countries also exposes the operations to Geo-political uncertainties beyond the Company's control.

High competition:

Both from domestic and international players in water infrastructure and O&M segments.



Opportunities

Governmental initiatives in the water and wastewater sector:

Continued investments in flagship programmes across the world focused on water security, including Namami Gange, One City One Operator.

Green hydrogen, semiconductors, and solar sector:

Providing ultra-pure water and desalination solutions.

Digital transformation:

AI-enabled smart operations reduce costs and improve performance.

Circular economy focus:

Biogas to CBG and water reuse technologies align with future environmental and economic trends.



Threats

Volatility:

Volatility in global energy markets impacts rising Operational and Capital Costs.

Regulatory changes:

Stricter environmental norms and labour laws may impact operations and cost structures.

Climate risks:

Natural disasters and extreme weather events may disrupt infrastructure and operations.

Financial Performance Analysis for the Company for FY 2024–25

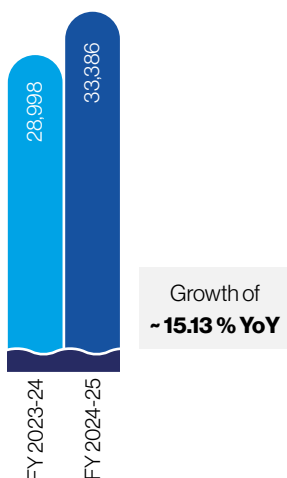
Financial Highlights: FY 2024–25

Robust Order Book:



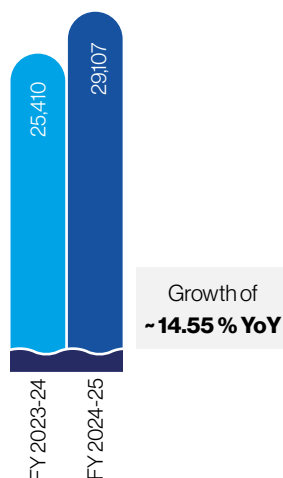
Total Income: (Consolidated)

(₹ in Million)



Total Income: (Standalone)

(₹ in Million)



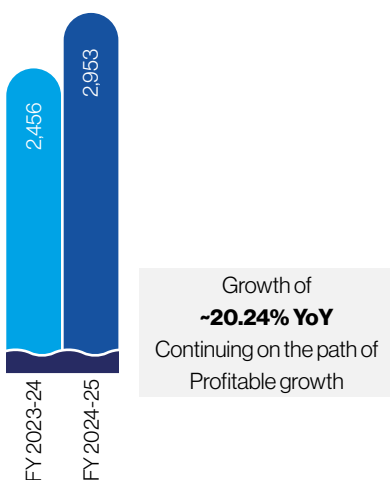
Net Cash Position: (Consolidated) for FY 2024-25:

(₹ in Million)



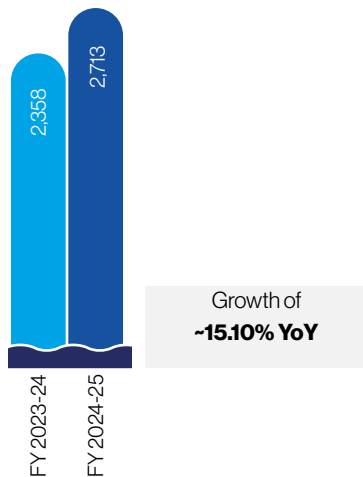
Profit After Tax (PAT): (Consolidated)

(₹ in Million)



Profit After Tax (PAT): (Standalone)

(₹ in Million)



Strategic Shift: EPC to EP Model & growth trajectory

In FY 2024-25, the Company continued its strategic shift from an Engineering, Procurement & Construction (EPC) model to a more focused Engineering & Procurement (EP) model. This strategic realignment has been instrumental in enhancing the Company's financial performance. Building on the momentum, the Company sustained its growth trajectory throughout the year, driven by its emphasis on profitable growth through international expansion, deeper penetration in the Industrial segment, execution of cutting-edge water technology projects, scaling its engineering and procurement services, and increasing focus on long-term operation & maintenance (O&M) contracts.

Aligned with its strategy, nearly 50% of the Company's FY 25 revenue was generated from international markets. The O&M business of the Company contributed 18% of the total revenue, while the overall portfolio maintained a healthy Municipal-Industrial revenue mix of 75:25. As a global leader in advanced water technologies, the Company's order intake remained concentrated in desalination, water re-use and effluent treatment projects.

Demonstrating the effectiveness of its agile go-to-market strategy and focus on emerging markets, the Company secured eight major orders - five from India, two from Middle East and one from Africa.

Key ratio as per SEBI Regulations:

SL. No	Particulars	FY 2024-25	FY 2023-24	Variance (in %)
i	Debtors' turnover ratio	1.20	1.17	2.70
ii	Inventory Turnover Ratio	18.61	20.27	(8.19)
iii	Debt Service Coverage Ratio	7.18	6.87	4.51
iv	Current Ratio	1.65	1.66	(0.62)
v	Debt Equity Ratio	0.13	0.11	19.29
vi	Operating Profit Margin (%)	14.0	14.3	(1.65)
vii	Net Profit Margin (%)	9.49	9.47	0.28
viii	Return on Equity (RoE)	16.54	17.10	(3.25)

Risks and concerns

WABAG steers itself in a dynamic environment that is shaped by both internal operations and external influences. To address the complexity of its operations, the Company has set in motion a comprehensive risk management framework tailored to the nature, scale, and regulatory environment of each business vertical, enabling early risk identification and proactive mitigation strategies. The senior management takes charge of routinely evaluating the risk management processes to ensure their effectiveness in addressing potential threats.

The Company faces a spectrum of business risks such as those that are strategic, operational and financial. Among the key financial risks are the interest rate volatility and foreign exchange fluctuations, especially since the Company operates in Indian Rupees. To manage these, as well as other associated risks, the Corporate Assurance Team collaborates with various business units to assess risk profiles and implement monitoring mechanisms.

Human resources

At WABAG, people are truly at the heart of all its successes. The Company considers its skilled and committed workforce as its greatest assets and endeavours to create an empowering environment where talent thrives. It offers competitive compensation, a safe and healthy workplace, and a structured reward and recognition program to acknowledge performance. As of March 31, 2025, the Company's staff strength stood at 1,272.

Extra Milers (EM)/ Emerging Talents (ET) Programme: As part of our commitment to nurturing future leaders, the Company has launched

a dedicated programme aimed at **identifying and developing high-potential talent** among trainees from our Graduate and Executive Training Programmes.

Objective: To build a strong junior management leadership pipeline by recognizing individuals who consistently go the extra mile and demonstrate leadership potential early in their careers.

Programme Highlights: 1. Talent Identification: Focused on performance, initiative, and alignment with organizational values; 2. Sponsorship for Development: Selected candidates - referred to as "Extra Milers/Emerging Talents" - are sponsored to attend a week-long leadership skill training programme at a premier institute; 3. Individual Development Plan (IDP): Post-training, each participant is supported with a customized IDP to guide their growth and progression on a fast-track leadership path.

Expected Outcomes: 1. Strengthened internal leadership pipeline; 2. Increased engagement and retention of high-potential early-career talent; 3. Alignment of personal growth with organizational goals.

Young Entrepreneur Programme (YEP): The YEP is a strategic talent development initiative designed to identify high-potential young engineers and executives within the Company and groom them for mid-level leadership roles by enrolling them into Executive MBA course with premium institutes like the IIMs.

The objective is to build a robust **middle management leadership pipeline** by enhancing participants' functional expertise and **business managerial capabilities**.

Outcomes: 1. Development of well-rounded, business-ready managers; 2. Acceleration of internal talent to fill critical middle-management positions; 3. Strengthened succession planning and talent retention. 4. Special focus projects under the direct supervision of CEO's office.

Program Highlights: We invest in leadership development at the grassroots level by sponsoring deserving talents with executive MBA course with the premiere institutes of India where in WABAG pays 100% of the tuition fee and other expenses for the entire 2-year duration of the course. From a talent pool of over 50 eligible employees, winners are chosen through scientific and unbiased assessment centre done by our partner consulting organization.

Leadership Excellence Programme (LEX): The **LEX** is an another flagship initiative aimed at **identifying and developing high-potential talent** among Managers and Deputy General Managers to prepare them for **senior leadership roles** within the Company.

The objective is to build a strong **senior-level leadership pipeline** by deepening participants' strategic, functional, and business leadership capabilities.

Expected Outcomes: 1. A ready pool of leaders for critical senior roles; 2. Strengthened organizational capability for strategic execution; 3. Reinforced leadership succession and business continuity. 4. Special focus projects under the direct supervision of CEO's office.

In partnership with the Great Lakes Institute of Management, we enable middle-level managers to strengthen their leadership capabilities. We sponsored 18 Lexians who successfully completed the LEX 2023 batch. Additionally, two review sessions with the leadership team have been completed, with the final project review set to take place soon.

High-Potential Leadership Development Programme (Hi-Pot under 40): As part of our Global Talent Architecture framework, the **Hi-Pot-Under 40 Programme** is a strategic initiative aimed at strengthening the organization's leadership pipeline by identifying and nurturing Hi-Pot leaders capable of taking on higher responsibilities and larger roles in the future.

The objective is to build a strong succession-ready leadership bench by accelerating the development of high-potential talent through a structured and continuously monitored framework.

Programme Highlights: **1. Identification of Hi-Pots:** Based on a combination of performance, potential, and leadership traits aligned with future business needs; **2. Development Components:** Individual Development Plans (IDPs) tailored to leadership growth; Succession Planning integration to prepare Hi-Pots for mission-critical roles. Mentorship by senior business leaders and talent managers

for personalized guidance; **3. Monitoring and Support:** Regular reviews and progress tracking; Continuous feedback loops between business leadership and HR; Alignment with organizational strategy and leadership capability requirements.

Expected Outcomes: Deepened internal talent pipeline for leadership succession. Targeted investment in future-ready leaders. Stronger alignment between individual growth and business strategy.

Trainee Development: Special focus projects under the direct supervision of the CEO's office

This initiative also plays a key role in developing our young talent, with Graduate Engineer Trainees actively contributing to the project's core objectives. By engaging in critical performance assessments and strategic planning, these trainees are gaining invaluable exposure and experience that will shape their professional growth within WABAG.

Research & Development

WABAG continues to strengthen its position as a technology-driven water solutions provider through sustained focus on innovation and intellectual property development. With a portfolio of over 125 Intellectual Property Rights (IPRs), the Company is at the forefront of advancing water treatment technologies.

Innovation Ecosystem: 1. Dedicated R&D Centres: Strategically located in Europe and India, these centres serve as the core innovation hubs, driving the Company's efforts in next-generation water solutions; 2. Strategic Collaborations: Partnerships with leading universities and development agencies enhance research capabilities and ensure alignment with the market and environmental needs; 3. Focused Investments: Continued R&D funding underlines WABAG's commitment to developing sustainable, efficient, and scalable technologies.

Purpose-Driven Research: 1. Development of market-relevant and region-specific solutions; 2. Emphasis on energy-efficient, low-footprint, and circular economy practices in water treatment.

Internal control systems and their adequacy

The Company has established a robust and effective internal control system designed to ensure the efficient use and protection of resources, adherence to policies and procedures, reliable financial reporting, and compliance with the statutory requirements.

Key Features: 1. Integration with IFS: All major business processes are seamlessly integrated through the IFS platform, enabling real-

time monitoring and enhanced process efficiency; 2. Corporate Governance Alignment: Internal controls serve as a critical pillar of the Company's corporate governance framework, supporting ethical conduct, transparency, and accountability.

Control Framework and Evaluation: 1. Policy-Driven Approach: A comprehensive set of policies and procedures (outlined elsewhere in this Report) governs operations, risk mitigation, and fraud prevention etc; 2. Regular Audits: Internal controls are tested by both the statutory auditors and the Corporate Assurance Team (internal auditors); 3. An independent firm conducts internal audits based on assignments defined by the Audit Committee of the Board; 4. Internal Audit Coverage: All business units, functions, and locations are covered under a well-established internal audit framework. Audits focus on evaluating the adequacy, integrity, and reliability of internal controls. Outcome of the Audits are being shared by the Head - Corporate Assurance among the different departments to avoid from doing future errors; 5. Continuous Monitoring and Reporting: (i). Control Indices: Control effectiveness is mapped and scored using defined indices; (ii). Improvement Focus: Observations and process enhancement opportunities are shared with the management regularly; (iii). Governance Oversight:

Significant findings and action plans are reviewed and monitored by the Audit Committee, ensuring timely implementation of the audit recommendations; (iv). Observations of the Board and its Committees are being actioned on a Monthly basis in the form of Action Taken Report (ATR).

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectations and estimations, which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. Your Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. The actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. Your Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent development.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT



**A Century of Stewardship:
Building a Sustainable Water Future**

Introduction

Water has been the life-force of our planet and the foundation of human civilization. At WABAG, we've dedicated the last 100 years to the art and science of water stewardship, recognizing our profound responsibility to protect and preserve this precious resource for generations to come.

This commitment extends beyond providing essential water solutions; we empower our clients across industries to achieve their sustainability objectives by optimizing water usage, enhancing resource efficiency, and minimizing environmental impact.

Sustainability is our business. WABAG embeds sustainability into the core of its operations. We are deeply committed to not only minimizing our environmental impact but actively contributing to a nature-positive future, especially concerning the limited resource of water, through our innovative technological solutions. Guided by our brand statement, "**sustainable solutions. for a better life.**" we firmly believe that water is intrinsically linked to sustainable development and economic progress. This report highlights our ongoing efforts, including our dedication to reducing GHG emissions by treating increasing

volumes of wastewater, thereby adding significant positive value to both the environment and the economies we serve, aligning with the global movement towards nature positive impact.

Driving Sustainable Environmental Stewardship

At WABAG, environmental responsibility is at the core of our operations. We are proud to be ranked once again as the **3rd largest private water operator globally** in the **World's Top 50 Private Water Operators list by Global Water Intelligence (GWI), London**. This recognition, earned for the second consecutive term, reaffirms our unwavering commitment to delivering sustainable water and sanitation solutions, positively impacting over **95.93 million lives worldwide**.

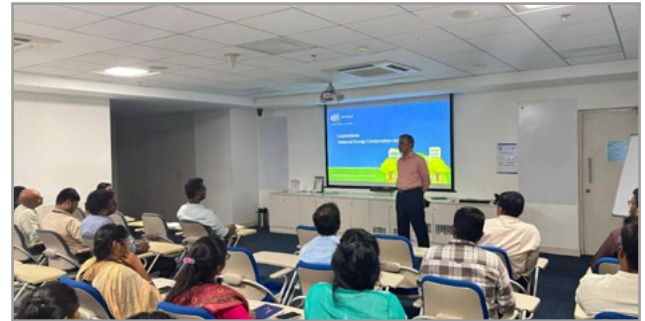
WABAG has been ranked as the **3rd largest global desalination plant suppliers in the GWI ranking**, reflecting our leadership in sustainable water solutions. This recognition highlights our commitment to innovation and addressing global water scarcity. Our advanced technologies are helping provide affordable clean water to millions worldwide. This achievement is driven by the dedication and excellence of our WABAG team.

Demonstrating leadership in green infrastructure, our **WABAG House** continues to set industry benchmarks as the **first corporate green building in India** to achieve the **CII-IGBC Platinum certification** three times consecutively. The building is recognized for its excellence in environmental performance, operating as a **Net Zero Water (Operations) facility, Near Net Zero in Energy (Operations)**, and being a recipient of the **CII National Energy Management Award**.



Our ongoing initiatives further reflect our deep-rooted commitment to environmental awareness and action.

National Energy Conservation Day Celebration: WABAG took proactive steps to foster a culture of sustainability among our employees. We successfully hosted an informative session focused on practical energy-saving techniques that can be easily implemented in both professional and personal settings. We also organized an engaging quiz competition, which effectively empowered our employees with valuable knowledge regarding sustainable energy use and its positive impact on the environment.



Across our sites and offices, **World Environment Day** was celebrated with a focus on raising employee awareness about pressing environmental challenges. To actively engage everyone, we conducted a variety of impactful activities, including a tree plantation drive to enhance green spaces and an engaging quiz to test and build knowledge, all aimed at fostering a deeper commitment to environmental stewardship and encouraging greener lifestyles among our workforce.



Across all our sites and offices, we marked **World Water Day** by spotlighting the critical importance of water conservation. Through engaging quizzes, a creative video contest, and an open platform for innovative idea submissions, we actively involved all employees in the celebration, fostering a culture of both responsibility and innovation in our approach to this vital resource.



Earth Day celebration: To observe Earth Day, our employees actively engaged in a unique "message transformation" photo booth, creatively expressing their commitment to environmental stewardship. This was complemented by an interactive knowledge-sharing session, fostering a deeper understanding of environmental issues and reinforcing a collective sense of responsibility towards our planet.



WABAG Earns CDP "B" Rating for Climate and Water Leadership:

WABAG is proud to have achieved a "B" rating from CDP for both Climate Change and Water Security disclosures, reflecting our strong commitment to environmental transparency and action. This recognition underscores our proactive approach to managing climate-related risks and promoting sustainable water solutions. By innovating in advanced water treatment, recycling, and desalination technologies, WABAG continues to reduce greenhouse gas emissions



CDP Climate Category Score: 'B' as of February 2025

CDP Water Category Score: 'B' as of February 2025

and improve water resilience, aligning our operations with global best practices and supporting a sustainable, nature-positive future. Through these collective efforts, WABAG continues to lead with purpose—driving innovation, environmental consciousness, and sustainable development at every level of our operations.

Building a Brighter Future, Together

At WABAG, our employees are our greatest asset. We are committed to **their holistic development through a strong focus on Health, Wellness, and Safety, professional growth, and leadership development.**

Employee Wellbeing & Health: WABAG promotes a healthy work environment with ergonomic, smoke-free, and eco-friendly workspaces. Our integrated wellbeing program supports physical, emotional, and financial health. Facilities such as an in-house gym, recreational areas, and annual sports championships encourage regular physical activity.

Nutritious food options are available in the cafeteria, while mental wellness is supported through meditation sessions, a well-stocked library, expert consultations, and ongoing training programs. Our **Wellbeing Champions**—employee volunteers—foster a culture of healthy living.

We conduct **periodic medical camps**, offering preventive health check-ups and consultations. Employees **under 40 undergo health check-ups every two years**, while those **40 and above participate annually**, promoting early detection and preventive care.

Awards & Recognitions:

WABAG is proud to be certified as a **"Great Place to Work" (Jan 2025 – Jan 2026)**. This certification reflects the trust, engagement, and satisfaction of our employees, who are at the heart of our success. As we continue to foster a supportive and empowering environment, this achievement reaffirms our dedication to excellence in employee experience.



Through our workplace wellness initiative **Arogya**, we earned the **Silver Award in 2023** and proudly achieved **Gold in 2024 at the Arogya Healthy Workplace Awards**. This recognition affirms our dedication to employee health and wellbeing across all locations. This prestigious award reflects our dedication to fostering a culture of health, safety, and wellness, ensuring our team thrives both professionally and personally. As we continue to prioritize workplace well-being, this achievement motivates us to enhance our initiatives and set new benchmarks in employee care.



The World Safety Organization has honoured WABAG with two prestigious awards for excellence in Occupational Health, Safety & Environment (OHS&E) at our 45 MLD TTRO Plant in Chennai and the 40 MLD Desalination Plant in Mangalore. These awards recognize our unwavering commitment to maintaining the highest standards of occupational health, safety, and environmental practices across our projects.



Talent Development & Future Leaders:

WABAG invests significantly in employee learning and growth. Through structured programs like **GET/ET/JET/MT/SDET**, and participation in **NATS and NAPS**, we currently train **147 NATS** and **14 NAPS** trainees, contributing to a **Skilled India**.

This year, WABAG strengthened its talent pool by onboarding 150 Graduate Engineer Trainees (GETs) from 17 leading institutions across India. This diverse group, with an impressive ~40% gender ratio, reflects our ongoing commitment to building an inclusive and future-ready workforce. Their induction at our Global Headquarters in Chennai marked the beginning of their professional journey, designed to integrate them into WABAG's culture of innovation and sustainability. Mentored by experienced leaders, these young engineers bring fresh ideas and enthusiasm, playing a vital role in driving our vision forward. Their presence reinforces our focus on nurturing talent and investing in long-term organizational growth.



Cultivating Tomorrow's Leaders: Our commitment to building future leadership begins early. Through a comprehensive three-month functional training program spanning our head office and regional sites, we are onboarding the talented 2025 intern cohort. We further invest in our high-potential employees through the **Young Entrepreneur Program (YEP)**, fully sponsoring Executive MBAs at prestigious IIMs (six in 2024 and two in 2025, both at IIM Kozhikode). Additionally, our **Leadership Excellence Program (LEX)**, in partnership with the **Great Lakes Institute of Management**, has already empowered 18 managers in 2023, with ongoing leadership reviews ensuring continued growth. We also ensure a smooth transition into management through our mandatory **Managerial Development Program (MDP)**, which successfully trained 80 first-time managers in 2024–25.

We are dedicated to nurturing talent and celebrating achievements. Our **"Extra Milers"** and **"Emerging Talents"** initiatives recognized and honored 5 out of 9 and 3 out of 6 reviewed trainees, respectively, showcasing their exceptional contributions.

Special Initiatives:

As part of our **Women in Leadership initiative**, WABAG hosted Mrs. Lakshmi Venkatesh - Engineer, Leader, Dancer, and Author. She shared inspiring lessons from her memoir *Face the Day with a Song*, highlighting resilience and lifelong learning. Her session encouraged integrating passion with profession and reinforced the power of self-expression in leadership. This engagement reflects our commitment to diversity, inclusion, and empowering women in the workplace.



BLUE SEED is an initiative by WABAG, driven by our commitment to give back to the water industry by identifying, investing in, supporting, and collaborating with emerging start-ups. Our focus spans advanced water treatment, desalination, wastewater recycling, and digital water solutions. Through mentorship, strategic partnerships, and industry access, we aim to bridge the gap between pioneering ideas and real-world implementation. Our recent event, Pitch to Win – Water Edition, held at IIT Madras Incubation Cell, was a testament to this commitment. The event brought together innovative start-ups, industry experts, and investors, creating an ecosystem for knowledge exchange and collaboration. We were inspired by the potential of these early-stage companies and reaffirmed our commitment to fostering cutting-edge water technologies.



As part of our continued focus on employee wellbeing, WABAG organized a special initiative to celebrate **International Yoga Day 2024** at WABAG House. This wellness-driven event provided employees with an opportunity to pause, reconnect, and experience the holistic benefits of yoga. Guided by Ms. Joshna Ramakrishnan, founder of Atma Yoga Shala in Chennai and Guangzhou, the session

encouraged mindfulness, inner balance, and physical rejuvenation. Through this initiative, WABAG reaffirmed its commitment to fostering a healthy, energized, and resilient workforce, while promoting a culture of wellness across the organization.



Governance at WABAG

WABAG's governance framework is rooted in its core values of integrity, transparency, ethical conduct, inclusiveness, and stakeholder-centric decision-making. Beyond adhering to regulatory and legal requirements, the Company's Corporate Governance philosophy is centered on fostering a responsible and sustainable business culture that prioritizes long-term value creation for all stakeholders.

The Company has established a robust governance structure guided by its Code of Conduct, which is uniformly applicable across the organization. This Code lays down the guiding principles of ethical behaviour and accountability, covering key areas such as investor relations, regulatory compliance, conflict of interest, equal opportunity, and whistle blower protection.

In addition, the Company has adopted and implemented key governance policies including the Anti-Bribery and Anti-Corruption Policy, Conflict of Interest Policy, and Equal Opportunity Policy. These frameworks ensure strict adherence to ethical practices, and reinforce WABAG's zero-tolerance approach to bribery, corruption, and unfair trade practices.

WABAG is committed to conducting its business with the highest standards of professionalism, fairness, and transparency, thereby promoting a culture of integrity and responsible corporate citizenship across all its operations.

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

1. Corporate Identity Number (CIN) of the Listed Entity:	L45205TN1995PLC030231
2. Name of the Listed Entity:	VA TECH WABAG LIMITED
3. Year of incorporation:	1995
4. Registered office address:	"WABAG HOUSE", NO. 17, 200 FEET THORAIPAKKAM - PALLAVARAM MAIN ROAD, SUNNambu KOLATHUR CHENNAI 600117, TAMIL NADU
5. Corporate address:	"WABAG HOUSE", NO. 17, 200 FEET THORAIPAKKAM - PALLAVARAM MAIN ROAD, SUNNambu KOLATHUR CHENNAI 600117, TAMIL NADU
6. E-mail:	companysecretary@wabag.in
7. Telephone:	+ 91 44 6123 2323
8. Website:	www.wabag.com
9. Financial year for which reporting is being done:	April 01, 2024 - March 31, 2025
10. Name of the Stock Exchange(s) where shares are listed:	National Stock Exchange of India Limited and BSE Limited
11. Paid-up Capital:	INR 12,43,80,856
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Name: Mr. S Varadarajan Designation: Whole Time Director & Chief Growth Officer DIN: 02353065 Telephone: +91 44 6123 2323 Email ID: varadarajan@wabag.in
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):	The disclosures under this report are made on a Standalone basis, unless otherwise specified.
14. Name of assessment or assurance provider	N.A.
15. Type of assessment or assurance obtained	N.A.

II. Products / Services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Engineering, Procurement and Construction and Operation and Maintenance of water and waste water treatment plants including PPP projects under HAM and BOOT Models. [Group Code: "E" & "F"]	<p>a) EPC of Water and Waste water treatment Plants including Desalination, Reuse and recycle of waste water, industrial effluent treatment, Sewage treatment and handling of sludge for production of green power and resource recovery. [Code: "F2" Instruction Kit for e-Form MGT-7 for filing Annual Return of the Company]</p> <p>b) O&M of above facilities. [Code: "E1", "E2" & "E3" – Instruction Kit for e-Form MGT-7 for filing Annual Return of the Company]</p>	<p>83%</p> <p>17%</p>

17. Products / Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product / Service	NIC Code	% of total Turnover contributed
1	Water collection, treatment and supply	3600	100%
2	Sewerage *	3700	
3	Construction of utility projects	4220	
4	Construction and repair of sewer systems including sewage disposal plants and pumping stations	42205	

* The Company also deals with Industrial waste water treatment plants, Sludge management, O&M of all types of plants.

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	68*	5	73
International	19*	10	29

Note: *It Includes both EPC and O&M sites not owned by Company

19. Markets served by the entity:

- a. Number of locations

Locations	Number
National (No. of States)	16
International (No. of Countries)	27

- b. What is the contribution of exports as a percentage of the total turnover of the entity?

38%

- c. A brief on types of customers

The Company serves a diverse clientele encompassing municipalities seeking reliable public water infrastructure and industries like refineries, power plant, requiring specialized processes and effluent treatments focused on sustainable development, all benefitting from the Company's tailored, technologically advanced and globally recognized water treatment solutions.

IV Employees

20. Details as at the end of Financial Year:

- a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1000	920	92.0%	80	8.0%
2.	Other than Permanent (E)	272	227	83.5%	45	16.5%
3.	Total employees (D + E)	1,272	1,147	90.2%	125	9.8%
WORKERS						
4.	Permanent (F)	We do not have any factories or production facilities; hence we do not have any workers on our roles.				
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	2	2	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D+E)	2	2	100%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	We do not have any factories or production facilities; hence we do not have any workers on our roles.				
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel	6	0	-

Key Management Personnel included Chairman and Managing Director (CMD), Whole Time Director (WTD) & Chief Growth Officer (CGO), Chief Finance Officer (CFO), Chief Executive Officer (CEO) - India Cluster, CFO - India cluster and Company Secretary (CS) & Compliance Officer.

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	21.44%	30.00%	22.15%	24.16%	25.00%	24.24%	26.40%	28.20%	26.50%
Permanent Workers	We do not have any factories or production facilities; hence we do not have any workers on our roles.								

V Holding Subsidiary and Associate Companies (including joint ventures)

23. a. Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding/ subsidiary / associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by the listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	VA TECH WABAG (SINGAPORE) PTE LTD, SINGAPORE	Subsidiary	100%	Yes
2	VA TECH WABAG (PHILIPPINES) INC., PHILIPPINES	Subsidiary	100%	Yes
3	VA TECH WABAG LIMITED PRATIBHA INDUSTRIES LIMITED JV, NEPAL	Subsidiary	-	Yes
4	WABAG MUHIBBAH JV SDN BHD, MALAYSIA	Subsidiary	70%	Yes
5	VA TECH WABAG MUSCAT LLC, OMAN	Subsidiary	70%	Yes
6	WABAG BELHASA JV WLL, BAHRAIN	Subsidiary	49%	Yes
7	VA TECH WABAG AND ROOTS CONTRACTING LLC, QATAR	Subsidiary	60%	Yes

Sl. No.	Name of the holding/ subsidiary / associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by the listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
8	GANGA STP PROJECT PRIVATE LIMITED, INDIA	Associate	26% [#]	Yes
9	DK SEWAGE PROJECT PRIVATE LIMITED, INDIA	Subsidiary	100% [*]	Yes
10	GHAZIABAD WATER SOLUTIONS PRIVATE LIMITED, INDIA	Subsidiary	100%	Yes
11	KOPRI BIO ENGINEERING PRIVATE LIMITED, INDIA	Subsidiary	51%	Yes
12	VA TECH WABAG GmbH, AUSTRIA	Subsidiary	100%	Yes
13	VA TECH WABAG DEUTSCHLAND GmbH, GERMANY	Subsidiary	100%	Yes
14	WABAG WATER SERVICES S.R.L. ROMANIA	Subsidiary	100% [§]	Yes
15	VA TECH WABAG TUNISIE S.A.R.L, TUNISIA	Subsidiary	100%	Yes
16	VA TECH WABAG SU TEKNOLOJISI VE TIC, A.S. TURKEY	Subsidiary	100%	Yes
17	WINDHOEK GOREANGAB OPERATING COMPANY (PTY) LIMITED, NAMIBIA	Associate	33%	Yes

^{*}Economic interest held by the Company is 49.8% and 100% Equity is held by the Company

[§]Wabag Water Services S.A.R.L., Romania, a step down subsidiary was divested on August 05, 2024

[#]Economic interest held by the Company is 26% and 51% Equity is held by the Company

VI CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)
YES
- ii. Turnover (in Rs.): 28,738 Million
- iii. Net worth (in Rs.): 17,836 Million

VII. Transparency and Disclosures Compliances

25. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes Policy on grievance redressal is available in www.wabag.com/investors/	26	0		31	0	
Investors (other than shareholders)		4	0		0	0	
Shareholders		0	0		0	0	
Employees and workers		184	0		65	0	
Customers		0	0		0	0	
Value Chain Partners		0	0		0	0	
Other (please specify)		0	0		0	0	

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change	R	Climate change presents significant risks to the project, including disruptions from extreme weather events like cyclones, flood, heat waves. These conditions can cause material loss, delays, and increased cost of project, impacting project timelines and stakeholder satisfaction.	The operational sites were designed at elevated levels to withstand climate risks such as flooding. Additionally, we have established protocols to be followed on-site during climate events, ensuring a swift and effective response to minimize disruptions and maintain operational continuity	Negative
		O	As climate change impacts water availability, the demand for treated water solutions is increasing. This creates significant opportunities, as communities and industries turn to sustainable and reliable sources of clean water through desalination, wastewater treatment, and advanced treatment technologies.	-	Positive
2	Circular economy Practices	O	The circular economy practices present a vital opportunity to address resource scarcity and environmental degradation by turning waste into value. For WABAG, this means recovering water from wastewater and generating renewable energy through biogas. These innovations reduce reliance on limited natural resources and support sustainable growth. By optimizing lifecycle costs and enabling resource efficiency, WABAG exemplifies how circular economy principles can drive both environmental stewardship and economic advantage in the water and energy sectors.	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Timely Execution	R	Timely execution is not merely a matter of efficiency for WABAG; it is a critical factor that affects its financial health, client relationships, operational effectiveness, and competitive position. It is therefore a highly material aspect of the company's business.	Delay analysis is being conducted, catch up plan, enhancement of resources where required, innovative solution to bottlenecks and periodic review on action taken are being done by the Company. Company uses advanced technologies / equipment in site for construction related challenges. Company operates under multiple shift to address the delays due to external factors.	Negative
		O	Timely execution has been always the focus area for the Company, which enhances the brand value in the eyes of the stakeholders and also protects the project results.		Positive
4	Occupational Health & Safety (OHS)	R	Promoting occupational health and safety is vital to ensuring a secure and productive work environment. Customized OHS practices across all functions help prevent incidents, ensure compliance, and support sustainable operations.	To mitigate OHS risks, the Company conducts hazard assessments, provides ongoing training, and ensures the use of appropriate PPE. Regular safety inspections, emergency plans, and health monitoring are in place. Additionally, incident reporting, investigations, and strict adherence to OHS regulations.	Negative
5	Quality Control (QC)	R/O	At Company, meeting (and exceeding) committed water quality standards is crucial. Effective quality control safeguards our brand, ensures project timelines, and fosters long-term economic benefits.	Company reinforces quality control through a multi-step approach: using standardized checklists with scoring, assigning inspectors based on verified skills and a competency matrix, and gathering annual customer satisfaction feedback (on a 10-point scale) to continuously improve.	Negative/Positive
6	Innovation and Digitization	O	For WABAG, innovation in water management represents a strategic pathway to strengthen sustainability, meet regulatory requirements, and create economic value. By adopting advanced technologies, WABAG can enhance plant efficiency, minimize environmental impact, optimize resource utilization, and secure a competitive edge in the global water solutions market.	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Employee training and development	O	We invest in continuous learning and skill enhancement to foster employee engagement and boost productivity. This ensures our workforce stays aligned with industry best practices. Supporting individual growth also strengthens our organizational resilience and adaptability in a dynamic business environment.	-	Positive
8	Ethics and integrity	R/O	For WABAG, ethics and integrity offer the opportunity to strengthen its reputation and foster trust with stakeholders. Upholding transparency and accountability enhances customer loyalty, attracts ethical investors, and ensures regulatory compliance. By prioritizing ethical practices, WABAG positions itself as a responsible leader in sustainable water treatment, driving long-term growth. Inconsistent adherence to ethical standards can undermine stakeholder trust and damage reputation.	Regular awareness sessions are conducted for employees to reinforce the organization's commitment to the highest standards of ethics and integrity.	Negative / Positive
9	Intellectual Property	R / O	Company recognizes the critical role of intellectual property (IP) in maintaining its competitive edge. Our innovations are protected through patents, trademarks, and proprietary know-how. However, leakage of confidential information and potential IP infringement by competitors pose significant risks. To mitigate these, WABAG implements robust data security measures, employee training, and actively monitors for infringement, ensuring our innovations continue to drive our success.	Company prioritizes safeguarding its intellectual property through a multi-layered approach. We cultivate a culture of IP awareness through workshops and training, collaborate with patent attorneys for filing and portfolio management, and enforce strict data security measures during vendor/customer data exchange. Additionally, all confidential information exchanges are bound by Non-Disclosure Agreements (NDAs), while contracts with partners, vendors, and even employee agreements include ironclad confidentiality clauses to ensure our innovations remain a secure foundation for our success.	Negative / Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10	Community engagement	O	WABAG recognizes the connection between its success and community well-being, prioritizing active engagement through meetings, surveys, and social media. We focus on sustainable water management and local participation to foster community ownership. By strategically placing projects and creating job opportunities, we drive mutual growth and long-term development.	-	Positive
11	Sustainable Supply Chain	R	For WABAG, sustainable supply chains present a risk due to their dependence on global suppliers for specialized materials and equipment. Disruptions from regulatory changes, ethical concerns, or environmental issues can delay projects and increase costs. Ensuring resilient and ethical supply chains is crucial to uphold WABAG's operational efficiency and environmental commitments.	To mitigate risks and ensure a sustainable supply chain, WABAG enforces a robust Vendor Code of Conduct that defines clear expectations for labor practices, human rights, environmental stewardship, and ethical business practices. Beyond simple compliance, WABAG actively engages with suppliers through regular assessments, capacity-building initiatives, and transparent communication to enhance their sustainability performance. This proactive approach helps foster a network of responsible suppliers, reducing supply chain risks and reinforcing WABAG's position as a leader in sustainable water treatment solutions.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements:

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1 a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available				www.wabag.com/investors/					
2 Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

4. Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, and Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.

The Company has its policies in line with the national and international standards and practices.

P1: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

P2: ISO 9001, ISO 14001, ISO 45001.

P3: Factories Act, 1948, Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, ISO 45001, Labor law and regulation (ILO).

P4: Grievance Redressal Mechanisms, World Bank, IFC and ADB Safeguard Policies.

P5: Factories Act, 1948, UNGP, ILO.

P6: ISO 14001, ISO 14064, The GHG Protocol Corporate Accounting and Reporting Standard, CII-IGBC -Platinum rated certification, Near Net Zero in Energy, Net Zero in Water, GWI.

P7: WABAG's contribution in Influencing public / regulatory authorities.

P8: CSR disclosures pursuant to Section 135 of the Companies Act, 2013.

P9: Grievance Redressal Mechanisms.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	i	g	e,f		e	a,b,c, d,h,			
6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	i	g	e,f		e	d,h			

S. No	Specific Commitments for WABAG House
a)	Platinum Certification in IGBC
b)	Near Net Zero Energy
c)	Net Zero Water

S. No	Goals	Target	Achieved
d)	Increase in water positive by 2030	25%	26%
e)	Zero Incidents (Zero LTIFR)	0	0.34
f)	Gender diversity by 2030	12%	9.8%
g)	Sustainable Vendor chain by 2030	30%	19%
h)	Carbon Emission reduction by 2035	20%	16%
i)	Periodic compliance of the SEBI Regulation Amendments (including Industry Standard Note) w.r.t Governance	100%	100%

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:

At WABAG, our core business of providing sustainable water solutions inherently positions us at the forefront of environmental stewardship. However, we acknowledge the responsibility to minimize our operational footprint while maximizing positive social impact. Our primary challenge lies in scaling our advanced water treatment technologies globally while rigorously managing our energy consumption, waste generation, and resource utilization.

Our targets are firmly aligned with a water-positive approach, aiming to enhance water availability and quality in the communities we serve. We are committed to reduce our carbon footprint through energy-efficient designs and promote the use of renewable energy in our projects. We strive for circularity by minimizing waste and maximizing resource recovery in our operations and project execution. We aim to expand our social impact by empowering communities through access to clean water and sanitation, particularly in water-stressed regions.

We have made significant strides in implementing robust ESG policies, driven by our dedicated Sustainability Committee. We conduct thorough materiality assessments to identify key focus areas and benchmark our performance against industry best practices. Our achievements include implementing advanced energy-saving technologies in our projects, enhancing water recycling and reuse practices, and strengthening our commitment to safe and ethical operations. We prioritize the well-being of our employees, subcontractors, and the communities we work in, ensuring adherence to the highest EHS standards. We actively engage with local communities, particularly in developing nations, to provide sustainable water solutions and contribute to their long-term development.

We are committed to transparent reporting and continuous improvement in our sustainability performance. We recognize the importance of collaborating with our supply chain to reduce

our collective environmental impact and are actively working to integrate sustainable practices throughout our value chain. We will continue to innovate and implement solutions that address the global water crisis, ensuring a sustainable and equitable future for all.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Mr. S Varadarajan, Whole Time Director and Chief Growth Officer

9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes.

The Company has implemented a multi-tiered governance structure to drive its sustainability agenda effectively:

Sustainability Working Group – Comprised of functional heads from various departments, this group is responsible for integrating sustainability considerations into day-to-day operations, identifying opportunities for improvement, and ensuring alignment with corporate sustainability goals.

Sustainability Executive Committee – Consisting of C-suite officers, this committee provides strategic direction, oversees the implementation of key sustainability initiatives, and ensures that sustainability efforts align with the company's broader business objectives and regulatory requirements.

Sustainability Committee – Led by Board members, this high-level committee is responsible for setting the overall sustainability vision, ensuring governance and accountability, and reviewing progress against sustainability targets to drive long-term value creation.

This structured approach ensures seamless coordination between operational, strategic, and governance levels, reinforcing the company's commitment to sustainable business practices.

10 Details of Review of NGRBCs by the Company:

Periodic reviews are conducted by the Company internally, however specific issues on NGRBCs are also addressed on a need to need basis.

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency [Annually (A) / Half-yearly (HY) / Quarterly (Q) / Any other – please specify]								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action										A	A	A	A	A	A	A	A	A
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances										A	A	Q	H	A	Q	A	A	A

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency.

P3: Bureau Veritas

P5: Bureau Veritas

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Not Applicable since the policies of the Company cover all Principles on NGRBCs.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

1

Principle

Businesses should Conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programs
Board of Directors	During the FY 2024-25, Updates / awareness presentations were made to the Board members during the quarterly meeting pertaining to business, regulatory, safety, ESG matters, etc. These matters provided insights on the said Principles.		100%
Key Managerial Personnel	15	All Principles of BRSR	100%
Employees other than BoD & KMPs	216	Various topic of BRSR principles	100%
Workers	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.		

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

The Company had no monetary and non-monetary fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the FY 2024-25 based on materiality thresholds.

	Monetary				
	NGRBC Principle	Name of the Regulatory / enforcement agencies / judicial institutions	Amount (in INR)	Brief of the Case	Has the appeal been preferred? (Yes / No)
Penalty / Fine	-	-	NA	-	-
Settlement	-	-	NA	-	-
Compounding Fee	-	-	NA	-	-

	Non-Monetary			
	NGRBC Principle	Name of the Regulatory / enforcement agencies / judicial institutions	Brief of the Case	Has the appeal been preferred? (Yes / No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the Regulatory / enforcement agencies / judicial institutions
Not Applicable.	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has laid down a detailed policy on Anti-Bribery and Anti-Corruption (which is available in the Company's intranet portal and also in the website of the Company at www.wabag.com/investors/ that supports the principles in relation to business ethics and anti-corruption. The Company requires all its employees to comply fully with all applicable laws and regulations in the territories where the Company conducts business, and to adhere to high standards of ethical conduct. The Company's Code of Conduct, which is available in Company's intranet portal, applies both to suppliers and business partners of the Company. Also depending on specific contracts any incremental requirement of Anti-bribery / Anti-corruption compliance need is also addressed.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

No Directors / KMPs / employees / workers were involved in bribery / corruption both in FY 2024-25 and FY 2023-24. On above grounds, no action was taken by any law enforcement agency.

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

No complaints were received with regard to conflict of interest against Directors / KMPs in FY 2024-25 and FY 2023-24.

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

Nil

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods / services procured) in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payables (current trade payables)	158	168

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	N.A	N.A
	b. Number of trading houses where purchases are made from	N.A	N.A
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	N.A	N.A
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	N.A	N.A
	b. Number of dealers / distributors to whom sales are made	N.A	N.A
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	N.A	N.A
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2%	3%
	b. Sales (Sales to related parties / Total Sales)	4%	11%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	Nil
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

Leadership Indicators
1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
17,905	HSE related, ESG related, risk assessment related, ESMP Performance related, Legal related, general ethics, Code of conduct, Operation Related, Company policies and Procedures, labor laws, stakeholder engagement Training.	~70%

2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has the following policies in place to avoid / manage the conflict of interest involving members of the Board:

1. Policy on Anti-Bribery and Anti-Corruption;
2. Code of Conduct for Board Members and Senior Management Personnel;
3. Code of conduct for prevention of Insider Trading;
4. Code of Practices and Procedures for disclosure of Unpublished Price Sensitive Information;
5. Whistle Blower Policy;
6. Policy for Materiality of Event;
7. Policy on Related Party Transaction.

2

Principle

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	100%	100%	The R&D expenditures were spent in specific technologies (e.g. in a zero liquid discharge technology, Ceramic membranes) to improve the environment.
Capex	100%	100%	WABAG is business of pollution abatements. Its investments / capital expenditure are related to this business

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No):**
Yes
- b. **If yes, what percentage of inputs were sourced sustainably?**
All Value Chain Partners are evaluated for WABAG's HSEQ parameters before their on boarding and it has 70% coverage. Furthermore, based on the sustainability questionnaire, the vendors are evaluated and the score is 19%.
3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste; and (d) other waste.**
NA, WABAG is not producing any product to be reclaimed at the end of life.

Projects and operational facilities are implemented with ESHS Systems and Procedures in place. We have specific operational control procedures to handle hazardous and non-hazardous waste which will mandatorily fulfill the requirements of environmental law and regulations and contractual requirements.
4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**
EPR is not applicable as the major business of the Company is EPC, O&M and the Company does not manufacture any products.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No) If yes, provide the web-link
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Not Applicable.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NA	NA	NA

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024-25 (Turnover rate in Current FY)			FY 2023-24 (Previous Financial Year)		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable.	



Principle

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
		(B)	(B/A)	(C)	(C/A)	(D)	(D/A)	(E)	(E/A)	(F)	(F/A)
Permanent Employees											
Male	920	920	100%	920	100%	-	-	-	-	-	-
Female	80	80	100%	80	100%	80	100%	-	-	-	-
Total	1000	1000	100%	1000	100%	80	8.0%	-	-	-	-

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
		(B)	(B/A)	(C)	(C/A)	(D)	(D/A)	(E)	(E/A)	(F)	(F/A)
Other than Permanent employees											
Male	227	227	100%	227	100%	-	-	-	-	-	-
Female	45	45	100%	45	100%	45	100%	-	-	-	-
Total	272	272	100%	272	100%	45	16.5%	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
		(B)	(B/A)	(C)	(C/A)	(D)	(D/A)	(E)	(E/A)	(F)	(F/A)
Permanent Workers:											
Male	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.										
Female											
Total											
Other than Permanent Workers											
Male	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.										

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company.	0.14%	0.12%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

Benefits	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	The Company	Y	100%	The Company	Y
Gratuity	100%	does not have	Y	100%	does not have	Y
Superannuation	100%	any factories	Y	100%	any factories	Y
Insurance Coverage	100%	or production	Y	100%	or production	Y
ESI	All employee remuneration are more than the ESI ceiling wages	facilities; hence it does not have any workers on its roles.	N.A	All employee remuneration are more than the ESI ceiling wages	facilities; hence it does not have any workers on its roles.	N.A

Note: Above benefits to employee are excluding the consultant and trainees.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

WABAG is committed to creating an inclusive workplace that supports the needs of differently-abled employees. Our Equal Opportunity Policy ensures the rights of persons with disabilities are respected and upheld. At our Chennai headquarters (WABAG House), we have designed barrier-free access from the ground to the top floor with step-free entry and elevators. Additionally, dedicated washrooms for differently-abled employees are available on all nine floors, promoting accessibility and dignity for all.

4. Does the entity have all opportunity as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. Web-link for Equal Opportunity policy is www.wabag.com/investors/

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.	
Female	75%	100%		
Total	75%	100%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes / No (If yes, then give details of the mechanism in brief)
Permanent Workers	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.
Other than Permanent Workers	
Permanent Employees	Yes. HR Grievance Portal is available to Employees for Grievance redressal. Access is also available to employees to communicate directly to management through the intranet portal where employees can have named basis or anonymous basis provide feedback/express grievance. Such grievances are immediately addressed. In all our facilities, we implemented grievance redressal procedure to capture the grievance from workers, vendors, communities and other stakeholders. The action against the grievances are taken in the immediate basis, communicated to the concern person and getting confirmation from them.
Other than Permanent Employees	

7. Membership of employees and workers in association(s) or Unions recognized by the entity:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1000	0	0%	914	0	0%
- Male	920	0	0%	834	0	0%
- Female	80	0	0%	80	0	0%
Total Permanent Workers	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.					
- Male						
- Female						

8. Details of training given to employees and workers:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On skill upgradation		Total (D)	On Health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C / A)		No. (E)	% (E/D)	No. (F)	% (F / D)
Employees										
Male	1,147	1,147	100%	1006	87.71%	1,036	1,036	100%	864	83.39%
Female	125	125	100%	105	84.00%	103	103	100%	92	89.32%
Total	1,272	1,272	100%	1111	87.34%	1,139	1,139	100%	956	83.93%
Workers										
Male	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total(A)	No.(B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	1,147	981	86%	1,036	909	88%
Female	125	114	91%	103	88	85%
Total	1,272	1,095	86%	1,139	997	87%
Workers						
Male	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.					
Female						
Total						

Note: All the eligible employees were covered by performance and career development

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. The Company has implemented a robust Occupational Health and Safety Management System and holds certifications for ISO 14001:2015 and ISO 45001:2018(Integrated management system), reflecting its commitment to environmental and occupational safety standards. The system is designed to minimize workplace hazards and reduce the occurrence of work-related injuries, illnesses, and incidents. The scope of the system includes comprehensive measures such as employee training and awareness programs, enhanced safety procedures. Regular benchmarking and continuous improvement. WABAG's approach is holistic, aiming to create a safe and incident-free work environment across all operations, especially tailored to address the unique challenges of water treatment projects.

Operational controls are in place across EPC and O&M sites. Additionally, regular safety alerts are communicated, and periodic review meetings are conducted with site teams to discuss resource needs, welfare measures, and opportunities for strengthening safety culture across all activities.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has established a comprehensive framework to identify work-related hazards and assess risks on both routine and non-routine bases. Key processes include Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), safety audits and inspections, incident and near-miss reporting, and operational control planning across design, engineering, construction, and operational activities. At the onset of each project, WABAG prepares a detailed HIRA document to assess risks based on the

nature of activities, products, and services, ensuring that all potential hazards are identified and mitigation measures are in place. JSA is conducted for each task before execution to evaluate activity-specific risks and implement appropriate controls. Incident and near-miss reporting mechanisms are in place to support continuous improvement by identifying patterns, enabling corrective actions, and reducing recurrence. Historical HSE performance records are also reviewed to enhance hazard identification efforts. Additional supporting processes include contractor safety management, HAZOP studies for complex operations, and performance monitoring and review. Regular training and awareness programs are conducted to keep employees and contractors informed and proactive in hazard recognition. Communication, consultation, and active participation of all stakeholders further strengthen the safety culture. Monthly reviews of safety activities and performance are conducted at all sites, with key findings reported to the Board by the CEO on a quarterly basis. This structured and integrated approach ensures that risks are effectively identified, assessed, and controlled, contributing to a safe and healthy work environment while supporting continuous improvement in Occupational Health and Safety performance across the organization.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes.

The Company has established multiple channels to enable workers to report work-related hazards and, where necessary, remove themselves from unsafe conditions. These include:

- A structured consultation and participation mechanism
- Feedback systems aligned with ISO 14001 and ISO 45001 standards

- A formal grievance redressal mechanism
- Regular safety committee meetings
- A dedicated system for reporting near-misses, unsafe observations, and unsafe conditions

Additionally, the Company implements comprehensive Hazard Identification and Risk Assessment (HIRA) and Job Safety Analysis (JSA) procedures at all sites. These systems ensure that potential hazards are identified and addressed before the commencement of any task, thereby safeguarding workers' health and safety. The near-miss reporting process also plays a crucial role in identifying potential risks and preventing incidents through timely corrective action.

Importantly, the Company encourages a culture where employees are empowered to report hazards and take precautionary measures, including stepping away from unsafe situations without fear of reprisal. Safety performance, including reported hazards and observations, is reviewed regularly, and updates are presented by the CEO to the Board of Directors on a quarterly basis, reinforcing the Company's commitment to a safe and transparent working environment.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. The Company provides comprehensive non-occupational medical and healthcare support to all its employees. Medical insurance coverage is extended to

employees to assist in managing unforeseen medical expenses and health challenges. Additionally, the Company conducts periodic health checkups—employees aged 40 and above undergo annual medical examinations, while those below 40 are offered health checkups once every two years. These preventive health screenings help in early diagnosis and timely intervention.

To further support employee well-being, the Company has partnered with reputed hospitals to offer access to specialty health centers for advanced care. As a mark of appreciation and in recognition of long service, the Company also extends medical insurance coverage beyond retirement for employees who have completed 10 or more years of service. This benefit includes health insurance coverage for both the retired employee and their spouse, providing valuable support against hospitalization expenses during older age.

The Company also focuses on health awareness and preventive care by organizing regular workshops and health talks conducted by medical specialists. These sessions address common lifestyle diseases and provide guidance on preventive measures and healthy living, helping employees make informed choices about their personal well-being.

As the Company does not operate any factories or production facilities, there are no workers on its direct roles. However, the focus remains on promoting a culture of health and wellness among all employees through sustained initiatives, insurance support, and access to quality healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category*	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.34	0.17
Total recordable work-related injuries	Employees	0	0
	Workers	4	1
No. of fatalities	Employees	0	0
	Workers	2	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place:

At WABAG, ensuring a safe and healthy workplace is integral to our operations, particularly across all EPC and O&M sites. Safety is embedded in our work culture through the implementation of robust systems and procedures designed to prevent incidents and promote employee well-being.

We begin by conducting comprehensive safety induction training for every individual entering the site, ensuring awareness of site-specific risks and safety protocols. Our Job Safety Analysis (JSA) process is carried out before commencing any activity, enabling the identification of

potential hazards and the implementation of preventive measures. In parallel, the Hazard Identification and Risk Assessment (HIRA) system is employed to evaluate risks associated with specific tasks, equipment, and environments, thereby promoting proactive risk mitigation.

We also operate a strict Work Permit System, which ensures that no critical or hazardous task is initiated without prior approval and the necessary safety controls in place. Toolbox Talks are conducted regularly before each job to brief workers on the nature of the task, associated risks, and the measures to ensure safe execution.

In terms of promoting health, WABAG is committed to maintaining clean, hygienic, and comfortable facilities at all sites. This includes the provision of safe drinking water, clean rest shelters, and hygienic accommodation where required. During extreme weather conditions, such as peak summer, refreshments are provided, and work hours are adjusted to reduce the risk of heat-related illnesses.

Together, these initiatives create a safety-first culture and ensure the physical and mental well-being of all individuals at the workplace.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	63	0	-	33	0	-
Health & Safety	91	0	-	9	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%. The Company has robust Internal audit process in line with ISO 45001:2018 requirement and it covers all EPC and O&M plants. Frequent audit to facilities and plants are being conducted by the Company. We have self-assessment on monthly basis and gap is closed by corrective and preventive action (CAPA) process and multidisciplinary approach for conducting HSE audit. The Company also conducts third party audits on health and safety at facilities and take necessary corrective actions. We conducted an external audit for both our office and the site as part of IMS surveillance. Additionally, to showcase our commitment to Environmental, Health, and Safety (EHS) excellence, we participated in the CII EHS Excellence Award as well as the World Safety Organization. As a result of our efforts, we received various awards for our outstanding performance in safety and our focus on environmental sustainability, including water and waste management.
Working conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company has put in place a well-defined Standard Operating Procedure (SOP) for incident reporting, investigation, and corrective action. This SOP ensures a systematic approach to identifying, reporting, documenting, and investigating safety-related incidents to determine their root causes. Upon identifying the root cause, appropriate corrective and preventive actions are implemented to mitigate the risk of recurrence.

To foster a culture of continuous improvement, all incidents and their learnings are communicated across project sites for wider awareness and knowledge sharing. This helps reinforce best practices and promotes a proactive approach to workplace

safety. Based on the outcomes of incident investigations, focused training sessions are conducted to address specific gaps and enhance employees' capabilities in managing similar risks, thereby improving overall safety and operational effectiveness.

Additionally, the Company has instituted a strong consequence management framework that reinforces accountability at all levels. This system not only addresses violations of safety protocols but also emphasizes the importance of adhering to safety norms to ensure the health and well-being of all personnel.

Through regular assessments of health and safety practices, any significant risks or concerns are promptly identified and addressed with appropriate measures. These combined efforts reflect the Company's commitment to maintaining a safe, healthy, and compliant work environment across all operations.

Leadership Indicators

- 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

The Company extends life insurance coverage for all its employees.

- 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

There is a process of checking by the relevant functional team for statutory compliance before payment is processed for the value chain partners so that compliance is enforced on a regular basis.

- 3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been / are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees				
Workers				None

- 4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Specific / select contract based engagement is provided to specialist positions and leadership positions post retirement based on need of business of the Company. The Company provides consultant role for those senior employees after the retirement also. The Company does provide opportunity of working in other areas based on choice of the employees by reskilling themselves.

- 5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% of value chain partners of the Company are covered at the time of empanelment of the agency, vendor/ contractors for the health and safety practices and working conditions provided by them before awarding contract with them. Internal audits are being conducted periodically at the facilities post engagement, so that deviations are fixed.
Working conditions	

- 6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners**

WABAG implements a robust Operation Control Procedure for contractual agreements signed with the contractors. Before finalizing such contracts, all relevant Environment, Safety, Health, and Security (ESHS) documents including manuals, procedures, work instructions and operational control procedures, are shared with such contractors for their review and concurrence. Regular internal audits on safety are also conducted across the Company's sites, extending to assessments of value chain partners. This ensures that safety standards are consistently upheld throughout the operational network. To guarantee the safety of the contractor's personnel, comprehensive training and awareness programs are also provided periodically, specifically addressing identified job-related risks. Incidents involving contractors are promptly reported through the incident monitoring system, facilitating efficient resolution and preventing recurrence. Furthermore, these incidents are circulated across the organization for knowledge sharing, fostering a proactive approach to risk mitigation and promoting a culture of safety across the entire value chain.

4

Principle

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity

The Company understands the significance of identifying and engaging with various stakeholders to gain insight into their expectations and develop effective strategies. Key stakeholders, both internal and external, are identified based on their impact on the Company's operations and functioning. These include employees, shareholders / Investors, Communities / NGO, Vendors / Contractors, customers, Governments & Regulatory Authorities and Lending institutions.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	1. Email, 2. Open House, 3. Notice Board, 4. Website, 5. Internal circulars, 6. Trainings, 7. Social media.	Regularly	Purpose: 1. To share business information & decision and obtain feedback. Concerns raised: 1. Well-being requirements 2. Suggestion for the improvements
Shareholders / Investors	No	1. Press releases and press conferences (intimation to the Stock Exchanges); 2. Email, 3. Website, 4. Investor conferences, 5. Newspaper Ad, 6. Conference calls 7. Annual General Meetings 8. Conferences, meetings and plant visits	1. Quarterly, 2. Half yearly 3. Annually and Periodically (based on requests received)	Purpose: 1. Educating business model 2. Understanding shareholder expectations. Concern Raised: 1. ESG concerns 2. Associated Risk 3. Financial clarifications
Communities / NGO	Yes	1. Meetings, 2. Trainings & Workshops, 3. Website, 4. Social Media, 5. Plant visits	Regular	Purpose: 1. Support community for their well-being 2. livelihood restoration for the community where impacted by our projects Concern Raised: 1. support for increasing the livelihood

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Vendors / Contractors	No	<ol style="list-style-type: none"> 1. Email, 2. SMS, 3. Website, 4. Social Media, 5. Meetings 	Regular	<p>Purpose:</p> <ol style="list-style-type: none"> 1. To assess and give feedback on the performance of the vendor 2. To create awareness on the ESG activities 3. To align the vendor with the Code of conduct <p>Concern Raised:</p> <ol style="list-style-type: none"> 1. Regular Order 2. To maintain payment cycle 3. Timely approval for the documents
Customers	No	<ol style="list-style-type: none"> 1. Events, 2. conferences, 3. periodic meetings, 4. Email, 5. SMS, 6. Advertisement, 7. Social Media, 8. Website, 9. Exhibitions. 	Regularly	<p>Purpose:</p> <ol style="list-style-type: none"> 1. To update the market innovation towards sustainable water treatment. 2. To collect the feedback for the activity performed. 3. To resolve concerns if any <p>Concern raised:</p> <ol style="list-style-type: none"> 1. Quality 2. Timely execution 3. Timely payment, fulfilment of conditions precedents and timely approval
Governments & Regulatory Authorities	No	<ol style="list-style-type: none"> 1. Email, 2. Website, 3. Physical Meeting 4. Digital meetings. 	Quarterly, Half-yearly, Annually and periodically (as and when required as per the Statutes)	<p>Purpose:</p> <ol style="list-style-type: none"> 1. getting updates and giving feedback on the regulations 2. approval and renewal of the operational license 3. highlighting the innovation in water sector <p>Concern raised:</p> <ol style="list-style-type: none"> 1. Compliances 2. Sustainability Report
Lending institutions	No	<ol style="list-style-type: none"> 1. Meetings, 2. Email, 3. Website 	Quarterly, Half-yearly, Annually and periodically (as and when required)	<p>Purpose:</p> <ol style="list-style-type: none"> 1. Business funding 2. Timely loan release. <p>Concern raised</p> <ol style="list-style-type: none"> 1. ESIA reports 2. Meeting their safe guard policies

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company is having structured way of stakeholder consultation and collecting feedback from the identified stakeholder. The Company has formed "Sustainability Executive Committee (SEC)" and "Sustainability Working Group (SWG)" with clearly defining the details of the Committee members along with their roles and responsibility. The SEC & SWG are duly guided by the Sustainability Committee of the Board of Directors of the Company chaired by Mrs. Vijaya Sampath, Independent Director. Through these process, update and concerns of stakeholder were presented to the board on quarterly basis.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. For example, the Company addressed livelihood restoration for the community identified as affected persons / households through stakeholder consultation, in projects where the Company has the responsibility as a project developer. The inputs received from consulting firm to connect with people have been incorporated in the policies and activities of the Company.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Marginalised group	Concern raised	Action taken	Impact
Fishermen community	Requesting for the community hall renovation	Community hall renovation done	This give the access to the community for their local activities such as cultural events, community meeting and several functions
Fishermen community	Request for public toilet provision	Toilet was constructed and provided to the community	Clean wash facility access for the community

5

Principle

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of Employees / Workers covered (B)	% (B/A)	Total (C)	No. of Employees / Workers covered (D)	% (D/C)
Employees						
Permanent	1,000	1,000	100%	914	914	100%
Other than permanent	272	272	100%	225	225	100%
Total Employees	1,272	1,272	100%	1,139	1,139	100%

100% of the employees are provided the details of the policies including human rights at the time of joining during their induction programme. Further, the Company has published the policy on human rights which imbibes the spirit of human rights in its operation and value chain across the globe and the said policy is available in the website of the Company viz., www.wabag.com/investors/. The Company believes all its employees have read and understood the said policy. There is no human rights violation observed and reported.

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of Employees / Workers covered (B)	% (B/A)	Total (C)	No. of Employees / Workers covered (D)	% (D/C)
Workers						
Permanent	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.					
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C / A)		No. (E)	% (E/D)	No. (F)	% (F / D)
Employees										
Permanent	1,000	-	-	1,000	100%	914	-	-	914	100%
Male	920	-	-	920	100%	834	-	-	834	100%
Female	80	-	-	80	100%	80	-	-	80	100%
Other than Permanent	272	-	-	272	100%	225	-	-	225	100%
Male	227	-	-	227	100%	202	-	-	202	100%
Female	45	-	-	45	100%	23	-	-	23	100%
Workers										
Permanent	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.									
Male										
Female										
Other than Permanent										
Male										
Female										

3. Details of remuneration/salary/wages

a. Median Remuneration / wages:

	Male		Female	
	Number	Median Remuneration / salary / wages of respective category (Amount in INR)	Number	Median Remuneration / salary / wages of respective category (Amount in INR)
Board of Directors (BoD) [Whole Time Directors]	2	3,68,82,234	-	-
Board of Directors (BoD) [Non-Executive Directors (including Independent Directors)]	3	18,00,000	1	18,00,000
Key Managerial Personnel (KMP)	6	1,43,17,199	-	-
Employees other than BoD and KMP	1,141	6,71,508	125	3,91,926
Workers	The Company does not have any factories or production facilities; hence it does not have any workers on its roles.			

b. Gross wages paid to females as % of total wages paid by the entity, in the following form

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages	5.19%	4.78%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Human Resource Department Head is responsible for the same who will be supervised by the Whole time director of the Company.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Human Rights Policy of the Company elaborates on the grievance redressal mechanism and the policy is available at the website of the Company at www.wabag.com/investors/

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour / Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

We used to conduct POSH (Prevention of Sexual Harassment) related training in the office and at sites to create awareness among employees and workers about their rights, the legal framework, and the procedures for addressing and reporting sexual harassment at the workplace.

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

WABAG has a Whistle Blower Policy wherein the employees shall file a complaint against any wrong practices, discrimination, unethical behavior or harassment without any apprehension as the confidentiality of the complainant details are being ensured. WABAG's policy on prevention on sexual harassment (POSH) takes care of protection of complainants. Also, the Code of Conduct of WABAG requires employees to behave responsibly in their action and conduct. Apart from that, WABAG has Committees at every location for the protection of women at workplace to ensure their rights, receive grievances, and conduct investigation to take action.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	Yes, all work places are assessed by WABAG's in house HR and IR team / internal auditor team. Assessment by external team is done on random sampling basis in WABAG.
Forced / involuntary labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

There is no significant risk / concerns raised from the assessment.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

No complaint received in FY 2024-25 for human rights violation.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

WABAG adheres to the UNGC (United Nation Global Compact) principles which include Human Rights clauses. Fostering a culture of caring and trust are embedded in various corporate policies like Environment, Health & Safety (EHS) Policy, Whistle-Blower policy and the Code of Conduct Policy (CoC). WABAG has laid down its CoC, which is applicable to the members of the Board, senior management and employees of the Company. The objective is to be committed and vigilant towards the ethical conduct of business processes and instill a sense of ownership within WABAG Group. Respect to fellow employees is listed as one of the fundamental values to be practiced by every WABAGite while at work. All designated employees, including Board Members, adhere to the CoC and provide an annual declaration of their compliance. WABAG is committed to treating every employee with dignity and respect. WABAG has formulated a policy on 'Protection of Women's Rights at Workplace' as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules, 2013. The said policy is applicable to all WABAG establishments. Further, the Company conducts regular audit and inspection by EHS Department on EHS and human rights issues. The scope of audit covers all project facilities and offices including the value

chain partners (supply chain partners) that are active in WABAG's EPC and O&M projects.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

WABAG's largest establishment is its Head Office situated in Chennai as "WABAG House" and here we have duly provided easy access to differently abled visitors as per the Statutes. The work facilities where construction activities are conducted is the work place of our customers to the best possible extent we address easier access of differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NA
Discrimination at Workplace	
Child Labour	
Forced Labour / Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NA

6

Principle

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A) (MJ)	32,37,178	32,81,474
Total fuel consumption (B) (MJ)	-	-
Energy consumption through other sources (C) (MJ)	-	-
Total energy consumed from renewable sources (A+B+C) (MJ)	32,37,178	32,81,474
From non-renewable sources		
Total electricity consumption (D) (MJ)	75,35,154	7,02,208
Total fuel consumption (E) (MJ)	2,54,95,525	5,40,147
Energy consumption through other sources (F) (MJ)	-	-
Total energy consumed from non-renewable sources (D+E+F) (MJ)	3,30,30,679	12,42,355
Total energy consumed (A+B+C+D+E+F) (MJ)	3,62,67,857	45,23,829
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.0012620	0.0001803
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0017727	0.0002540
Energy intensity in terms of physical output	N.A	N.A
Energy intensity (optional) – the relevant metric may be selected by the entity	N.A	N.A

Note: Values mentioned for FY24-25 include WABAG offices and sites, and values mentioned for FY23-24 were for WABAG house.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, WABAG does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water (in kilo litres)	0	0
(ii) Groundwater (in kilo litres)	1774	2110
(iii) Third party water (utility water) (in kilo litres)	3416	203
(iv) Seawater / desalinated water (in kilo litres)	0	0

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
(v) Others (in kilo litres) (Recycled water)	4522	5204
Total volume of water withdrawal (in kilo litres) (i + ii + iii + iv + v)	9712	7517
Total volume of water consumption (in kilo litres)	9712	7517
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.00000034	0.00000030
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00000047	0.00000042
Water intensity in terms of physical output	N.A	N.A
Water intensity (optional) – the relevant metric may be selected by the entity	N.A	N.A

Note: The above values pertain to WABAG offices (Head Office and Regional Offices) for FY 2024–25, whereas the data for FY 2023–24 pertains solely to the WABAG Head Office.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No.

4. Provide the following details related to water discharged:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	N.A	N.A
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	N.A	N.A
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	N.A	N.A
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	N.A	N.A
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	N.A	N.A
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

We have further implemented zero liquid discharge facility in Corporate Office and achieved Platinum rated green building certification by IGBC. We have 50 KLD STP for recycling the water used for domestic purpose in WABAG House (Head Quarter in Chennai). Whatever the water used in the WABAG House is recycled and used back for Gardening and Flushing purpose. And there will be no discharge of any liquid outside of the boundary area of WABAG House.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NO _x	µg/m ³	17.5	16.8
SO _x	µg/m ³	8.9	9.1
Particulate matter (PM)	µg/m ³	32.8(10), 15.1(2.5)	28.6(10), 13.0(2.5)
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Values presented are only for WABAG House

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1764	37.75
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1552	139.66
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	0.0000001154	0.0000000071
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	0.0000001621	0.0000000100
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	N.A	N.A
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	N.A	N.A

Note: Values mentioned for FY24-25 include WABAG offices and sites, and values mentioned for FY23-24 were for WABAG house.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

WABAG's commitment to sustainability extends to its global headquarters, WABAG House in Chennai. Here, the company achieved a remarkable feat with 82% of its energy consumption being sourced from renewable power. This achievement was recognized with the prestigious Near Net Zero certification from the Confederation of Indian Industry (CII), highlighting WABAG's unwavering dedication to sustainable practices and its significant efforts in reducing scope 2 emissions.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A) (in metric tonnes)	0.124	0.064
E-waste (B) (in metric tonnes)	0	0
Bio-medical waste (C) (in metric tonnes)	0	0
Construction and demolition waste (D) (in metric tonnes)	0	0
Battery waste (E) (in metric tonnes)	0	0.124
Radioactive waste (F) (in metric tonnes)	0	0
Other Hazardous waste. Please specify, if any (G) (in metric tonnes)	0	0
Other Non-hazardous waste generated (H) . Please specify, if any.(Break-up by composition i.e. by materials relevant to the sector) (in metric tonnes)	3.978	8.667
Total (A+B+C+D+E+F+G+H)	4.102	8.855

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000000014	0.00000000035
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.00000000020	0.00000000050
Waste intensity in terms of physical output	N.A	N.A
Waste intensity (optional) – the relevant metric may be selected by the entity	N.A	N.A
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	4.102	8.855
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	4.102	8.855
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	We do not have any practice of Landfilling and Incineration	We do not have any practice of Landfilling and Incineration
(ii) Landfilling		
(iii) Other disposal operations		
Total	0	0

Note: Values presented are only for WABAG House

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. - No.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The environmental management system of WABAG has been proven through its ISO 14001:2015 certification for the Integrated Management System. WABAG adheres to the clauses of ISO 14001:2015 and implements all relevant systems. This certification covers all EPC sites, O&M sites, head office, and regional offices. Waste management procedures have been effectively implemented across all EPC sites, O&M sites, head office, and regional offices of WABAG. WABAG has a waste management plan specific to each project, which guides waste segregation, collection, storage, and disposal to authorized agencies. Our waste management plan focuses on the 5R Technique: Refuse, Reduce, Reuse, Recover, and Recycle.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Names and brief details of project	EIA. Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sl. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area -
- (ii) Nature of operations -
- (iii) Water withdrawal, consumption and discharge in the following format

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	

Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	21,86,476	5,50,510
Total Scope 3 emissions per rupee of turnover		0.000076	0.000022
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		N.A	N.A

Note: Value for FY 2024-25 was increased due to increase in categories of Scope 3 emissions.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	A new, patented process for Minimum Liquid Discharge and recyclables recovery	WABAG's new process - a combination of membrane distillation and crystallization - is an advanced solution to the concentrate problem in sea- and brackish water desalination.	Proven technologies are combined to achieve an almost (waste)water-free process with to a maximum reduced salt concentrate as a by-product. In addition, the concentrate can also be recycled
2.	The Company is in the business of Design, Build and Operation and Maintenance of Water and waste water treatment plants including Desalination and Reuse technologies for treatment of water.	www.wabag.com	Enabled sustainable water management by recovering freshwater through advanced technologies in industrial and municipal wastewater treatment.

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
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In our operations, we take several steps and initiatives to use technologies or solutions appropriate for recovery of different resources handled. It can be fresh water which is recovered or recovery of precious metals from waste water of tannery kind of industries or recovery of oil from waste water treated for Export. The Company has taken several initiatives in the last 26 years of its presence in India towards bringing innovative technologies in to this country for both Industries and Municipal bodies.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, All our project sites locations have a disaster management plan specific to plant locations and project sites to deal with the emergency situations. The plan enumerates various scenarios on which disaster can take place and in those conditions, how to deal with the same. It provides responsibility of various people in case of emergency situations.

The Company has a business continuity plan which provides guidance to deal with disasters for continuing the business and relates to with asset, people and security including IT security aspects.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No Significant adverse impacts have been reported from our value chain partners.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

The Company has well established code of conduct covering compliance related with Environmental management system and Occupational health and safety management system. All Value Chain partners are evaluated for HSEQ parameters before their onboarding.

8. How many Green Credits have been generated or procured?

a. By the listed entity

Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners

Nil



Principle

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

12

b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Chambers of Commerce & Industry (Associate Membership)	National
3	Export Credit guarantee corporation of India	National

S. No	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
4	International Water Association (IWA)	Global
5	International Desalination and Reuse Association (IDRA)	Global
6	British Council	Global
7	Indo-German Chamber of Commerce & Industry	Global
8	Madras Chamber of Commerce & Industry	State
9	Madras Management Association	State
10	Engineering Export Promotion Council of India	National
11	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
12	Indian Chamber of Commerce	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

During the year, there were no such cases.

Name of the Authority	Brief of the case	Corrective action taken
-	-	-

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes / No)	Frequency of Review by Board (Annually / Half yearly / Quarterly / Others – please specify)	Web Link, if available
1	"Reuse of treated wastewater" for promoting economic viability and environment sustainability.	1. Being part of various forums organized by Central and State Govt. as a thought leader	Yes the information were	Every quarter and as and when required.	www.wabag.com
2	"Desalination" as a viable and sustainable alternative across the coastal regions	2. Being an active member of various groups in employer's association like CII, FICCI, ASSOCHAM etc.	available in Company's website and social media handles.		
3	"Renewable energy/ Greenenergy from Bio-gas" to make STP's self-sufficient and environment protection	3. Through publishing various articles and industry journals.			
4	Total Resource Recovery	4. Sponsoring various initiatives by Govt. bodies and Private entities. 5. Appointing our senior leader in responsible decision making position for various industrial bodies.			

8

Principle

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Grievances of the Community are received directly or through NGOs and the same is being redressed by the Company as and when they arise.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs / small producers	-	-
Directly from within India	-	-

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Rural	0.06%	0.05%
Semi-urban	3.61%	3.95%
Urban	9.90%	10.48%
Metropolitan	86.43%	85.52%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
ESIA is normally carried out by WABAG's Customer prior to award of contract to WABAG. WABAG's customers largely being Urban Local bodies under different States, the social impact that they identify is addressed by themselves. Where WABAG acts as developer of the project, the SIA is done and identified points are duly addressed by WABAG itself. In such projects developed, WABAG did not notice any negative social impact during the year.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (in INR)
Not Applicable (Please refer CSR Annual Report – forming part of the Annual Report)			

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No)

Yes, Preferential-Procurement-Policy.pdf (www.wabag.com) This policy is aimed at setting procurement guidelines and to outline a process to support and document procurement decisions. All suppliers / customers / vendors shall be treated in a fair & equitable manner within the framework of this policy. Predominant part of procurement action of WABAG will be guided by specific clauses in its Contract and procurement is made from such vendors/contractors who are part of approved list of WABAG's customers.

- b. From which marginalized / vulnerable groups do you procure?

Not applicable

- c. What percentage of total procurement (by value) does it constitute?

Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned / Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit share
N.A.				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
N.A.		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Apprenticeship, India.	161	N.A
2	Maintenance of Public Convenience Project, Chennai	Around 1200	N.A

9

Principle

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Not applicable as WABAG does not have specific consumer product or product range.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable as WABAG does not have specific consumer product or product range.
Safe and responsible usage	
Recycling and / or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

Not Applicable

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has a framework/ policy on cyber security and risks related to data privacy, available at the website of the Company at www.wabag.com/investors/

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not Applicable

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches	There were no data breaches during the year.
b. Percentage of data breaches involving personally identifiable information of customers	Not Applicable
c. Impact, if any, of the data breaches	Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The Company's business offerings can be found on the website: www.wabag.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.

WABAG does not have any consumer products, so this is not applicable.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Being an Essential Service, the Company is operating and maintaining several water and waste treatment plants in India. Such information is circulated by Municipal/Industrial customers in newspaper and other avenues, to the consumers.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not Applicable. WABAG's water saga spans over hundred years, making it an industry leader today in the field of total water management. With presence in four continents, WABAG is a pure-play water technology multinational offering a wide range of solutions focused on conservation, optimization, recycling and reuse of resources, directed at addressing water challenges across the world. The details are available in the website of the Company www.wabag.com

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

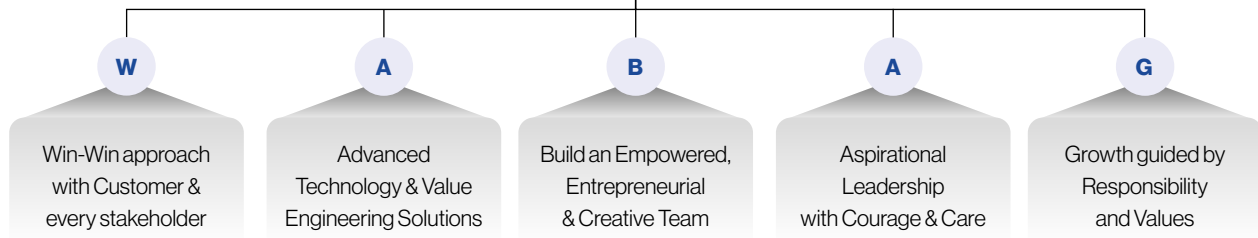


Vision

WABAGites enrich Life by Preserving Resources, Protecting Environment, Powering Economies through innovative and sustainable water solutions.



Mission



Values:

Will

to act decisively and commit to deliver organizational goals



Trust

to be accountable and transparent to all our stakeholders



Resolve

to create sustainable solutions that benefits people, communities and environment



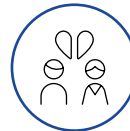
Agile

to be energetic, adaptable and resilient, to the dynamic business environment



Empathy

to build long-term relationships based on care, understanding and co-operation



DNA of WABAG

- (i) Professional Excellence and Pride
- (ii) Intensity to Succeed
- (iii) Absolute Commitment to WABAG Values

Your Company, being World's top 3 Private Water Operator and ranked 3rd amongst the world's largest Desalination plant suppliers in the annual survey of GWI (Global Water Intelligence), it is imperative that business is conducted in a fair and transparent manner. Business Ethics and Corporate Governance have always been an integral part of your Company.

Your Company recognizes the paramount importance of contributing to the nation's development as it conducts its business operations. Your Company is fully committed to providing comprehensive water solutions to municipalities and industries encompassing drinking water treatment, desalination, wastewater treatment, sludge treatment and energy recovery, as well as operation and maintenance services, water reclamation and catering to various industries such as oil and gas, power plants, steel industry, fertilizer industry, food and beverage, industrial parks and more.

Your Company's long-term interest is closely woven with the stakeholders' alignment. Your Company, which started its

operation in the year 1924, has large number of stakeholders in water solutions sphere. It will be WABAG's endeavour to constantly promote and enhance the stakeholders' legitimate interests, as it exists to provide total water solutions to its valued customers.

Your Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, forming a core group of top level executives, inducting competent professionals across the organisation and putting in place appropriate systems, process and technology.

Your Company is in compliance with the Corporate Governance requirements as enshrined in the Companies Act, 2013 read with the relevant Rules made thereunder ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and other applicable laws, rules and regulations, as amended from time to time.

In terms of Schedule V of the SEBI LODR, your Company hereby presents this report in compliance with the principles of Corporate Governance.

Wabag's Work Ethics



Ethics/Governance Policies

Your Company endeavours to conduct its businesses and strengthen relationships in a manner that is distinguished, unique and accountable. Your Company follows benchmark standards to ensure veracity, transparency, independence and responsibility in dealing with all its stakeholders. Hence, your Company has implemented various codes and policies to carry out its duties in a righteous manner. Some of these codes and policies as under are placed on the website of WABAG at <https://www.wabag.com/Investors>:

- Whistle Blower Policy
- Code of Conduct for Board Members and Senior Management Personnel
- Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information & Policy for identifying Legitimate Purpose
- Policy on determining Material Subsidiaries
- Policy for determination of Materiality for Disclosure of Events or Information
- Policy on preservation & archival of documents
- Dividend Distribution Policy
- Nomination, Evaluation & Remuneration Policy
- Risk Management Policy
- Corporate Social Responsibility Policy
- Equal Opportunity Policy
- Policy on Business Responsibility and Sustainability Report
- Policy on Cyber Security Data Privacy
- Policy on Grievance Redressal
- Policy on Human Rights
- Preferential Procurement Policy
- Sustainability Policy
- Code of Conduct for Prevention of Insider Trading
- Policy on Anti-Bribery and Anti-Corruption
- Policy on Conflict of Interest
- Environmental Policy
- Prevention of Sexual Harassment (POSH) Policy

II. BOARD OF DIRECTORS

a. Board Composition & Category of Directors

The Board of Directors ("the Board") being aware of its fiduciary responsibilities, recognises its importance towards all its Stakeholders to uphold highest standards of Corporate Governance in all matters concerning the Company and has empowered responsible human capital to implement its broad policies and guidelines and has set up adequate review processes. Your Board *inter-alia*, focuses on strategic planning, risk management, compliances, corporate governance to maintain high standards of ethical conduct, integrity and succession planning for the Directors and Senior Management team.

The Board focuses on upholding the core value of excellence, integrity, responsibility, unity and understanding to ensure that there is a fair, transparent and ethical governance practices across the Company. The Independent Directors provide independent and objective judgement on matters placed before them including issues on strategy, policies, operations, risk management and overall governance, amongst other aspects.

Your Company's day to day affairs are primarily managed by adept management and business team under the guidance of the Chairman and Managing Director, Whole Time Director & Chief Growth Officer (CGO), Chief Executive Officer(s) and Chief Financial Officer(s) of the Company. Your Board and other Senior management team oversees the management functions and protects long-term interest of its Stakeholders by adopting the best industry practices.

The Board of the Company, has been constituted with a balanced composition of the Independent Directors, Non-Executive Directors and Executive Directors.

The composition of the Board and category of Directors are as follows:

Category	Name of the Directors
Promoters and Executive Directors	1. Mr. Rajiv Mittal (Chairman and Managing Director)
	2. Mr. S. Varadarajan (Whole Time Director & CGO)
Non-Executive Independent Directors	3. Mr. Milin Mehta
	4. Mrs. Vijaya Sampath (Independent Woman Director)
	5. Mr. Ranjit Singh
Non-Executive Non-Independent Director	6. Mr. Amit Goela

b. Independent Directors' selection process

Taking into account the skill sets required by the Board for the nature of the business, eminent individuals having independent standing in their respective field or profession who can effectively contribute to the Company's business, strategy and policy decisions are considered for appointment and re-appointment as the Independent Directors by the Nomination & Remuneration Committee (NRC).

For the selection of the Directors, the NRC considers the (i) qualification, (ii) positive attributes, (iii) area of expertise, (iv) the skill sets required by the Directors, (v) number of Directorship & Membership held in various committees of other companies by such persons, and (vi) determining directors' independence. The Board considers the NRC's recommendations, takes appropriate decisions and recommends the proposal to the Members for appointment and re-appointment of the Independent Directors.

The Independent Directors, at the first meeting of the Board in which they participate as the Directors, thereafter at the first meeting of the Board in every financial year or whenever there is any change in the position(s) which may affect their status as an Independent Director, submit a declaration to the Board that he/she meets the criteria of independence as provided under the Act and the SEBI LODR.

c. Board Members' Familiarization Programmes

Key documents viz., (i) Company's corporate profile, (ii) Mission, Vision, Work Ethics & General Business Principles, (iii) Organisation Structure, (iv) Company's history and milestone achievements, (v) Annual Reports, (vi) a brief background on the business of the Company and highlights of its performance, (vii) major policies of the Company, Code of Conduct, fund raising details etc., are provided to the Board Members.

Periodically, the Board is also updated with various presentations on (i) business and performance updates, (ii) global business environment, (iii) risk management, (iv) Company's policies, (v) subsidiaries information and (vi) changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates and other relevant issues. The familiarization programmes are aimed to familiarise the Directors with Company's policies and business and to stay updated with Business and regulatory changes.

The details of such familiarization programmes for the Independent Directors are available on the website of the Company at <https://www.wabag.com/Investors>.

d. Meetings of the Independent Directors

The Independent Directors of the Company meet at least once in every financial year without the presence of the Non-Independent Directors and management personnel, pursuant to Regulation 25 of the SEBI LODR and Schedule IV of the Act. Such meetings enables the Independent Directors to discuss the matters *inter-alia* pertaining to the Company's affairs and other matters mentioned in the SEBI LODR and Schedule IV to the Act. The Independent Directors take appropriate steps to present their views to the Executive Directors. During the FY 2024-25, One (1) separate meeting of the Independent Directors was held on August 08, 2024.

Terms and Conditions of Appointment

A formal letter of appointment containing *inter-alia*, the terms of appointment, roles, functions, duties and responsibilities, the Company's Code of Conduct, policies, disclosures and confidentiality are issued to the Independent Director(s) post their appointment on Board of the Company. The specimen of the Independent Directors' appointment letter is available on the website of the Company <https://www.wabag.com/Investors>. The specimen letter is subject to review / changes as advised by the NRC / Board, from time to time.

e. Code of Conduct

The Board has laid down a Code of Conduct for Board members and Senior Management Personnel of the Company ("the Code"), pursuant to the Regulation 17(5) of the SEBI LODR. The Code is available on the website of the Company at www.wabag.com/investors/. Pursuant to Regulation 26(3) of the SEBI LODR, all the Board members and Senior Management Personnel affirm compliance with the Code on an annual basis and the declaration to that effect by the Chairman & Managing Director is enclosed to this report.

f. Attendance of the Directors at the Board & Committees meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanship/Membership of the committees of each Director in various companies and shareholding in WABAG:

S. No.	Name of the Director	DIN [^]	Category [@]	Number of Directorships held in other public limited companies as on March 31, 2025 [^]		Number of Committee Chairmanships / memberships held in other public limited companies as on March 31, 2025 ^{##}		Board meetings during the FY 2024-25		Whether attended the previous AGM held on August 14, 2024	No. of Equity Shares held in the Company ^{ss}
				Chairman	Director	Chairman	Member	Held	Attended [§]		
1	Mr. Rajiv Mittal	01299110	CMD	-	-	-	-	8	8	Yes	97,09,406
2	Mr. S. Varadarajan	02353065	WTD & CGO	-	-	-	-		8	Yes	21,85,762
3	Mrs. Vijaya Sampath	00641110	NEID & IWD	-	8	1	6		8	Yes	Nil
4	Mr. Milin Mehta	01297508	NEID	-	6	4	2		8	Yes	Nil
5	Mr. Ranjit Singh	01651357	NEID	-	2	1	1		8	Yes	Nil
6	Mr. Amit Goela	01754804	NENID	-	2	-	1		7	Yes	Nil

[^] DIN: Director Identification Number

[@] CMD - Chairman & Managing Director, WTD - Whole Time Director & CGO - Chief Growth Officer, NEID - Non-Executive Independent Director, IWD - Independent Woman Director, NENID - Non-Executive Non-Independent Director.

[^] Other companies do not include directorship(s) of our Company, private limited companies, Section 8 companies and companies incorporated outside India. In accordance with the Regulation 17A of the SEBI LODR, none of the Directors of the Company serves as a Director or as an Independent Director in more than seven (7) listed entities. In case he/she is serving as a Whole Time Director / Managing Director in any listed company, does not hold the position of Independent Director in more than three (3) listed companies.

^{##} Committee refers to Audit Committee and Stakeholders' Relationship Committee pursuant to Regulation 26 of the SEBI LODR. Further, as per Regulation 26 of the SEBI LODR, none of the Directors of the Company is a Member of more than ten (10) Board Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairperson of more than five (5) Board Committees (considering only Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in which he/she is a Director.

[§] Attendance includes participation through Video Conference (VC)/Other Audio Visual Means (OAVM).

^{ss} No convertible instruments were held by the Directors.

Notes:

- None of the Directors are related *inter-se*.
- During the FY 2024-25, Eight (8) Board meetings were held i.e., on May 07, 2024, May 21, 2024, July 08, 2024, August 08, 2024, November 06, 2024, February 07, 2025, February 20, 2025 and March 28, 2025. At least one Board meeting was held in each quarter and gap between any two consecutive Board meetings did not exceed 120 days.
- None of the Independent Director of the Company have resigned before expiry of his/her tenure during the FY 2024-25.

g. Name of the listed entities, other than WABAG, where a Director of the Company, is a Director as on March 31, 2025:

Sr. No.	Name of Director	Name of other listed entities	Category
1	Mr. Rajiv Mittal	Nil	NA
2	Mr. S. Varadarajan	Nil	NA
3	Mr. Amit Goela	a. Aptech Limited	Additional Director (Non-Executive Non-Independent)
		b. Inventurus Knowledge Solutions Limited	Nominee Director
4	Mr. Milin Mehta	a. Styrenix Performance Materials Limited	Non-Executive Independent Director
		b. Spaisa Capital Limited	
5	Mr. Ranjit Singh	a. Shaily Engineering Plastics Limited	Non-Executive Independent Director
		b. Polyplex Corporation Limited	
6	Mrs. Vijaya Sampath	a. Craftsman Automation Limited	Non-Executive Independent Director
		b. Varroc Engineering Limited	
		c. Mankind Pharma Limited	
		d. Ingersoll-Rand (India) Limited	
		e. Safari Industries (India) Limited	
		f. Intellect Design Arena Limited	

h. Board Skills

Your Company has a vibrant Board of Directors with requisite skills, expertise and experience, as required for the Company's business. The core skills identified by the Board, *inter-alia*, are as follows:

1. Expertise in business, project management and operational aspects;
2. Adequate knowledge of finance, accounting, technical and other applicable laws;
3. Hands on industry / business experience;
4. Handled/Involved in Indian and/or international businesses;
5. Technical expertise and management skills.

The following are the list of core skills / expertise / competencies identified by the Board of Directors required for effective functioning as required in the context of the business(es) and sectors for it to function effectively, which are available with the Board. The name of the directors who have such skills / expertise / competencies as identified by the Board are given below:

Area of Skills / Expertise	Mr. Rajiv Mittal	Mr. S. Varadarajan	Mr. Amit Goela	Mr. Milin Mehta	Mr. Ranjit Singh	Mrs. Vijaya Sampath
Knowledge of Industry	✓	✓	✓	✓	✓	✓
Business Strategy	✓	✓	✓	✓	✓	✓
Project Management	✓	✓	-	-	✓	✓
Engineering Expertise	✓	-	-	-	✓	-
Accounting	✓	✓	✓	✓	-	-
Finance	✓	✓	✓	✓	✓	✓
Corporate Governance and Compliances	✓	✓	✓	✓	✓	✓
Sales and Marketing Experience	✓	✓	✓	✓	✓	✓
Handled / Involved in Indian / International Business	✓	✓	✓	✓	✓	✓
Stakeholders Relationship	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓	✓
Behavioural Competencies	✓	✓	✓	✓	✓	✓
Sustainability & ESG	✓	✓	✓	✓	✓	✓

i. Board Meetings

Scheduling and selection of Agenda Items for the Board Meetings

The Board meets for a minimum of four (4) times every financial year to review the financial results and business operations of the Company. Also, additional Board and Committee meetings are convened to discuss specific agenda items and in case of business exigencies or matters of urgency, resolutions are passed by circulation as permitted under the Act. Audio/video conferencing facilities are available to enable active participation by all the Directors and special invitees who are unable to attend the meetings in-person.

An annual calendar for the Board and various Committee meetings are pre-scheduled before the beginning of the financial year in consultation with the Directors so as to facilitate active and regular participation of all the Directors. The Board and Committee meetings are governed by a set of structured agenda which are backed by comprehensive background notes, wherever required with detailed presentations by the management team which *inter-alia* covers performance and operational matters

(financial and non-financial), opportunities, business strategy, project status, status of action points, human resource, legal, risk perspective, update on relevant statutory changes, judicial pronouncements encompassing significant laws and their impact on the Company's business operations, quarterly/annual financial results and any other relevant information required under the law or by the Directors for the Board/Committee's review and consideration. The functioning of the Board is democratic and members of the Board are at liberty to bring up any agenda for discussions at the Board and Committee meetings.

All material information and related notes are circulated to the Directors before the meeting or tabled at the meeting with the consent of all the Directors, including but not limited to mandatory information required to be given as per Part A of Schedule II to the SEBI LODR, as part of the meeting agenda notes / papers well in advance (except for certain confidential UPSI which are provided separately in secured manner).

The information such as press releases, reports, business updates etc. as may be required by the Board are also circulated to all the

Directors. All Board members have access to accurate, relevant and timely information to fulfill their responsibilities. The meetings and agenda items taken up during the meetings comply with the Act and the SEBI LODR read with various circulars issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI") from time to time.

The Company has a well-established process in place for reporting to the Board and Committees, the compliance status of various statutory laws applicable to the Company through an online platform. All significant observations, decisions and comments given by the Directors at the Board meeting(s) and/or its Committee meeting(s) are promptly communicated to the relevant personnel and other team members for taking appropriate action. The status update on all the critical points, action initiated/taken on key aspects are periodically communicated to the management and the Directors for their review and consideration by way of Action Taken Report (ATR) which are also placed at every Board / Committee meeting based on inputs received from the management team.

The disclosures are made by the Senior Management Personnel of the Company to the Board of Directors relating to any material, financial and commercial transactions, wherever they have personal / financial interest in any transaction or matters that may have a potential conflict with the interest of the Company at large, if any, on a periodical basis. As part of the green initiatives to protect environment, the Company uses a secured electronic software application system through which Board and Committee meetings agenda, notes, supporting documents and other information/ communication are circulated/shared with the Directors and accessed in the meetings, thereby saving time and cost and adhering to the requisite procedures as prescribed under the law.

The Company Secretary and Compliance Officer of the Company attends the meetings of the Board and Committees and is, *inter-alia*, responsible for recording the minutes of the meeting(s) of the Board and/or its Committee(s). The draft minutes of the Board and/or its Committee(s) are provided to the respective Chairperson and the Directors for their comments, if any and appropriately entered/recorded in the minutes book maintained in accordance with the Act and in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

The Independent Directors, in the opinion of the Board, fulfil the conditions specified in the SEBI LODR Regulations and are independent of the Management.

III. COMMITTEES OF THE BOARD

i. AUDIT COMMITTEE

a. Composition of the Audit Committee:

The Audit Committee (AC) comprises the following Directors:

Name of the AC members	Designation
Mr. Milin Mehta	Chairman
Non-Executive Independent Director	
Mr. Ranjit Singh	Member
Non-Executive Independent Director	
Mrs. Vijaya Sampath	Member
Non-Executive Independent Director & Woman Director	
Mr. Amit Goela	Member
Non-Executive Non -Independent Director	

Mr. Anup Kumar Samal, Company Secretary & Compliance Officer, acts as the Secretary to the Audit Committee.

b. Meetings and attendance during the year:

During the financial year ended March 31, 2025, seven (7) meetings of the Audit Committee were held i.e. on May 07, 2024, May 20, 2024, July 08, 2024, August 08, 2024, November 06, 2024, February 06, 2025 and March 28, 2025. The attendance of the Audit Committee members is as under:

Name of the AC members	No. of AC meetings	
	Held	Attended
Mr. Milin Mehta	7	7
Mr. Ranjit Singh	7	7
Mrs. Vijaya Sampath	7	7
Mr. Amit Goela	7	7

c. The brief terms of reference of the Audit Committee are as under:

All the members of the Committee have accounting / financial knowledge and other qualifications as required under law to carry out their functions and other relevant expertise and more than 2/3rd of members of the Committee are Independent Directors.

The constitution and terms of reference of the Audit Committee are in conformity with Section 177 of the Act, Regulation 18 of the SEBI LODR read with Part C of Schedule II of the said Regulations. The Audit Committee is entrusted with the main responsibility to supervise the Company's internal controls and financial reporting process, *inter-alia* other matters as required to be reviewed / approved / recommended by the Audit Committee. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company. The Committee also reviews the financial statements and investments of unlisted subsidiary and associate companies, Management Discussion & Analysis of the financial condition and results of operations, amongst other areas.

The meetings of the Audit Committee are also attended by the Executive Directors, Chief Financial Officer(s), Chief Executive Officer(s), Statutory Auditors and Internal Auditors. As and when required, the Senior Executives of the Accounts / Finance Department, Corporate Assurance Department and other officials / external experts, representatives of the Statutory and Internal Auditors also attend the meetings of the Audit Committee as the invitees. The Cost Auditor also attends the Audit Committee meeting in which the Cost Audit Report(s) are reviewed.

ii. NOMINATION AND REMUNERATION COMMITTEE

a. Composition of the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee (NRC) comprises the following Directors:

Name of the NRC members	Designation
Mrs. Vijaya Sampath	Chairperson
Mr. Milin Mehta	Member
Mr. Amit Goela	Member
Mr. Ranjit Singh	Member

Mr. Anup Kumar Samal, Company Secretary & Compliance Officer, acts as the Secretary to the NRC.

b. Meetings and attendance during the year:

During the financial year ended March 31, 2025, one (1) meeting of the NRC was held on May 07, 2024. The attendance of the NRC members is as under:

Name of the NRC members	No. of NRC meetings	
	Held	Attended
Mrs. Vijaya Sampath	1	1
Mr. Milin Mehta	1	1
Mr. Amit Goela	1	1
Mr. Ranjit Singh	1	1

c. The brief terms of reference of the NRC are as under:

All the members of the Committee are Non- Executive Directors with more than 2/3rd members of the Committee being the Independent Directors. The Chairperson of the Committee is an Independent Director and different from the Chairman of the Board. The constitution and terms of reference of the NRC are in conformity with the Act and the SEBI LODR and also covers all the requirements specified under Section 178 of the Act and Regulation 19 of the SEBI LODR read with Part D of Schedule II, as amended from time to time.

The NRC is responsible *inter-alia*, to formulate the criteria for appointment of Directors, Key Managerial personnel and Senior Management personnel and reviews the said

criteria for determining the qualifications, skills, positive attributes necessary for inducting members on the Board and Senior management. The Committee is also responsible for screening the candidates who meet the criteria, reviewing their appointment / re-appointment and making recommendations to the Board in this regard. The Committee reviews the performance evaluation of Independent Directors, the Chairman, Board as a whole and that of its Committees and of the Senior Management personnel, who are also being evaluated by the Committee/ Executive Directors.

d. Performance evaluation criteria for Independent Directors and Board:

The NRC oversees the annual self-evaluation of the Board including Committees thereof and of the Chairman and individual Directors. It reviews and discusses all matters pertaining to performance of all the Directors including the Independent Directors, periodically as may be necessary on the basis of the detailed performance parameters set forth.

The Committee also periodically evaluates the usefulness of such performance parameters and makes necessary amendments. The NRC has laid down the criteria / questionnaires for performance evaluation of the Board, Committees and the Directors (including the Chairman and the Independent Directors) which are based on certain parameters *inter-alia* including the following:

- Adequate size and structure of the Board and has sufficient range of expertise to make it effective;
- Timeliness of circulating Agenda for meetings;
- Quality, quantity and timeliness of flow of information to the Board;
- Opportunity to discuss matters of critical importance, before decisions are made;
- Familiarity with the objects, operations and other functions of the Company;
- Level of monitoring of the Corporate Governance Regulations and compliance;
- Involvement of the Board in Strategy discussion;
- Performance of the Chairperson of the Company including leadership qualities;
- Director's adherence to high standards of integrity, confidentiality and ethics;
- Overall performance and contribution of the directors at the meetings;
- Overall performance of the Board / Committees.

e. **Nomination, Evaluation and Remuneration Policy**

The NRC in terms of the provisions of Section 178 of the Act, and Regulation 19 of the SEBI LODR, is responsible for formulating the criteria for determining qualification, positive attributes and independence of the Directors. The NRC is also responsible for recommending to the Board, the policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management. In line with this requirement, the Board had adopted the Nomination, Evaluation and Remuneration Policy, which is available on the website of the Company at <https://www.wabag.com/investors/>.

The NRC of the Board has laid down various criteria for evaluation of the performance of the Directors like level of participation of the Directors, understanding of their roles and responsibilities, understanding of the business and competitive environment in which the Company operates, understanding of the strategic issues and challenges for the Company, understanding the terms of reference, effectiveness of the discussions, etc.

The NRC fixes the Key Performance objectives of the Executive Directors of the Board each year, which are aligned with the immediate and long term goals and strategies of the Company.

The performance evaluation of the Executive Directors is undertaken after the end of the financial year on the basis of agreed Key Performance objectives. The remuneration is determined considering various factors such as relevant qualification, experience, expertise, roles, functions, responsibilities, prevailing remuneration in the industry and the financial performance of the Company. The remuneration component is split into fixed pay and performance pay which is payable on achieving various performance criteria including but not limited to the following:

- Leadership, strategy formulation, strategy execution, financial planning & performance;
- Relationship with other Board members, external relations, human resource management / relation, succession planning, product / service knowledge and personal qualities etc.;
- Role and accountability, objectivity and personal attributes.

The remuneration components payable depends on achieving the key performance metrics set by the NRC and the Board, from time to time, covering the areas such as:

- Order Booking / Sales / PAT / Bank Line / Cash flow / Optimising total cost of operation of the Group etc.;
- Succession Planning / Recruitment of Key lateral leadership / Employee engagements / Productivity;
- Strategy Formulation and Execution;
- Stakeholders engagements;
- Successful financial closure of the Projects / Secure Order intakes;
- Other factors as may be fixed by the NRC / Board, from time to time.

The Non-Executive Directors (i.e. Directors other than the Managing Director and the Whole-time Director), are paid a commission on quarterly basis within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Act, from time to time, pursuant to the approval granted by the Members at the 19th AGM of the Company held on July 21, 2014 and as per the Nomination, Evaluation & Remuneration Policy of the Company.

Details of Remuneration paid during the financial year ended March 31, 2025 to the Directors are furnished hereunder:

- a. There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the FY 2024-25.
- b. Criteria for making payments to the Non-Executive Directors:

The remuneration to the Non-Executive Directors (including Independent Directors) are paid within the monetary limit approved by the Members, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013. Other than the above and reimbursement of expenses incurred for travel and accommodation for attending the meeting of the Board and Committees, if any, no other payments are made to the Non- Executive Directors of the Company.

c. Details of the Remuneration to the Directors:

(Amount in INR)

Name of the Directors	Category	Salary, Commission and allowance(s)	Perquisites	Sitting Fees	Total
Mr. Rajiv Mittal	CMD	4,56,03,748	28,16,796	-	4,84,20,544
Mr. S. Varadarajan	WTD & CGO	2,46,55,124	6,88,800	-	2,53,43,924
Mr. Amit Goela	NE NID	18,00,000	-	-	18,00,000
Mr. Milin Mehta	NE ID	18,00,000	-	-	18,00,000
Mr. Ranjit Singh	NE ID	18,00,000	-	-	18,00,000
Mrs. Vijaya Sampath	NE ID & IWD	18,00,000	-	-	18,00,000

Notes:

- Sitting fee was not paid to any Directors for attending meetings of the Board and Committees.
- The Company has neither advanced loans nor granted any stock options to any Directors during the FY 2024-25.
- No severance pay is payable upon termination of the appointment of the Director. Notice period for termination of Executive Directors shall be six (6) months on either side.
- No other benefits viz. bonuses, pension, performance linked incentives, service contract fee, notice period fee, severance fee, etc. are paid to the Non-Executive Directors.

iii. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a. Composition of the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee (SRC) comprises the following Directors:

Name of the SRC members	Designation
Mr. Ranjit Singh*	Chairman
Mr. S. Varadarajan	Member
Mr. Milin Mehta	Member

*Non-Executive Independent Director is heading the Committee

Mr. Anup Kumar Samal, Company Secretary & Compliance Officer, acts as the Secretary to the SRC.

b. Meetings and attendance during the year:

During the financial year ended March 31, 2025, four (4) meetings of the SRC were held i.e. on May 07, 2024, August 08, 2024, November 06, 2024 and February 06, 2025. The attendance of the SRC members is as under:

Name of the SRC members	No. of SRC meetings	
	Held	Attended
Mr. Ranjit Singh	4	4
Mr. S. Varadarajan	4	4
Mr. Milin Mehta	4	4

c. The brief terms of reference of the SRC are as under:

The role of the SRC includes, without limitation, resolving the grievances of the Members of the Company, ensuring expeditious share transfer process, evaluating performance and service standards of the Registrar and

Transfer Agent of the Company, amongst other aspects. The constitution, role and terms of reference of the SRC are in line with the Act and the SEBI LODR and also covers all the matters as contemplated under the Regulation 20 read with Part D of Schedule II of the SEBI LODR and Section 178 of the Act, as applicable, besides other terms as referred by the Board from time to time.

d. The details of the complaints received during the FY 2024-25 and the status of pending complaints:

- Number of complaints pending as on April 1, 2024: Nil
- Number of shareholder complaints received: 4
- Number of complaints resolved: 4
- Number of complaints not resolved to the satisfaction of Members: Nil
- Number of complaints pending as on March 31, 2025: NIL

iv. RISK MANAGEMENT AND MONITORING COMMITTEE

a. Composition of the Risk Management and Monitoring Committee (RMMC):

The RMMC comprises the following Directors:

Name of the RMMC members	Designation
Mr. Ranjit Singh	Chairman
Mr. Milin Mehta	Member
Mr. Rajiv Mittal	Member
Mr. S. Varadarajan	Member

Mr. Anup Kumar Samal, Company Secretary & Compliance Officer, acts as the Secretary to the RMMC.

b. Meetings and attendance during the year:

During the financial year ended March 31, 2025, three (3) meetings of the RMMC were held i.e. on May 20, 2024, November 06, 2024 and February 06, 2025.

The attendance of the RMMC members is as under:

Name of the RMMC members	No. of RMMC meetings	
	Held	Attended
Mr. Ranjit Singh	3	3
Mr. Milin Mehta	3	3
Mr. Rajiv Mittal	3	3
Mr. S. Varadarajan	3	3

c. The brief terms of reference of the RMMC are as under:

The constitution and terms of reference of the RMMC are in conformity with the Act and the SEBI LODR and covers all the matters specified under Regulation 21 of the SEBI LODR. The RMMC assists the Board in their responsibilities of overseeing the risk management policies and processes and the Company's exposure to unmitigated risks. The Committee reviews the business issues in depth and recommends various solution and risk management framework including amendments to various policy decisions, strategies and ensures risk mitigation plans and minimisation of risks from the business, to the extent required and necessitated.

The Committee's terms of reference are exhaustive. The main responsibility of the RMMC are as follows:

- implementation of risk management systems and framework;
- review of the Company's financial and risk management policies;
- assessment of risk and procedures to minimise the same;
- to monitor the various operational and other business related issues including the new/ ongoing projects;
- risk aspects arising out of the project/business and other specific matters directed by the Board.

SENIOR MANAGEMENT

As per the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023, the Senior Management are as under:

1. Deputy Managing Director and Group Chief Executive Officer;
2. Chief Financial Officer (CFO);
3. Company Secretary & Compliance Officer;
4. CEO of all the Clusters;
5. CFO of all the Clusters;
6. Head - Corporate Assurance;
7. Head - Global Business Development;
8. Head - Global Treasury.

Particulars of senior management including the changes therein since the close of the previous FY 2023-24:

Sr. No	Name of the Senior Management Personnel	Designation	Details of Changes
1	Mr. Skandaprasad Seetharaman	Chief Financial Officer (CFO)	-
2	Mr. Anup Kumar Samal	Company Secretary & Compliance Officer	-
3	Mr. Shailesh Kumar	CEO - India Cluster	-
4	Mr. Mahmut Gedek	CEO - Europe Cluster	-
5	Mr. V. Arulmozhi	CFO - India Cluster	-
6	Mr. Ramakrishna Raju Josyula	Head - Corporate Assurance	-
7	Mr. Rajesh Singh	Head - Global Treasury	-

OTHER COMMITTEES:

v. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

a. Composition of the CSR Committee:

The CSR Committee (CSRC) comprises the following Directors:

Name of the CSRC members	Designation
Mrs. Vijaya Sampath	Chairperson
Mr. Amit Goela	Member
Mr. Ranjit Singh	Member
Mr. S. Varadarajan	Member

Mr. Anup Kumar Samal, Company Secretary & Compliance Officer, acts as the Secretary to the CSRC.

b. Meetings and attendance during the year:

During the financial year ended March 31, 2025, three (3) meetings of the CSRC were held i.e. on May 07, 2024, November 07, 2024 and February 06, 2025. The attendance of the CSRC members is as under:

Name of the CSRC members	No. of CSRC meetings	
	Held	Attended
Mrs. Vijaya Sampath	3	3
Mr. Amit Goela	3	3
Mr. Ranjit Singh	3	3
Mr. S. Varadarajan	3	3

c. The brief terms of reference of the CSRC are as under:

The constitution and terms of reference of the CSRC are in conformity with the Act and the SEBI LODR and covers all the matters specified under Section 135 of the Act. The key role of the CSRC includes:

- formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company;
- formulating and recommending to the Board the Annual Action Plan for CSR;
- recommending the amount of expenditure to be incurred on CSR activities;
- Reviewing the performance of CSR activities undertaken by the Company.

vi. CAPITAL ALLOCATION COMMITTEE (CAC)

a. Composition of the Capital Allocation Committee (formerly known as Overseas Investment Committee):

The Capital Allocation Committee (CAC) comprises the following Directors:

Name of the CAC members	Designation
Mr. Milin Mehta	Chairman
Mrs. Vijaya Sampath	Member
Mr. Ranjit Singh	Member
Mr. Rajiv Mittal	Member
Mr. S. Varadarajan	Member

Mr. Anup Kumar Samal, Company Secretary & Compliance Officer, acts as the Secretary to the CAC.

b. Meetings and attendance during the year:

During the financial year ended March 31, 2025, there were no meeting of CAC convened since all the proposals were placed before the Board.

c. The brief terms of reference of the CAC are as under:

The Company has 17 Subsidiaries / Associates / Joint Ventures spread across different geographies and part of good Corporate Governance practices, your Board has constituted a CAC to monitor and review compliances and investments made into various entities of WABAG Group. The Committee also engages external experts on Overseas Direct Investments to review / monitor and advise the Company from the compliance perspective for revamping / restructuring the group structure, from time to time.

vii. SUSTAINABILITY COMMITTEE

a. Composition of the Sustainability Committee

(formerly known as Business Responsibility and Sustainability Committee):

The Sustainability Committee (SC) comprises the following Directors:

Name of the SC members	Designation
Mrs. Vijaya Sampath	Chairperson
Mr. Milin Mehta	Member
Mr. Ranjit Singh	Member
Mr. S. Varadarajan	Member

Mr. Anup Kumar Samal, Company Secretary & Compliance Officer, acts as the Secretary to the SC.

b. Meetings and attendance during the year:

During the financial year ended March 31, 2025, three (3) meetings of the SC were held i.e. on May 20, 2024, November 07, 2024 and February 06, 2025. The attendance of the SC members is as under:

Name of the SC members	No. of SC meetings	
	Held	Attended
Mrs. Vijaya Sampath	3	3
Mr. Milin Mehta	3	3
Mr. Ranjit Singh	3	3
Mr. S. Varadarajan	3	3

c. The brief terms of reference of the SC are as under:

- Enhancements of scope in Business Responsibility and Sustainability Report (BRSR);
- Advising on implementation of Environment, Social and Governance (ESG), its ratings, ESG investing, etc.;
- Finalisation of the BRSR & integrated report on ESG;
- Any other reference as may be decided by the SC, from time to time.

IV. GENERAL BODY MEETINGS**a. Annual General Meetings**

The details of the Annual General Meetings held during the preceding three (3) financial years and the Special Resolutions passed thereat are as under:

FY	Location	Date and Time	Special Resolutions passed
2023-24	Through Video Conferencing (VC)	Wednesday, August 14, 2024 at 4.00 P.M. (IST)	<ul style="list-style-type: none"> • Increase in the Borrowing limits of the Company • Increase in limits for creation of charges on the assets of the Company
2022-23	Through Video Conferencing (VC)	Friday, August 11, 2023 at 4.00 P.M. (IST)	<ul style="list-style-type: none"> • Re-appointment of Mr. Ranjit Singh (DIN: 01651357) as an Independent Director • Re-appointment of Mrs. Vijaya Sampath (DIN: 00641110) as an Independent Director
2021-22	Through Video Conferencing (VC)	Wednesday, August 24, 2022 at 3.00 p.m. (IST)	<ul style="list-style-type: none"> • Re-appointment of Mr. Milin Mehta (DIN: 01297508) as an Independent Director

b. Extraordinary General Meetings

There were no Extraordinary General Meetings (EGM) held during the FY 2024-25. However, during the preceding three (3) financial years, below mentioned EGM was held:

FY	Location	Date and Time	Special Resolutions passed
2023-24	Through Video Conferencing (VC)	Tuesday, January 30, 2024 at 11.00 A.M. (IST)	<ul style="list-style-type: none"> • Approval for adoption of 'Wabag Centenary Stock Option Scheme 2023' • Approval for extension and grant of Centenary Stock Options to the Employees of Group company(ies) including Subsidiary company(ies) and/or Associate company(ies) of the Company under 'Wabag Centenary Stock Option Scheme 2023'

c. Special Resolution passed through postal ballot:

During the FY 2024-25, no resolution was passed through the postal ballot.

V. MEANS OF COMMUNICATION

The Company has been sending Annual Reports, Notices and other communication to each Member through e-mail and also through post and/or courier services as requested by the Members. Pursuant to the circulars issued by the MCA and the SEBI, the Notice and Annual Report for the FY 2024- 25 are sent through electronic means (e-mail) only. The Notice and Annual Report of the Company for the FY 2024-25 shall also be available on the website of the Company www.wabag.com and also on the website of the stock exchanges viz. BSE Limited and National Stock Exchange of India Limited including the e-Voting platform.

Further, the Company ensures that the following filings and reports are available on its website:

- The quarterly reports, along with the additional information and official news releases, are posted on the Company's website, at <https://www.wabag.com/Investors>. The quarterly results / annual results are generally published in at least one English language national daily newspaper circulating in the whole or substantially the whole of India (i.e. Business Standard) and in one Tamil language regional daily newspaper circulating in the state of Tamil Nadu (i.e. Makkal Kural).
- All Quarterly results and annual financial statements (both standalone and consolidated), along with segmental and other information, are also uploaded on the Company's website, at <https://www.wabag.com/Investors>.
- Audio recordings of Earnings calls with the analysts and investors and their transcripts along with the presentations are also published on the Company's website at <https://www.wabag.com/Investors>. The AGM and EGM proceedings and voting results with the Scrutiniser's Report are available on the Company's website, at <https://www.wabag.com/Investors>.
- Other information, such as press releases, stock exchange disclosures and presentations made to the investors and analysts, etc., is regularly updated on the Company's website.

VI. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting to be held for the FY 2024-25:

Day: Tuesday

Date: August 12, 2025

Time: 4.00 P.M. (IST)

Venue: In compliance with the provisions of the Act and MCA Circulars, the 30th AGM of the Company is being held through VC/ OAVM. The deemed venue of the AGM shall be the Registered Office of the Company i.e. WABAG House, No. 17, 200 Feet Thoraipakkam - Pallavaram Main Road, Sunnambu Kolathur, Chennai - 600117, Tamil Nadu State, India.

b. Financial Calendar:

The financial year of the Company is from April 01 to March 31 of every year and for the FY 2025-26, the financial results are proposed to be declared as per the following tentative schedule:

Particulars	Tentative Schedule
Financial reporting for the quarter ending June 30, 2025	First fortnight of August 2025
Financial reporting for the quarter / half year ending September 30, 2025	First fortnight of November 2025
Financial reporting for the quarter / nine months ending December 31, 2025	First fortnight of February 2026
Financial reporting for the quarter / year ending March 31, 2026	First / Second Fortnight of May 2026
Annual General Meeting for the year ending March 31, 2026	August 2026

c. Book Closure Date:

The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, August 06, 2025 to Tuesday, August 12, 2025 (both days inclusive) for the purpose of the 30th Annual General Meeting.

d. Dividend Payment Date:

Credit / dispatch of dividend warrants, if approved at the ensuing 30th Annual General Meeting, would be made on or before September 10, 2025.

e. Listing on Stock Exchanges:**(i) Equity Shares:**

WABAG's equity shares are listed on the following Stock Exchanges with effect from October 13, 2010:

Name of the Stock Exchanges	Address	Stock Code
National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	WABAG
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	533269

The Company has paid the Annual listing fees and Custodian charges for the FY 2025-26 to both the Stock Exchanges and Depositories respectively within the prescribed time.

f. Market Price Data – high, low during each month in last financial year relating to Equity Shares listed:

Month	BSE		NSE	
	High	Low	High	Low
April - 2024	1030.00	764.85	1030.00	765.50
May - 2024	1016.40	853.35	1016.55	854.05
June - 2024	1348.00	820.00	1349.00	825.00
July - 2024	1405.00	1185.80	1405.00	1184.95
August - 2024	1420.00	1208.00	1420.00	1203.70
September - 2024	1563.65	1240.15	1548.00	1245.10
October - 2024	1906.70	1407.60	1905.65	1405.05
November - 2024	1865.00	1643.45	1866.75	1645.70
December - 2024	1943.95	1522.30	1944.00	1523.75
January - 2025	1690.00	1109.35	1690.00	1114.00
February - 2025	1550.00	1244.05	1550.00	1244.75
March - 2025	1615.00	1216.80	1615.00	1218.00

g. Performance of the share price of the Company in comparison to BSE Sensex and NSE Nifty:

Month	WABAG's Closing Price on NSE on the last trading day of month (INR)	BSE Sensex at the Close of last trading day of the month	NSE Nifty at the Close of last trading day of the month
April - 2024	966.05	74482.78	22604.85
May - 2024	980.05	73961.31	22530.70
June - 2024	1280.90	79032.73	24010.60
July - 2024	1342.65	81741.34	24951.15
August - 2024	1272.55	82365.77	25235.90
September - 2024	1510.50	84299.78	25810.85
October - 2024	1777.95	79389.06	24205.35
November - 2024	1794.90	79802.79	24131.10
December - 2024	1643.10	78139.01	23644.80
January - 2025	1372.35	77500.57	23508.40
February - 2025	1303.50	73198.10	22124.70
March - 2025	1454.65	77414.92	23519.35

h. Registrar & Share Transfer Agent (RTA) / Demat Registrar:

Equity Shares:

Cameo Corporate Services Limited

Subramanian Building, 1, Club House Road,
Anna Salai, Chennai – 600002, Tamil Nadu
Toll free no. 044 4002 0700
Email ID: investor@cameoindia.com

Non-Convertible Debentures:

Integrated Registry Management Services Private Limited

4th Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman
Road, T. Nagar, Chennai - 600017
Phone: 044-28140645 Fax: 044-28140652

i. Share Transfer System:

In terms of Regulation 40 of the SEBI LODR, as amended, no transfer of shares of a listed company in physical mode is permitted. Transfer of shares is permitted only in dematerialised form. The dematerialised shares are directly transferred by the depositories to the beneficiaries. A summary of the dematerialisation request / re-materialisation requests are placed before the meetings of the Stakeholders Relationship Committee.

Nomination facility for Shareholding

As per the provisions of Section 72 of the Act, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Company or download the same from the Company's website. Members holding shares in dematerialised form should contact their respective Depository Participant (DP) in this regard.

j. Distribution of equity shareholding as on March 31, 2025:

Distribution by size (PAN based)

Sr. No.	Category (Shares)	March 31, 2025				March 31, 2024			
		No of Holders	% to Holders	No of shares	% to Equity	No of Holders	% to Holders	No of shares	% to Equity
1	1-500	174209	91.44	7298078	11.74	100349	92.80	7587359	12.20
2	501-1000	8257	4.33	3028033	4.87	3802	3.52	2898539	4.66
3	1001-2000	4113	2.16	3058130	4.92	1969	1.82	2890271	4.65
4	2001-3000	1322	0.69	1654442	2.66	626	0.58	1584774	2.55
5	3001-4000	733	0.38	1317550	2.12	347	0.32	1232078	1.98
6	4001-5000	396	0.21	905220	1.46	238	0.22	1104936	1.78
7	5001-10000	764	0.40	2747454	4.42	414	0.38	2971858	4.78
8	10001 and above	724	0.38	42181521	67.83	385	0.36	41920613	67.41
	Total	190518	100	62190428	100	108130	100	62190428	100

k. Dematerialisation of Shares and Liquidity

The Company's shares are available for dematerialisation with both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). A total of 99.99% of the Equity shares have been dematerialised as on March 31, 2025.

ISIN: INE956G01038 (Fully Paid Shares)

Description, No. of Members*, No. of Shares and % of Equity

Description	No. of Members*	No. of Shares	% Equity
Physical	4	212	0.00
NSDL	69,239	4,80,32,627	77.24
CDSL	1,26,223	1,41,57,589	22.76
Total	1,95,466	6,21,90,428	100

*Calculated on folio basis

The Company's shares are regularly traded on BSE Limited and the National Stock Exchange of India Limited and were never suspended from trading.

I. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

i. GDRs / ADRs:

The Company has not issued any GDRs / ADRs in the past and hence as on March 31, 2025, the Company does not have any outstanding GDRs / ADRs.

ii. Warrant:

During the FY 2024-25, the Company has not issued any warrant and there is no warrant outstanding for conversion which is likely to impact on equity.

iii. Foreign Currency Convertible Bonds (FCCBs):

During the FY 2024-25 and in the past, the Company has not issued any FCCBs.

iv. Non-Convertible Debentures (NCDs):

During the FY 2024-25, the Company has not issued any Non-Convertible Debentures.

m. Commodity Price Risk / Foreign Exchange

Risk and Hedging activities:

The details of foreign currency exposure and hedging are disclosed in standalone financial statements.

n. Plant locations:

WABAG Group facilities for design, engineering, procurement, construction, operation and maintenance at several locations across India as well as various multiple domestic units. The group also has an extensive network of regional offices, branches, project management offices, subsidiary entities in India and around the globe. Please refer to the BRSR forming part of the Annual Report for more details.

o. Address for correspondence:

VA TECH WABAG LIMITED

Company Secretary and Compliance Officer
(Corporate Secretarial Department)
Global Headquarters

'WABAG House', No.17, 200 Feet Thoraipakkam – Pallavaram
Main Road, Sunnambu Kolathur, Chennai - 600 117,
Tamil Nadu, India

CIN: L45205TN1995PLC030231

T: +91 44-6123-2323 | F: +91 44-6123-2324

E-mail: companysecretary@wabag.in

p. Prevention of Insider Trading:

In accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has instituted a comprehensive Code of Conduct for prevention

of insider trading, in the Company's shares and Code of practices and procedures for fair disclosure of unpublished price sensitive information.

q. Reconciliation of Share Capital Audit:

Pursuant to the SEBI Regulations, Practicing Company Secretaries carry out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL, CDSL, physical shares and the total issued and paid-up capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Stakeholders' Relationship Committee and the Board of Directors of the Company. The audit, *inter-alia*, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialised form held with NSDL, CDSL and total number of shares in physical form.

r. Equity Shares in the Suspense Account:

As per Schedule V read with Schedule VI, Regulation 34(3) and 39(4) of the SEBI LODR, the details in respect of equity shares lying in the suspense/escrow account are as under:

- None of the equity shares issued during Initial Public Offer are lying in the "VA TECH WABAG LIMITED – UNCLAIMED SHARES DEMAT SUSPENSE ACCOUNT" as on March 31, 2025.

s. List of all credit rating obtained for debt:

The Company's borrowing arrangements has received improvement in credit rating by the India Ratings & Research (wholly owned subsidiary of Fitch group), the credit rating agency of the Company, which upgraded the NCDs and Bank Loan's Long-Term Rating to 'IND AA-/Stable' during the FY 2024-25 as below:

- Fund based limits: IND AA-/Stable/IND A1+, Long-term rating upgraded; short-term rating affirmed
- Non-fund-based limits: IND AA-/Stable/IND A1+, Long-term rating upgraded; short-term rating affirmed
- Non-convertible debentures: IND AA-/Stable, Upgraded

Please refer to the Board's Report for further details.

t. Investor Education and Protection Fund (IEPF)

In accordance with the applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (IEPF Rules), all unclaimed dividends, which are not claimed for a period of seven (7) years from the date of transfer to Unclaimed Dividend Account of the Company, are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF).

Further, according to the IEPF Rules, all the shares in respect of which dividend has not been claimed by the Members for seven (7) consecutive years or more from the respective date of transfer to Unpaid Dividend Account shall also be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific Order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. The members can claim the dividends and shares transferred to the IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website www.iepf.gov.in as per the procedure prescribed under the Act. No claim shall lie against the Company in respect of the shares and dividend so transferred.

In accordance with IEPF Rules, the Board of Directors have appointed Mr. Anup Kumar Samal, Company Secretary & Compliance Officer of the Company, as the Nodal Officer and Mr. Skandaprasad Seetharaman, Chief Financial Officer, as the Deputy Nodal Officer, for the purpose of verification of claims and for co-ordination with IEPF Authority. Details of the Nodal Officer and Deputy Nodal Officer for the purpose of co-ordination with the IEPF Authority are available on the website of the Company at <https://www.wabag.com/Investors>. Shares and dividends have been transferred into IEPF account from the FY 2010-11 onwards and the Company is processing the requests received from Members who are filing the IEPF-5 available on the website of the Company.

Reminder to the Members:

In accordance with IEPF Rules, if a Member of the Company has not claimed the dividend declared by the Company for a period of seven (7) consecutive years, then the said unclaimed dividend along with the corresponding shares held by them are being transferred to the IEPF and no further claim can be made to the Company on such dividend / shares. The Company sends periodical reminders/ communication to all those Members whose dividend is unclaimed / unpaid for a period of seven (7) years. The Company encourages the Members to approach the Company/ RTA with appropriate documents to encash their unclaimed/unpaid dividend before the said dividend / corresponding shares are transferred to the Investor Education and Protection Fund, in compliance with the IEPF Rules as amended from time to time. Members are requested to write to the Company / RTA to claim their unclaimed dividend(s), if any.

The dividend income is taxable in the hands of the Members, effective from April 1, 2020 pursuant to the Finance Act, 2020 and the Company is required to deduct tax at source from the dividend paid to its Members at prescribed rates as per the Income Tax Act, 1961.

u. SEBI Complaints Redress System (SCORES):

SEBI vide its circular dated March 26, 2018 issued new policy measures w.r.t. SEBI Complaints Redress System (SCORES). As per the new process, SEBI has requested the Members to

approach the Company directly at the first instance for their grievance, if any.

Further, as per the SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, a new SMART ODR Portal (Securities Market Approach for Resolution through Online Dispute Resolution (ODR) Portal) was implemented by the SEBI. This platform was designed to enhance investor grievance redressal by enabling the investors to access ODR Institutions for the resolution of their complaints.

v. Investor Relations:

The Investor Relations (IR) team of the Company continues to uphold its commitment to transparent communication, market credibility, and long-term shareholder value creation. As a strategic interface between the company and the capital markets, the IR team has played a pivotal role in strengthening investor confidence, and enhancing the company's visibility in the investment community. Throughout the year, the department executed a series of impactful initiatives, with notable accomplishments across the following areas:

- Strengthening Stakeholder Engagement
- Timely and Transparent Disclosures
- Enhancing Digital Accessibility
- Improved Market Perception
- Proactive Feedback Loop

The IR team remains steadfast in its mission to deepen market understanding of Wabag's unique business model and long-term strategic goals through proactive, transparent, and accessible communication approach.

The Company has a designated e-mail ID for the Investor Relations: investors@wabag.in.

VII. SUBSIDIARY & ASSOCIATE COMPANIES

The Company reviews the performance of its subsidiary and associate companies, *inter-alia*, by the following means:

- i. The financial statements, including the investments made by subsidiary and associate companies, if any, are reviewed by the Audit Committee of the Company periodically;
- ii. The minutes of the Board / Audit Committee meetings of the subsidiary companies are noted at the Board / Audit Committee meetings respectively of the Company, as applicable;
- iii. The details of significant transactions and arrangements entered into by the subsidiary companies are placed periodically at the Audit Committee and Board meetings of the Company;

- iv. Detailed update on various businesses carried out by the subsidiaries and associates of the Company and joint ventures, are presented to the Board of Directors of the Company, on a quarterly basis;
- v. Utilisation of loans / advances given or investment made in subsidiary and associate Companies is reviewed periodically by the Audit Committee of the Company.

VIII. OTHER DISCLOSURES

- a. **Disclosures on materially significant related party transactions (i.e., transactions of the Company of material nature, with its Promoters, Directors or their relatives, management, its subsidiaries etc., that may have potential conflict with the interests of the Company at large):**

None of the transactions with related parties were in conflict with the interests of the Company at large. The transactions with the related parties are mentioned in the financial statements.

- b. **Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or the SEBI or any statutory authority, on any matter related to capital markets during the last three years:**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three (3) years and hence, no penalty or stricture was imposed by the Stock Exchanges or the SEBI or any statutory authority.

- c. **Whistle Blower Policy / Vigil Mechanism:**

To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to voice concern in a responsible and effective manner about serious malpractice, impropriety, abuse or wrongdoing within the organisation, the Company has a Whistle Blower Policy / Vigil Mechanism in place, applicable to the Company and its associates and subsidiaries.

This mechanism has been communicated to all the concerned and posted on the Company's website www.wabag.com/investors. Procedure for making complaint has been prescribed in the said policy. We affirm that during the year under review, no one has been denied access to the Chairman of the Audit Committee under the Whistle Blower Policy. During the FY 2024-25, no complaints relating to the Company were received by the Committee Members / Chairman of the Audit Committee.

- d. The Company has complied with the mandatory requirements of Listing Regulations. Further, the Company has also put its best endeavour to comply with the non-mandatory requirement(s).

- e. **The Company has framed a Policy on determining Material Subsidiaries and the same is placed on the Company's website and the web link for the same is**

<https://www.wabag.com/Investors>.

- f. **The Company has framed "Policy on Materiality of Related Party Transactions and on dealing with the Related Party Transactions", and the same is placed on the Company's website and the web link for the same is**

<https://www.wabag.com/Investors>.

- g. **During the financial year ended March 31, 2025, the Company did not engage in commodity business, commodity risk is not applicable. The foreign exchange risks are managed/ hedged to the extent deemed necessary.**

- h. **Details of utilisation of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A):**

The Company has not raised any funds as share capital during the FY 2024-25 through preferential allotment and/or qualified institutional placement.

- i. **Certificate from the Company Secretary in practice that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as the directors of the companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority is annexed hereinafter.**

- j. **The Board has unanimously accepted all recommendations of the Board committees which are mandatorily required during the FY 2024-25.**

- k. **Total fees for all services paid by the Company & its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity of which the statutory auditors are a part was INR 8 Million.**

- l. **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:**

- a. Number of complaints filed during the FY: Nil
- b. Number of complaints disposed of during the FY: Nil
- c. Number of complaints pending as on end of the FY: Nil

m. Disclosure by the Company and its subsidiaries w.r.t. “Loans and Advances in the nature of Loans to firms / companies in which directors are interested by name and amount”:

The details are mentioned in the Standalone Financial Statements, forming part of this Annual Report.

n. Details of material subsidiaries of the Company including the date and place of incorporation and the name and date of appointment of the Statutory Auditors of such subsidiaries:

Name of the material subsidiary	VA TECH WABAG GmbH
Date and place of incorporation	June 26, 1990, Vienna, Austria
Name and date of appointment of the Statutory Auditors	Bernadini, Egger & Co Steuerberatung und Wirtschaftsprüfung GmbH Trazerberggasse 85 1130 Wien [Date of Appointment of the Auditor: December 12, 2024]

IX. THERE HAS BEEN NO INSTANCE OF NON-COMPLIANCE OF ANY REQUIREMENT OF THE CORPORATE GOVERNANCE REPORT AS PRESCRIBED UNDER THE SEBI LODR.

X. ADOPTION OF NON-MANDATORY REQUIREMENTS AS STIPULATED IN PART E OF SCHEDULE II OF THE SEBI LODR:

a. Modified opinion in Audit Report

During the year under review, there is no audit qualification on Company's financial statements (both standalone and consolidated). The Company continues to adopt best practices to ensure unmodified audit opinion.

b. Separate posts of the Chairperson & Managing Director or the Chief Executive Officer (CEO)

Mr. Rajiv Mittal is appointed as the “Chairman & Managing Director” of the Company.

c. Reporting of Internal Auditor:

M/s PKF & Associates, Chartered Accountants and the Corporate Assurance Department of the Company being the joint Internal Auditors are the permanent invitees to the Audit Committee meetings and regularly attends the meetings for reporting their findings of the internal audit to the Audit Committee.

d. Disclosure on Accounting Standards

The Company has followed the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, while preparing Financial Statements. Kindly refer the financial statements (standalone and consolidated) for significant accounting policies adopted by the Company.

XI. Disclosure of certain types of agreements binding listed entities

The Board of Directors of the Company at its meeting held on July 08, 2024 had considered and approved the proposal for sale of WABAG Water Services S.R.L., Romania, a step down Subsidiary Company to Circular Waters Solutions S.R.L., Romania (Buyer). The share transfer process was completed on August 05, 2024 and consequently, WABAG Romania ceased to be a step down Subsidiary of the Company.

XII. THE COMPANY HAS FULLY COMPLIED WITH THE APPLICABLE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSE B TO CLAUSE I OF REGULATION 46(2) OF THE SEBI LODR.

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

To,
The Members of
VA TECH WABAG LIMITED

Sub: Declaration by the Chairman and Managing Director under Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Rajiv Mittal, Chairman and Managing Director of VA TECH WABAG LIMITED, to the best of my knowledge and belief, declare that all the members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2025.

For **VA TECH WABAG LIMITED**

Rajiv Mittal

Chairman and Managing Director
(DIN: 01299110)

Date: May 21, 2025
Place: Chennai

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
VA TECH WABAG LIMITED,
Chennai.

We, M Damodaran & Associates LLP, Practicing Company Secretaries have examined the compliance of the conditions of Corporate Governance by VA TECH WABAG LIMITED (CIN : L45205TN1995PLC030231), Chennai for the financial year ended on March 31, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2), and paragraphs C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**").

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in SEBI LODR for the financial year ended March 31, 2025.

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

M. DAMODARAN

Managing Partner

M DAMODARAN & ASSOCIATES LLP

Membership No.: 5837

COP.No.: 5081

FRN: L2019TN006000

PR 3847/2023

ICSI UDIN: F005837G000393686

Place: Chennai
Date: May 21, 2025

CERTIFICATE

(Certification by CEO/CFO under Regulation 17(8) of SEBI Listing Obligations and Disclosure Requirements, Regulations, 2015)

To,
The Board of Directors of
VA TECH WABAG LIMITED

We have reviewed the financial statements and the cash flow statement of VA TECH WABAG LIMITED for the year ended March 31, 2025 and to the best of our knowledge and belief:

- a.
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there are:
 - (i) no significant changes in internal control over financial reporting during the year;
 - (ii) no significant changes in accounting policies during the year except for change in accounting policy as necessitated by IND AS and the Companies Act, 2013 mainly and that the same have been disclosed in the notes to the financial statements;
 - (iii) no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **VA TECH WABAG LIMITED**

May 21, 2025
Chennai

Skandaprasad Seetharaman
Chief Financial Officer

Shailesh Kumar
CEO –India Cluster

Rajiv Mittal
Chairman & Managing Director
(DIN: 01299110)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

VA TECH WABAG LIMITED

CIN: L45205TN1995PLC030231

"Wabag House", No. 17,

200 Feet Thoraipakkam -

Pallavaram Main Road,

Sunnambu Kolathur, Chennai-600117

Tamil Nadu, India

We, M Damodaran & Associates LLP, Practicing Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **VA TECH WABAG LIMITED** having **CIN - L45205TN1995PLC030231** and registered office at "WABAG House", No. 17, 200 Feet, Thoraipakkam - Pallavaram Main Road, Sunnambu Kolathur, Chennai - 600117, Tamil Nadu, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN)) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2025** have been debarred or disqualified from being appointed or continuing as the Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authorities.

Sr. No.	Name of Director	DIN	Designation	Date of appointment in Company
1.	Mr. Rajiv Mittal	01299110	Chairman and Managing Director	27/09/2000
2.	Mr. Milin Mehta	01297508	Non-Executive Independent Director	29/04/2019
3.	Mrs. Vijaya Sampath	00641110	Non-Executive Independent Director	31/07/2020
4.	Mr. Ranjit Singh	01651357	Non-Executive Independent Director	11/11/2020
5.	Mr. Amit Goela	01754804	Non-Executive Non-Independent Director	19/07/2021
6.	Mr. S. Varadarajan	02353065	Whole Time Director & Chief Growth Officer	24/06/2015

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

M. DAMODARAN

Managing Partner

M DAMODARAN & ASSOCIATES LLP

Membership No.: 5837

COP. No.: 5081

FRN: L2019TN006000

P/R 3847/2023

UDIN: F005837G000393719

Place: Chennai

Date: May 21, 2025

FINANCIAL

STATEMENTS



Independent Auditors' Report

To
The members of
VA Tech Wabag Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **VA Tech Wabag Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as 'the standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ('Standards') 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 Standalone 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 standalone financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No	Key audit matter description and principal audit procedures
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1	Revenue recognition
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Refer Notes 21, 13 and 23 in the standalone financial statements.

The Company recognises revenue and margin on the stage of completion based on the proportion of contract costs incurred relative to the estimated total costs of each contract (referred to as 'percentage of completion method'). The recognition of revenue and margin therefore is dependent on estimates in relation to the total costs on each contract. Cost contingencies may also be included in these estimates to take into account specific uncertainties within each contract. These cost estimates are reviewed by the Company on a regular basis during contract execution and adjusted where appropriate. There is significant judgement used by the management of the Company in estimating the amount of revenue and margin to be recognised by the Company and changes to these estimates could give rise to material variances, hence revenue recognition has been considered as a key audit matter.

Our procedures include the following:

- Evaluate and test key controls in the management processes in relation to recognition of revenue and margin including:
 - the preparation, review and authorisation of contract review sheets for contracts which contains the estimated total costs for the contracts including cost contingencies
 - the project reviews that are undertaken by the Company's management
 - the controls in relation to the accrual of cost towards materials and services

S.No	Key audit matter description and principal audit procedures
	<ul style="list-style-type: none"> Recalculate revenue recognised under the percentage of completion method on a test basis Evaluate the financial performance of contracts against budget / earlier year estimates and obtain reasons for significant variances thereto Test the contract value, costs incurred to date including the costs accrued for work completed, total estimated contract costs for a sample of contracts selected based on factors such as value of contracts, material new contracts and contracts where significant risks have been identified by the management of the Company Undertake site visits on a test basis to confirm our understanding of the risks and controls at site level
2	<p>Dues from customers (unbilled) and Trade receivables</p> <p>Refer Notes 2.1, 2.2, 2.3, 2.4, 6, 13 and 33 in the standalone financial statements</p> <p>The Company measures revenue to be recognised based on the contract costs incurred till the reporting date over the total estimated costs for each contract. Such revenue recognised in excess of progress billing till the reporting date is presented as 'Dues from customers' which are yet to be billed to the customers. Such Dues from customers are accounted based on the contractual terms and management's assessment of recoverability from customers.</p> <p>The management of the Company also assesses the recoverability of Trade receivables including those which have remained unsettled beyond contractual credit period using judgement and past collection trends in similar contracts and customers.</p> <p>The management of the Company estimates and recognises allowance for expected credit losses on Trade receivables and Dues from customers which involves estimation of expected default and/or delay in the customers making payment as per the contractual terms and realisability of Dues from customers, considering the past trend and its assessment on the reporting date. The valuation of Dues from customers and Trade receivables involves significant management judgement and estimates as stated above, and hence it has been considered as a key audit matter.</p> <p>Our procedures include the following:</p> <ul style="list-style-type: none"> Evaluate management's processes and controls in respect of Dues from customers and Trade receivables for the following <ul style="list-style-type: none"> risk assessment pertaining to invoicing and recoverability assessment of the probability of default and delay assessment of the significant increases in credit risk, if any Seek confirmation of balances from customers having significant outstanding balances as at the reporting date Review the project progress, invoicing and collection history of customers with significant Dues from customers or Trade receivables. Discuss with the project team to understand the management's assessment of risk associated with recoverability Analyse the past trend and inquire into the reasonableness of expected credit loss allowance matrix developed by the management of the Company for estimating the allowance for Trade receivables and Due from Customers Consider the subsequent events in assessing the recoverability of Dues from customers and Trade receivables as on reporting date Consult legal counsel wherever necessary for legal disputes to assess the valuation of Trade receivables

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

The Board of Directors of the Company is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report and Report on Corporate Governance, but does not include the standalone financial statements and our report thereon.

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

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

The Board of Directors of the Company is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended 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 judgements 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 accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud and error.

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

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

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

Our objectives are to obtain reasonable assurance whether the standalone 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 the Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- 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 over the operating effectiveness of such controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the standalone financial statements.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in **Annexure 'A'** to this report, a statement on the matters specified in para 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) on the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) with respect to the adequacy of internal financial controls with reference to financial statements of the Company and the operative effectiveness of such controls, refer to our separate report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the standalone financial statements;
 - (g) with respect to other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the

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

- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 41 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;
 - ii. the foreseeable losses on the long-term contracts of the Company are not material;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv.
 - a) the management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) the management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ('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;
 - c) based on the audit procedures that have been considered reasonable and appropriate in

the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. as stated in the Note 14(d) to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend
- vi. the reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the 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, when it was operated. Also, refer to management's assessment of audit trail in note 45(f) of the standalone financial statements.

for SHARP & TANNAN

Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan

Partner

Place: Chennai
Date: 21 May 2025

Membership No. 215565
UDIN: 25215565BMINJA4614

Annexure A to the Independent Auditor's Report

With reference to paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of the Company of even date, we report the following:

- (i) (a) (A) the Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment and relevant details of right of use assets;
- (B) the Company has maintained proper records showing full particulars of intangible assets;
- (b) the Company has a regular programme of physical verification of its property, plant and equipment under which all property, plant and equipment are physically verified in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with this programme, certain property, plant and equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification;
- (c) according to the information and explanations given to us and the records examined by us, we report that, the title deeds of all the immovable properties of land and buildings which are freehold and included under the head 'Property, plant and equipment' are held in the name of the Company;
- (d) the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year;
- (e) no proceedings have been initiated during the year or are pending against the Company as at 31 March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- (ii) (a) in our opinion, the management of the Company has conducted physical verification of inventories at reasonable intervals during the year and the coverage and procedures of such verification by the management is appropriate. No material discrepancies between physical inventories and book records were noticed on such physical verification;
- (b) the Company has been sanctioned working capital limits in excess of Rupees Five Crores, in aggregate, during the year, from banks on the basis of security of current assets and the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company;
- (iii) based on our audit procedures and according to the information and explanation given to us,
 - (a) the Company has not provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. The Company has granted unsecured loans to its subsidiaries and associate companies during the year,
 - (A) the aggregate amount of such loans given during the year is ₹ 148 Million, and the balance outstanding is ₹ 139 Million as at the balance sheet date;
 - (B) the Company has not provided loans to parties other than subsidiaries and associates.
 - (b) in our opinion, the investments made and loans given during the year are, prima facie, not prejudicial to the Company's interest;
 - (c) in respect of loans provided during the year, the schedule of repayment of principal and payment of interest has been stipulated in the loan agreement and no repayments are due during the year;
 - (d) the loans provided by the Company are not due for repayment during the year and hence reporting under paragraph 3(iii)(d) of the Order is not applicable to the Company;
 - (e) the loans provided by the Company are not due for repayment during the year and hence reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company;
 - (f) the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) according to the information and explanations given to us, the Company has not advanced any loan, made any investment, given any guarantee or provided any security to which the provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable. Accordingly, reporting on paragraph 3 (iv) of the Order does not arise;
- (v) according to the information and explanations given to us, the Company has not accepted any deposits from public during the year and does not have any unclaimed deposits as at 31 March 2025. Accordingly, reporting under paragraph 3(v) of the Order does not arise;
- (vi) the Central Government has specified maintenance of cost records under section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (as

amended) for the operations of the Company. We have broadly reviewed the books of account maintained by the Company in respect of Company's services 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

- (vii) (a) according to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, professional tax, cess and any other material statutory dues applicable to the

Company during the year with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, professional tax, cess and any other material statutory dues outstanding as at 31 March 2025 for a period of more than six months from the date they became payable;

- (b) according to the information and explanations given to us and the records of the Company examined by us, the particulars of income-tax, sales tax, service tax, value added tax, customs duty and goods and service tax as at 31 March 2025 which have not been deposited with statutory authorities on account of a dispute pending are as under:

Name of the statute	Nature of disputed dues	Amount involved in dispute (Rs. in Millions)	Unpaid disputed amount (Rs. in Millions)	Period to which amount relates	Forum where disputes are pending
Kerala Value Added Tax Act, 2003	Tax & Penalty	9.06	6.19	2008-09, 2010-11 & 2011-12	Appellate Tribunal
Odisha Value Added Tax Act 2005,	Tax & Penalty	88.53	81.45	2016-17 & 2017-18	Deputy Commissioner - Appeals
West Bengal Value Added Tax Act, 2003	Tax & Penalty	35.24	35.24	2009-10, 2011-12 to 2012-13	Appellate Tribunal; Senior Joint Commissioner
Gujarat Value Added Tax Act, 2003	Tax & Penalty	80.62	79.80	2010-11, 2016-17 & 2017-18	VAT Tribunal Deputy Commissioner (Appeals)
Delhi Value Added Tax Act, 2004	Tax & Penalty	4.61	4.61	2012-13	Additional Commissioner
Telangana Value Added Tax Act	Tax & Penalty	23.23	17.42	2010-11	High Court
Maharashtra Value Added Tax Act, 2005	Tax & Penalty	7.58	7.26	2013-14	Deputy Commissioner Sales Tax (Nodal Division)
Central Sales Tax Act, 1956 read with Gujarat Value Added Tax Act, 2003	Tax & Penalty	114.32	114.03	2011-12, 2016-17, 2017-18	Deputy Commissioner (Appeals)
Central Sales Tax Act, 1956 read with West Bengal Value Added Tax Act, 2003	Tax & Penalty	63.21	63.21	2010-11 to 2012-13	West Bengal Appellate Tribunal Senior Joint Commissioner
Service tax under Finance Act, 1994	Tax	1.46	1.46	2010-11 to Oct 11 to Mar 14	Central Excise and Service Tax Appellate Tribunal, Chennai
Uttar Pradesh Entry Tax Act	Tax	3.55	3.55	2014-15 to 2016-17 & Q1 2017-18	Deputy Commissioner
Uttar Pradesh Added Value Tax Act	Tax	179.95	179.95	2013-14 to 2016-17 & Q1 2017-18	Deputy Commissioner, Uttar Pradesh Value Added Tax (Tribunal)
Rajasthan GST Act	Tax & Penalty	13.90	12.59	2018-19	Assistant Commissioner
Punjab GST Act	Tax Interest & Penalty	23.46	22.40	2018-19	Assistant Commissioner

Name of the statute	Nature of disputed dues	Amount involved in dispute (Rs. in Millions)	Unpaid disputed amount (Rs. in Millions)	Period to which amount relates	Forum where disputes are pending
Gujarat GST Act	Tax Interest & Penalty	177.31	170.24	2017-18, 2018-19, 2019-20, & 2020-21	Sales Tax Officer-0-Jamnagar Deputy Commissioner Division -11
Assam GST Act	Tax & Interest	7.30	6.95	2018-19	Assistant Commissioner of State Tax
Karnataka Central Tax Act	Tax & Penalty	22.42	22.42	2017-18	Karnataka High Court
Chattisgarh GST Act	Tax Interest & Penalty	8.55	6.94	2018-19, 2019-20	Assistant Commissioner of State Tax
Haryana Value Added Tax	Tax	1.21	1.21	2010-11	High Court of Punjab and Haryana
Chattisgarh VAT entry Tax and CST	Tax	2.32	2.19	2013-14	Deputy Commissioner
Jharkhand GST Act	Tax Interest & Penalty	2.70	2.49	2022-23	Assistant Commissioner Bokaro
Karnataka GST Act	Tax Interest & Penalty	40.67	29.40	2018-19	Karnataka High Court and Deputy Commissioner
Maharashtra GST Act	Tax Interest & Penalty	0.97	0.93	2018-19	Deputy Commissioner of State Tax
Uttar Pradesh GST Act	Tax Interest & Penalty	58.54	58.54	2017-18, 2018-19, 2020-21	Deputy Commissioner - Naida
West Bengal GST Act	Tax & Interest	40.21	37.14	2017-18 to 2022-23	Assistant Commissioner Deputy Commissioner & Deputy Commissioner (Appeals)
Income Tax Act, 1961	Tax & Interest	12.76	12.76	2012-13, 2013-14, & 2014-15	High Court
Income Tax Act, 1961	Tax & Interest	17.72	17.72	AY 2010-11 & 2011-12	High Court & Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Tax & Interest	35.68	35.68	AY 2020-21 to AY 2022-23	Commissioner of Income Tax (Appeals)

There are no dues in respect of duty of excise as at 31 March 2025 which have not been deposited with the statutory authorities on account of a dispute;

- (viii) based on our audit procedures and as per the information and explanations given by the management of the Company, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, reporting under paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) (a) according to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in the repayment of loans, borrowings or debentures due and in payment of interest to any bank or debenture holders during the year. The Company did not have any loans or borrowing from financial institutions or government during the year;
- (b) the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;
- (c) the Company has not availed any term loans during the year and hence reporting under clause (ix) (c) does not arise;
- (d) on an overall examination of the standalone financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company;

- (e) on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries;
- (f) on an overall examination of the standalone financial statements of the Company, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies;
- (x) (a) the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x) (a) of the Order is not applicable;
- (b) during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under paragraph 3(x)(b) of the Order is not applicable;
- (xi) (a) to the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year;
- (b) no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;
- (c) we have taken into consideration the whistle-blower complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures;
- (xii) the Company is not a Nidhi Company. Accordingly, reporting on paragraph 3(xii) of the Order does not arise;
- (xiii) in our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act, where applicable, for all transactions with related parties undertaken during the year and the details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards;
- (xiv) (a) in our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business;
- (b) we have considered, the internal audit reports of the Company issued till date for the year under audit.
- (xv) according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors during the year and hence provisions of Section 192 of the Act is not applicable to the Company;
- (xvi) (a) in our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi)(a), (b) and (c) of the Order is not applicable;
- (b) in our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under paragraph 3(xvi)(d) of the Order is not applicable;
- (xvii) the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year;
- (xviii) there has been no resignation of the statutory auditors of the Company during the year;
- (xix) on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;
- (xx) the Company has fully spent the required amount towards Corporate Social Responsibility ('CSR') and there are no unspent CSR amount for the year requiring a transfer to a fund specified in Schedule VII to the Act or special account in compliance with the provision of sub-section (6) of section 135 of the Act. Accordingly, reporting under paragraph 3(xx) of the Order is not applicable for the year.

for SHARP & TANNAN

Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan

Partner

Place: Chennai
Date: 21 May 2025

Membership No. 215565
UDIN: 25215565BMINJA4614

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of VA Tech Wabag Limited of even date)

Independent Auditor's Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to financial statements of VA Tech Wabag Limited ('the Company') as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. Our audit is conducted in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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 the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to

financial statements were operating effectively as of 31 March 2025, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for SHARP & TANNAN

Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan

Partner

Place: Chennai
Date: 21 May 2025

Membership No. 215565
UDIN: 25215565BMINJA4614

Balance Sheet

as at 31 March 2025
(All amounts are in millions of Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	596	581
Intangible assets	4	13	17
Financial assets			
- Investments	5	1412	1,302
- Trade receivables	6	5,938	5,289
- Other financial assets	7	332	441
Deferred tax assets (net)	8	257	390
Income tax assets (net)	9	188	245
		8,736	8,265
Current assets			
Inventories	10	153	103
Financial assets			
- Trade receivables	6	18,330	18,140
- Cash and cash equivalents	11	6,142	2,899
- Bank balances other than those mentioned in cash and cash equivalents	11	2,243	658
- Loans	12	139	-
- Other financial assets	7	430	481
Other current assets	13	7,926	6,599
		35,363	28,880
		44,099	37,145
Total assets			
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	124	124
Other equity	15		
- Securities premium reserve		3,939	3,939
- Reserves and surplus		13,773	10,899
		17,836	14,962
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	20	594	790
- Trade payables			
Total outstanding dues of micro enterprises and small enterprises	16	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	16	2,334	1,329
- Other financial liabilities	17	19	13
Provisions	18	48	43
Other non-current liabilities	19	1,817	2,598
		4,812	4,773
Current liabilities			
Financial liabilities			
- Borrowings	20	1,741	852
- Trade payables			
Total outstanding dues of micro enterprises and small enterprises	16	111	49
Total outstanding dues of creditors other than micro enterprises and small enterprises	16	9,548	8,817
- Other financial liabilities	17	323	272
Other current liabilities	19	8,381	6,312
Provisions	18	1,271	932
Current tax liabilities (net)	21	76	176
		21,451	17,410
		26,263	22,183
Total liabilities			
Total equity and liabilities			
		44,099	37,145

Notes 1 to 46 form an integral part of the standalone financial statements

In terms of our report of even date attached

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No.: 003792S

V Viswanathan
Partner
(Membership No.: 215565)

Place : Chennai
Date : 21 May 2025

For and on behalf of the Board of Directors of
VA Tech Wabag Limited

Rajiv Mittal
Chairman & Managing Director
(DIN : 01299110)

Skandaprasad Seetharaman
Chief Financial Officer

Place : Chennai
Date : 21 May 2025

Milin Mehta
Director
(DIN : 01297508)

Anup Kumar Samal
Company Secretary
(Membership No:F4832)

Statement of Profit and Loss

for the year ended 31 March 2025

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

		Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	23	28,738	25,097
Other income	24	369	313
Total income		29,107	25,410
Expenses			
Cost of sales and services	25	22,305	19,295
Changes in inventories	26	(50)	(1)
Employee benefits expense	27	2,154	1,729
Finance costs	28	592	594
Depreciation and amortization expense	29	30	42
Other expenses	30	461	591
Total expenses		25,492	22,250
Profit before tax		3,615	3,160
Tax expense	31		
Current tax		769	851
Deferred tax		133	(49)
Profit for the year (A)		2,713	2,358
Other comprehensive income			
Items that will not be reclassified to profit and loss			
- Re-measurement loss or gain on defined benefit plans		(7)	(15)
- Income tax relating to items that will not be reclassified to profit and loss		2	4
Other comprehensive income for the year, net of tax (B)		(5)	(11)
Total comprehensive income for the year (A+B)		2,708	2,346
Earnings per equity share			
Basic (in ₹)	32	43.62	37.91
Diluted (in ₹)	32	43.00	37.91

Notes 1 to 46 form an integral part of the standalone financial statements

In terms of our report of even date attached

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No.: 003792S

V Viswanathan
Partner
(Membership No.: 215565)

Place : Chennai
Date : 21 May 2025

For and on behalf of the Board of Directors of
VA Tech Wabag Limited

Rajiv Mittal
Chairman & Managing Director
(DIN : 01299110)

Skandaprasad Seetharaman
Chief Financial Officer

Place : Chennai
Date : 21 May 2025

Milin Mehta
Director
(DIN : 01297508)

Anup Kumar Samal
Company Secretary
(Membership No: F4832)

Statement of Cash Flows

for the year ended 31 March 2025

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

	Year ended 31 March 2025	Year ended 31 March 2024
A. Cash flow from operating activities		
Profit before tax	3,615	3,160
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization expense	30	42
Unrealized foreign exchange loss	47	21
Bad and doubtful debts, net	15	123
Unclaimed credit balances	(46)	(16)
(Gain) on sale of property, plant and equipment, net	(2)	(2)
Provision for impairment	2	62
Expense on Employee Stock Option Plan (ESOP)	166	-
Interest expenses	186	187
Interest and dividend income	(207)	(217)
(Reversal)/Provision for foreseeable losses on contracts	(8)	11
Provision for compensated absences and gratuity	47	46
Provision for liquidated damages	36	137
Provision for warranty	373	658
Operating profit before working capital changes	4,254	4,212
Changes in working capital		
(Increase) in trade receivables	(814)	(4,329)
Decrease/(Increase) in other financial assets	112	(43)
(Increase) in loans and other current assets	(1,465)	(463)
(Increase) in inventories	(50)	(1)
Increase in trade payables	1,751	143
Increase/(Decrease) in other financial liabilities	56	(16)
Increase in other liabilities	1,288	3,508
(Decrease) in provisions	(111)	(184)
Cash generated from operating activities	5,021	2,827
Direct taxes paid, net	(810)	(177)
Net cash generated from operating activities (a)	4,211	2,650
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(44)	(49)
Proceeds from sale of property, plant and equipment and intangible assets	6	5
Purchase of investments	(112)	(415)
Dividend received	-	102
Interest received	153	109
Net movement in bank deposits	(1,434)	204
Net cash (used in) investing activities (b)	(1,431)	(44)

Statement of Cash Flows

for the year ended 31 March 2025

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

	Year ended 31 March 2025	Year ended 31 March 2024
C. Cash flow from financing activities		
(Repayment)/Proceeds from long-term borrowings	(164)	382
Proceeds/(Repayment) from short term borrowings, net	802	(782)
Interest paid	(186)	(169)
Net cash generated from /(used in) financing activities (c)	452	(569)
D. Net change in cash and cash equivalents (a+b+c)	3,232	2,037
Effects of foreign currency translation	11	1
E. Cash and cash equivalents at the beginning of the year	2,899	861
F. Cash and cash equivalents at the end of the year	6,142	2,899
Cash and cash equivalents include		
Cheques on hand	2,640	270
Balances with banks		
- in current accounts	1,011	966
- in deposit accounts (with original maturity upto 3 months)	2,491	1,663
Cash and cash equivalents as per note 11	6,142	2,899

Notes 1 to 46 form an integral part of the standalone financial statements

In terms of our report of even date attached

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No.: 003792S

V Viswanathan
Partner
(Membership No.: 215565)

Place : Chennai
Date : 21 May 2025

For and on behalf of the Board of Directors of
VA Tech Wabag Limited

Rajiv Mittal
Chairman & Managing Director
(DIN : 01299110)

Skandaprasad Seetharaman
Chief Financial Officer

Place : Chennai
Date : 21 May 2025

Milin Mehta
Director
(DIN : 01297508)

Anup Kumar Samal
Company Secretary
(Membership No: F4832)

Statement of Changes in Equity

for the year ended 31 March 2025

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

A. Equity share capital (Issued, Subscribed and fully paid up)

Particulars	Note	Amount
Balance as at 01 April 2023		124
Balance as at 01 April 2024	14	124
Balance as at 31 March 2025		124

B. Other equity

Particulars	Notes	Other equity						Total
		Reserves and surplus					Securities premium reserve	
		Capital reserve	Stock option outstanding account	General reserve	Surplus in the statement of profit and loss	Accumulated other comprehensive income		
Balance as at 01 April 2023	15	25	-	334	8,235	(42)	3,939	12,491
Dividends		-	-	-	-	-	-	-
Dividend distribution tax		-	-	-	-	-	-	-
Transactions with owners		-	-	-	-	-	-	-
Profit for the year		-	-	-	2,358	-	-	2,358
Other comprehensive income		-	-	-	-	(11)	-	(11)
Total comprehensive income		-	-	-	2,358	(11)	-	2,347
Balance as at 31 March 2024		25	-	334	10,593	(53)	3,939	14,838
Dividends		-	-	-	-	-	-	-
Dividend distribution tax		-	-	-	-	-	-	-
Transactions with owners		-	-	-	-	-	-	-
ESOP Benefit created during the year		-	166	-	-	-	-	166
Profit for the year		-	-	-	2,713	-	-	2,713
Other comprehensive income		-	-	-	-	(5)	-	(5)
Total comprehensive income		-	166	-	2,713	(5)	-	2,874
Balance as at 31 March 2025	25	166	334	13,306	(58)	3,939	17,712	

Notes 1 to 46 form an integral part of the standalone financial statements

In terms of our report of even date attached

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No.: 003792S

V Viswanathan
Partner
(Membership No.: 215565)

Place : Chennai
Date : 21 May 2025

For and on behalf of the Board of Directors of
VA Tech Wabag Limited

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Milin Mehta
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Anup Kumar Samal
Company Secretary
(Membership No.: F4832)

Summary of Material Accounting Policies and other Accounting Policies

1. Nature of Operations

VA Tech Wabag Limited ('the Company'), its subsidiaries, associates and joint venture (collectively referred to as 'the Group') is one of the world's leading companies in the water treatment sector. Company's principal activities include design, supply, installation, construction, operation and maintenance of drinking water, waste water treatment, industrial water treatment and desalination plants including production of energy from biogas and sludge management. The shares of the Company are listed in the BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The Company is domiciled in India and its registered office and its principal place of business is 'WABAG HOUSE', No.17, 200 Feet Thoraipakkam - Pallavaram Main Road, Sunnambu Kolathur, Chennai - 600 117.

1.1 Basis of preparation of financial statements

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

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per Companies (Indian Accounting Standards) Rules, 2015 including its amendments as notified under section 133 of Companies Act, 2016, as amended (the "Act") and other relevant provisions of the Act ('Ind AS'). In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

The standalone financial statements as at and for the year ended 31 March 2025 are approved and authorized for issue by the Board of Directors on 21 May 2025.

The standalone financial statements of the Company are prepared in accordance with Ind AS under the historical cost convention on the accrual basis except for certain financial assets and financial liabilities that have been measured at fair value. These standalone financial statements are presented in millions of Indian rupees which is also the Company's functional currency, except per share data and other financial information as otherwise stated. Figures for the previous years have been regrouped/rearranged wherever considered necessary to conform to the figures presented in the current year.

There are no standards of accounting or any addendum thereto, prescribed by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013, which are issued and not effective as at 31 March 2025.

1.1.2 Overall considerations

The standalone financial statements have been prepared using the accounting policies and measurement basis summarized below. These accounting policies have been used throughout all periods presented in the standalone 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.

2. Summary of material accounting policies

2.1 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 two types of contracts:

Construction contracts - Customer contracts towards delivering a water treatment facility and its associated infrastructure, that is fit for purpose as per the contract

Summary of Material Accounting Policies and other Accounting Policies

Operation and maintenance contracts - Customer contracts towards operation and maintenance of water treatment facilities and its associated infrastructure

The Company determines its performance obligations included in the contracts signed with customers which is general is a single performance obligation. When a customer contract includes both a construction and operation & maintenance, the performance obligations are separately identified and revenue is recognized in accordance with the principles of Ind AS 115.

Construction contracts:

Construction contracts generally involve design, supply, construction, installation and commissioning of water treatment facilities and its associated infrastructure on turnkey basis. Construction contracts include both EPC contracts (Contracts with scope of design, supply, construction, installation and commissioning) and EP contracts (Contracts with scope of design, supply, installation and commissioning).

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

Construction contracts usually have a single performance obligation, wherein the control of goods and services are transferred progressively over the period of the contract. The Company satisfies its performance obligation upon completing the scope of the construction contract and achieving customer acceptance.

Contract revenue and Contract costs in respect of construction contracts, execution of which is spread over different accounting periods is recognized as revenue and expense respectively by using 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 for each contract. Only costs that reflect work performed are included in cost incurred to date.

When the Company cannot measure the outcome of a contract reliably, revenue is recognized 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 recognized immediately in the statement of profit and loss.

Operation and maintenance contracts:

Operation and maintenance contracts involve operation and maintenance services for water treatment facilities and supply of spares. Revenue from operation and maintenance contracts are recognized as the services are provided and invoiced to the customer, as per the terms of the contract.

The amount due from customers for operation and maintenance contracts are presented as "Trade receivables". Prepayments received from customers in advance of performance under the contract are presented as contract liabilities and represented as "Advances from customers" as part of other current liabilities.

2.2 Dues from Customers for construction contract work and Billing in Advance of work completed

The gross amount due from customers for contract work, in excess of the amounts presented as "Trade receivable", are presented as contract assets under "Due from customers for construction contract work" as part of other current assets. Due from customers for construction contract work represents costs incurred plus recognized 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. Amounts received from customers in advance of performance under the contract are also presented as contract liabilities and represented as "Advance from Customers" as part of other current liabilities.

Summary of Material Accounting Policies and other Accounting Policies

2.3 Trade Receivables

Trade Receivables are recognised based on the contractual terms agreed with customers and are initially measured at the transaction price, as the arrangement does not include a significant financing component.

2.4 Expected Credit Loss

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.

2.5 Cost of sales and services

Cost of sales and services comprise 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 related to construction contracts incurred towards engineering, construction, installation and supervision of the project is recognised in the period in which the relevant services are procured or delivered to the project.

Equipments, fabricated Items & specialised items for the purpose of construction of water treatment facilities are manufactured by suppliers based on the engineering drawings and specifications approved by the customers. Costs related to construction contracts incurred towards procurement of equipment's, fabricated Items & specialised items are recognised over the production and delivery cycle of each such item, in line with the manufacturing progress milestones

2.6 Trade Payables

Trade Payables are recognised based on invoices submitted by the Suppliers and Sub-Contractors to the Company on reaching the milestones as prescribed in the relevant Purchase/Work orders.

2.7 Unbilled payables

Costs incurred representing progress of work done, on the reporting date, pending invoicing by the suppliers, are disclosed under "Unbilled Payables" as part of other current liabilities.

2.8 Significant Management judgement in applying accounting policies and estimation uncertainty

When preparing the standalone 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 is significant management judgment in applying the accounting policies of the Company that have the most significant effect on the standalone financial statements.

Recognition of construction contract and operation & maintenance revenues

Recognizing construction contract revenue requires significant judgement in determining actual work performed and the estimated costs to complete the work (refer note 23). Significant judgments are used in:

- a. Estimating the revenue to be recognised in case of construction contracts where revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation as the performance obligation is satisfied over a period of time.
- b. Assessing the amount and period with respect to the variable consideration, requiring an adjustment to the transaction price.

Summary of Material Accounting Policies and other Accounting Policies

Recognizing revenue from operation and maintenance services requires significant understanding, based on historical experience and knowledge of the market, in relation to:

- a. The nature and timing of the services provided to the customers.
- b. The pattern of consumption of those services.

3. Summary of other Accounting policies

3.1 Investments in subsidiaries, associates, joint venture and joint operations

Investments in subsidiaries, associates and joint venture are accounted at cost less impairment, if any. Investments in joint operations are accounted by using proportionate consolidation method in the standalone financial statements. The Company does not have any investments in joint operations for the year ended 31 March 2025.

3.2 Foreign currency translation

Functional and presentation currency

The standalone financial statements are presented in Indian Rupees, which is also the functional currency of the Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions, duly approximated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the measurement of monetary items denominated in foreign currency at year-end exchange rates are recognized as other income/other expenses in statement of profit and loss.

Non-monetary items are not re-translated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value, which are translated using the exchange rates at the date when fair value was determined.

3.3 Interest, Dividends, duty drawback and other entitlements

Income from interest is recognized using effective interest method taking into account the amount outstanding and the applicable rate of interest.

Dividend income is recognized when the right to receive dividend is established by the reporting date.

Income from duty drawback and export benefit under duty free credit entitlements is recognized in the statement of profit and loss, when right to receive license as per terms of the scheme is established in respect of exports made and there is no significant uncertainty regarding the ultimate collection of the export proceeds, as applicable.

3.4 Property, plant and equipment

Land

Land (other than investment property) held for use in operations or administration is stated at cost. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

Buildings and other equipment

Buildings and other equipment (comprising plant and machinery, furniture and fittings, electrical equipment, office equipment, computers and vehicles) are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Company's management. Buildings and other equipment are subsequently measured at cost less accumulated depreciation and any impairment losses.

Summary of Material Accounting Policies and other Accounting Policies

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of property, plant and equipment not ready for the intended use before reporting date is disclosed as capital work in progress.

Subsequent expenditure incurred on an item of property, plant and equipment is added to the book value of that asset only if this increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation on assets is provided on straight-line method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 except for vehicles where the management believes that the useful life of 5 years would best represent the period over which the management expects to use these assets and the residual value is 20% of the acquisition cost which is considered to be the amount recoverable at the end of the asset's useful life.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in statement of profit and loss within other income or other expenses.

The components of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of respective asset. The life of components are determined based on technical assessment and past history of replacement of such components in the assets.

3.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, the intangible assets are carried at cost less accumulated amortization and accumulated impairment, if any.

Computer software is stated at cost less accumulated amortization and are being amortized on a straight line basis over the estimated useful life of 5 years.

Amortization is included within depreciation and amortization expense in the statement of profit and loss.

Gains or losses that arise on disposal or retirement of an intangible asset are measured as the difference between net disposal proceeds and the carrying value of an intangible asset and are recognized in the statement of profit and loss when the intangible asset is derecognized.

The amortization period and method are reviewed at each balance sheet date. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment as detailed in note 3.6.

3.6 Impairment of property, plant and equipment and intangible assets

For the purpose of impairment assessment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill (if any) is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the Company at which management monitors goodwill.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the assets' (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Summary of Material Accounting Policies and other Accounting Policies

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro-rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the assets' or cash-generating unit's recoverable amount exceeds its carrying amount.

3.7 Leases

The Company recognizes lease contracts as per the single lease accounting model for lessees. The model requires a lessee to recognize right to use assets and corresponding lease liabilities for all leases with a lease term of more than twelve months, unless the underlying asset is of a low value. For such leases, the lease payments are recognized as an operating expense on a straight line basis over the term of the lease contract.

The recognition, measurement, presentation and disclosure of leases are in accordance with the principles of the standard. At the time of initial measurement, the lease liabilities are recognized at the present value of lease payments payable. The lease liability is discounted at the interest rate implicit to the lease, or incremental borrowing rate to arrive at the present value. The lease liabilities are diluted over the remaining lease period by lease payments. The right to use assets are initially recognized at lease liability amount. The right to use assets are thereafter depreciated over the period of lease term or the useful life of underlying asset, whichever is lower. An impairment loss is recognised where the carrying amount of right to use asset exceeds its recoverable amount.

The Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis.

3.8 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.

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)

All financial assets are reviewed for impairment 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 twelve 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 asset has increased significantly since initial recognition.

Summary of Material Accounting Policies and other Accounting Policies

c) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Company, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These elections are made on an instrument-by-instrument (i.e., share-by-share) basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognized in statement of profit and loss.

The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next twelve months and credit risk exposure. The Company shall also measure the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. The loss allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

d) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

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

e) Hedge accounting

To qualify for hedge accounting, the hedging relationship must meet the conditions with respect to documentation, probability of occurrence of the hedged transaction and hedge effectiveness.

These arrangements have been entered into to mitigate currency exchange risk arising from certain legally binding sales and purchase orders denominated in foreign currency. For the reporting periods under review, the Company has not designated any forward currency contracts as hedging instruments.

f) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's standalone balance sheet) 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.

Summary of Material Accounting Policies and other Accounting Policies

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.

g) 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, trade and other payables and derivative financial instruments.

Subsequent measurement

Financial liabilities are measured subsequently at amortized cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in statement of profit and loss (other than derivative financial instruments that are designated and effective as hedging instruments).

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in statement of profit and loss are included within finance costs or finance income.

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.

3.9 Inventories

Inventory of stores and spares are stated at lower of cost and net realizable value and is determined on weighted average cost method. Cost of inventories include all other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost to completion and applicable selling expenses.

Contract inventories are contract costs incurred for a future activity on a contract and are recognized as an asset if it is probable that they would be recovered. The cost comprises of material and other expenses directly attributable to the contract.

3.10 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 as at the reporting period. Deferred income taxes are calculated 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.

Summary of Material Accounting Policies and other Accounting Policies

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 operating 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.

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.

3.11 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 three 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.

3.12 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued and paid-up.

Other components of equity include the following:

- i. Accumulated other comprehensive income which includes re-measurement of net defined benefit liabilities.
- ii. General reserve represents the accumulated surplus transferred from the Statement of profit and loss
- iii. Securities premium reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from securities premium, net of any related income tax benefits.
- iv. Surplus in the statement of profit and loss includes all current and previous period retained profits.
- v. Stock option outstanding account includes the value of equity-settled share based payment transactions with employees.

All transactions with owners are recorded separately within equity.

3.13 Post-employment benefits and short-term employee benefits

i. Short term Employee Benefits

Employee benefits such as salaries, wages, short-term compensated absences, bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

ii. Post-Employee Benefits

A. Defined contribution plan

The Company's superannuation scheme, state governed provident fund scheme and employee state insurance scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised as an expense during the period in which the employee renders the service. The Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions.

Summary of Material Accounting Policies and other Accounting Policies

a. Provident fund and Employee state insurance scheme

The Company makes contributions to the statutory provident fund and employee state insurance scheme in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948. These contributions, paid or payable, are recognized as expenses in the period in which it falls due.

b. Superannuation Fund

Contribution made towards superannuation fund (funded by payments to insurance company) is charged as expenses on accrual basis. There are no obligations other than the contribution made to respective fund.

B. Defined benefit plans

Under the Company's defined benefit plans, the amount of benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. Plan assets may include assets specifically designated to a long-term benefit fund as well as qualifying insurance policies.

The defined benefit plans maintained by the Company are as below:

i. Gratuity

The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related gratuity liability.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Actuarial gains and losses resulting from measurements of the net defined benefit liability are included in other comprehensive income.

The plan assets represent qualifying insurance policies that are administered by an Insurance company.

ii. Leave salary - compensated absences

The Company also extends defined benefit plans in the form of compensated absences to employees. Provision for compensated absences is made on actuarial valuation basis.

3.14 Employee stock option plan

Share based compensation benefits are provided to employees via "Wabag Centenary Stock Option Scheme 2023" of the Company.

The fair value of options granted under the scheme is recognised as an employee benefit expenses with corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specific time period) and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holding shares for a specific period of time)

Summary of Material Accounting Policies and other Accounting Policies

3.15 Provisions, contingent assets and contingent liabilities

Provisions for warranties, litigations 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.

Any reimbursement that the Company is virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

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 standalone financial statements.

3.16 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), if any. 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.

3.17 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.

3.18 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.

3.19 Significant management judgement in applying accounting policies and estimation uncertainty

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

(i) Significant management judgement

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

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Summary of Material Accounting Policies and other Accounting Policies

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

Inventories

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as attrition rate, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (Refer note 18).

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Fair value measurement

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

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

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer Note 38).

Summary of Material Accounting Policies and other Accounting Policies

Current and non-current classification

All 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 Companies Act, 2013. Considering the nature of business activities of the Company, the time between deploying of resources for projects/ contracts and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities

3.20 Transfer Pricing

As per the Transfer pricing norms introduced in India with effect from 1 April 2001, the Company is required to use certain specific methods in computing arm's length price of international transactions with associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Transfer pricing study for the fiscal year ended 31 March 2025 is in progress and accordingly, the contracts may be amended subsequently and related adjustment, if any, will be quantified upon completion of this study. However, in the opinion of the Management, the outcome of the study will not have a material impact on the Company's results.

Notes forming part of the Standalone Financial Statements

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

4. Property, plant and equipment and intangible assets

Particulars	Property, plant and equipment										Intangible assets
	Freehold land	Buildings	Right to Use asset	Plant and machinery	Furniture and fittings	Electrical equipment	Office equipment	Computers	Vehicles	Total	
Gross carrying value											
Balance as at 01 April 2023	170	403	12	37	203	55	62	56	15	1,013	123
Additions	-	-	-	-	0	0	2	20	22	44	5
Disposals	-	-	(12)	-	-	-	-	(24)	(3)	(39)	-
Balance as at 31 March 2024	170	403	-	37	203	56	64	52	34	1,018	128
Additions	-	-	-	-	-	1	1	15	27	44	0
Disposals	-	-	-	-	-	(1)	(0)	(1)	(12)	(14)	-
Balance as at 31 March 2025	170	403	-	37	203	56	65	66	49	1,048	128
Accumulated depreciation/amortization											
Balance as at 01 April 2023	-	54	-	20	180	49	62	54	2	433	107
Depreciation/amortization expense for the year	-	7	-	2	19	5	0	3	2	38	4
Reversal on disposal of assets	-	-	-	-	-	-	-	(22)	-	(34)	-
Balance as at 31 March 2024	-	61	-	22	199	54	62	35	4	437	111
Depreciation/amortization expense for the year	-	7	-	3	2	1	0	8	5	26	4
Reversal on disposal of assets	-	-	-	-	-	(1)	(0)	(1)	(9)	(11)	-
Balance as at 31 March 2025	-	68	-	25	201	54	62	42	0	452	115
Net carrying value											
Balance as at 31 March 2024	170	342	-	15	4	2	2	17	30	581	17
Balance as at 31 March 2025	170	335	-	12	2	2	3	24	49	596	13

Notes forming part of the Standalone Financial Statements

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

5. Investments

	As at 31 March 2025	As at 31 March 2024
Non-current		
Investments carried at cost		
Investments in equity instruments of subsidiaries (fully paid-up)		
VA Tech Wabag (Singapore) Pte Ltd	210	210
(5,210,249 (Previous year : 5,210,249) equity shares of SGD 1 each)		
VA Tech Wabag Muscat LLC (Oman)	12	12
(105,000 (Previous year : 105,000) equity shares of OMR 1 each)		
VA Tech Wabag (Philippines) Inc.	9	9
(8,570,200 (Previous year : 8,570,200) equity shares of PHP 1 each)		
VA Tech Wabag and Roots Contracting LLC, (Qatar) #	-	-
(98 (Previous year : 98) equity shares of QAR 1,000 each)		
Wabag Muhibbah JV SDN BHD, (Malaysia)	372	372
(20,690,000 (Previous year : 20,690,000) equity shares of MYR 1 each)		
Less: Provision for impairment of investment in Wabag Muhibbah JV SDN BHD, (Malaysia)	(275)	(273)
Wabag Belhasa JV WLL, (Bahrain) ###, *****	0	0
(49 (Previous year : 49) equity shares of BHD 50 each)		
Ghaziabad Water Solutions Private Limited	17	17
(1,709,999 (Previous Year: 1,709,999) equity shares of ₹ 10 each)		
	345	347
Investments in equity instruments of associates (fully paid-up)		
Ganga STP Project Private Limited§	0	0
(50,999 (Previous year : 50,999) equity shares of ₹ 10 each)		
DK Sewage Project Private Limited	36	36
(3,589,999 (Previous Year: 3,589,999) equity shares of ₹ 10 each)		
VA Tech Wabag and Roots Contracting LLC, (Qatar) #	2	2
(98 (Previous year : 98) equity shares of QAR 1,000 each)		
	38	38
Investments carried at fair value through profit and loss		
Investments in equity instruments of other companies (fully paid-up)		
First STP Private Limited	2	2
(150,000 (Previous year :150,000) equity shares of ₹ 10 each)		
Konark Water Infraprojects Private Limited *	-	-
(5,000 (Previous year : 5,000) equity shares of ₹ 10 each)		
Aurangabad City Water Utility Company Limited**	0	0
(5,000 (Previous year : 5,000) equity shares of ₹ 10 each)		
Ganapati Marine Enterprises Private Limited ***	-	-
(813 (Previous Year: 769) equity shares of ₹ 10 each)		
Kopri Bio Engineering Private Limited ****	0	0
(5,100 (Previous Year: 5,100) equity shares of ₹ 10 each)		
	2	2
Investments in Non Convertible Debentures		
Ganga STP Project Private Limited	85	85
(8,515,000 (Previous year : 8,515,000) 9% Non convertible debentures of ₹ 10 each)		
DK Sewage Project Private Limited	191	191
(19,080,000 (Previous year : 19,080,000) 8% Non convertible debentures of ₹ 10 each)		
Ghaziabad Water Solutions Private Limited	608	495
(60,800,000 (Previous year : 49,550,000) 8% Non convertible debentures of ₹ 10 each)		
	884	771

Notes forming part of the Standalone Financial Statements

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

5. Investments (Contd..)

	As at 31 March 2025	As at 31 March 2024
Investments in compulsory convertible preference shares of associate (fully paid-up)		
Ganga STP Project Private Limited (9,699,000 (Previous year : 9,699,000) compulsory convertible preference shares of ₹ 10 each)	97	97
	97	97
Investments in Compulsory Convertible Debentures		
DK Sewage Project Private Limited (4,650,000 (Previous year : 4,650,000) 8% Compulsory convertible debentures of ₹ 10 each)	47	47
	47	47
Total non-current investments	1,412	1,302
Aggregate amount of unquoted investments	1,687	1,575
Aggregate amount of impairment in the value of investments	275	273

* Since the amount of investment is ₹ 50,000 (Previous year: ₹ 50,000), the same is below the rounding off norm adopted by the Company.

** Since the amount of investment is ₹ 50,000 (Previous year: ₹ 50,000), the same is below the rounding off norm adopted by the Company.

*** Since the amount of investment is ₹ 8,130 (Previous year: ₹ 7,690), the same is below the rounding off norm adopted by the Company.

**** Since the amount of investment is ₹ 51,000 (Previous year: ₹ 51,000), the same is below the rounding off norm adopted by the Company.

***** Since the amount of investment is ₹ 438,550 (Previous year: ₹ 438,550), the same is below the rounding off norm adopted by the Company.

	As at 31 March 2025	As at 31 March 2024
Extent of investment in subsidiaries		
VA Tech Wabag (Singapore) Pte Ltd	100.0%	100.0%
VA Tech Wabag Muscat LLC (Oman)	70.0%	70.0%
VA Tech Wabag (Philippines) Inc.	100.0%	100.0%
VA Tech Wabag and Roots Contracting LLC, (Qatar) #	-	-
Wabag Muhibbah JV SDN BHD, (Malaysia)	70.0%	70.0%
Wabag Belhasa JV WLL, (Bahrain) ***	49.0%	49.0%
Ghaziabad Water Solutions Private Limited	100.0%	100.0%
Extent of investment in associates		
VA Tech Wabag and Roots Contracting LLC, (Qatar) #	49.0%	49.0%
Ganga STP Project Private Limited	26.0%	26.0%
DK Sewage Project Private Limited (Associate effective 28 March 2024) \$	49.8%	49.8%

#Pursuant to an exclusive contractual arrangement providing for a majority share in the economic interests and control of voting power in the Project-I of VA Tech Wabag and Roots Contracting L.L.C, Qatar, the investment was classified as a subsidiary at inception. During the year ended 31 March 2016 and 31 March 2020 for Project-II and Project-III respectively, a similar arrangement providing for majority rights in the new projects to the other investor was agreed and hence the investment in the legal entity has been accordingly reclassified as an associate based on economic interests in the projects respectively as against the ownership in the entity.

*** Pursuant to an exclusive contractual arrangement providing for a share of 100% of the economic interests in the entity, Wabag Belhasa JV WLL, (Bahrain) has been assessed and determined that the Company has power over the entity, exposure, or rights, to variable returns and the ability to use its power to affect the amount of returns of the Wabag Belhasa JV WLL, (Bahrain). Accordingly, the investment has been classified as a subsidiary.

The Company had entered into a joint venture with Pratibha Industries Limited in Nepal to execute a project. Considering the fact that the Company has control over the governing body and thereby has power over the entity, has rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of its returns, the same has been treated as a subsidiary in the consolidated financial statements.

The term loans availed in the Special Purpose Vehicles ('SPVs'), namely Ganga STP Project Private Limited, DK Sewage Project Private Limited, and Ghaziabad Water Solutions Private Limited, for projects being implemented under the Design, Build, Finance, Operate, and Transfer ('DBFOT') model are secured by way of a charge over the assets, securities of the respective SPVs (investments in securities held by the Company in these SPVs), in accordance with the provisions set out in the relevant financing agreements.

Notes forming part of the Standalone Financial Statements

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

6. Trade receivables

	As at 31 March 2025	As at 31 March 2024
(Unsecured considered good, unless stated otherwise)		
Non-current		
Customer retention	5,938	5,289
	5,938	5,289
Current		
Trade receivables	18,128	17,950
Customer retention	202	190
	18,330	18,140
Credit impaired		
- Trade receivables	494	683
- Customer retention	17	285
Less : Allowances for expected credit loss		
- Trade receivables	(494)	(683)
- Customer retention	(17)	(285)
	-	-
	18,330	18,140

Trade receivables include dues from related parties amounting to ₹ 1,333 Millions (31 March 2024: ₹ 1,144 Millions). The carrying amount of the current trade receivable and customer retention is considered a reasonable approximation of fair value as is expected to be collected within twelve months, such that the effect of any difference between the effective interest rate applied and the estimated current market rate is not significant.

There are no receivables due from directors or other officers of the Company.

All of the Company's trade receivables and customer retention have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired and an allowance for credit losses of ₹ (457 Millions) (2023-24: ₹ 98 Millions) has been (utilised)/created respectively within other expenses. The Company has provided for expected credit loss on its trade receivables using a provisioning matrix and specific provisioning, where appropriate, representing expected credit losses based on a range of outcomes.

Movement in allowances for expected credit loss

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	968	870
(Utilised)/Additions during the year, net	(457)	98
Balance at the end of the year	511	968

Notes forming part of the Standalone Financial Statements

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

6. Trade receivables (Contd..)

Ageing for trade receivables - billed – Non current outstanding as at 31 March 2025 is as follows:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables – considered good	4,995	18	-	-	-	-	5,013
ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
iv) Disputed Trade Receivables considered good	925	-	-	-	-	-	925
v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	5,920	18	-	-	-	-	5,938
Less: Allowance for expected credit loss							-
Trade Receivables - Non Current							5,938

Ageing for trade receivables - billed – Non current outstanding as at 31 March 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables – considered good	4,285	-	-	-	-	-	4,285
ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
iv) Disputed Trade Receivables considered good	1,004	-	-	-	-	-	1,004
v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	227	-	-	-	-	-	227
Total	5,516	-	-	-	-	-	5,516
Less: Allowance for expected credit loss							(227)
Trade Receivables - Non Current							5,289

Ageing for trade receivables - billed – current outstanding as at 31 March 2025 is as follows:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables – considered good	8,074	3,230	3,738	1,845	946	463	18,296
ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables-Credit Impaired	-	-	174	105	124	108	511
iv) Disputed Trade Receivables considered good	-	-	-	-	16	18	34
v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	8,074	3,230	3,912	1,950	1,086	589	18,841
Less: Allowance for expected credit loss							(511)
Trade Receivables - Current							18,330

Notes forming part of the Standalone Financial Statements

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

6. Trade receivables (Contd..)

Ageing for trade receivables - billed – current outstanding as at 31 March 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables – considered good	6,189	7,130	2,266	1,476	677	268	18,006
ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables-Credit Impaired	12	1	90	158	44	243	548
iv) Disputed Trade Receivables considered good	-	-	-	82	52	-	134
v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	26	26	141	193
Total	6,201	7,131	2,356	1,742	799	652	18,881
Less: Allowance for expected credit loss							(741)
Trade Receivables - Current							18,140

7. Other financial assets (Unsecured, considered good)

	As at 31 March 2025	As at 31 March 2024
Non-current		
Security deposits	313	375
Advances to employees	3	2
Non-current bank balances	16	64
	332	441
Current		
Security deposits	102	89
Tender deposits	81	89
Rental deposits	19	18
Dues from related parties (Also refer note 37(c))	220	278
Advances to employees	8	7
	430	481

Non-current bank balances represents interest bearing deposits with bank with more than 12 months maturity and held as margin money or security against the borrowings, guarantees and other commitments.

There are no other financial assets due from directors or other officers of the Company. The carrying amount of the other financial assets are considered as a reasonable approximation of fair value.

Refer note 39 for description of the Company's financial instrument risks, including risk management objectives and policies.

Notes forming part of the Standalone Financial Statements

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

8. Deferred tax assets (net)

	As at 31 March 2025	As at 31 March 2024
The breakup of net deferred tax asset is as follows:		
Deferred tax asset arising on account of :		
- Provision for employee benefits, liquidated damages and foreseeable losses	16	18
- Allowances for expected credit loss	203	332
- Others	76	74
Total deferred tax asset A	295	424
Deferred tax liability arising on account of :		
- Carrying value of property, plant and equipment / intangible assets as per tax laws and books.	(38)	(34)
Total deferred tax liability B	(38)	(34)
Net deferred tax assets (A+B)	257	390

Deferred tax recognized in statement of profit and loss and other comprehensive income for the year ended 31 March 2025:

	Recognised in Other comprehensive Income	Recognised in statement of profit and loss
Deferred tax asset arising on account of :		
- Provision for employee benefits, liquidated damages and foreseeable losses	-	(2)
- Allowances for expected credit loss	-	(129)
- Others	-	2
Deferred tax liability arising on account of :		
- Carrying value of property, plant and equipment / Intangible assets as per tax laws and books.	-	(4)
Total	-	(133)

Deferred tax recognized in statement of profit and loss and other comprehensive income for the year ended 31 March 2024:

	Recognised in Other comprehensive Income	Recognised in statement of profit and loss
Deferred tax asset arising on account of :		
- Provision for employee benefits, liquidated damages and foreseeable losses	-	6
- Allowances for expected credit loss	-	24
- Others	-	20
Deferred tax liability arising on account of :		
- Carrying value of property, plant and equipment / Intangible assets as per tax laws and books.	-	-
- Others	-	(1)
Total	-	49

In assessing the recoverability of deferred tax assets, the management of the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

All deferred tax assets have been recognized in the balance sheet.

Notes forming part of the Standalone Financial Statements

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

9. Income tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Income tax assets net of provision for tax	188	245
	188	245

10. Inventories

	As at 31 March 2025	As at 31 March 2024
Contract inventories	13	9
Stores and spares	140	94
	153	103

11. Cash and bank balances

	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents		
Cheques on hand	2,640	270
Balances with banks		
- in current accounts [#]	1,011	966
- in deposit accounts (with original maturity upto 3 months) [#]	2,491	1,663
	6,142	2,899
Bank balances other than those mentioned in cash and cash equivalents		
Unpaid dividend account	0	0
Deposits with maturity less than 3 months [#]	635	210
Deposits with maturity more than 3 months but less than 12 months [#]	1,608	448
	2,243	658

[#] Deposits and balance with banks includes a sum of ₹ 832 Millions (31 March 2024 ₹ 1,173 Millions) held as margin money/in escrow account or security against the borrowings, guarantees and other commitments.

12. Loans

(Unsecured, considered good)

	As at 31 March 2025	As at 31 March 2024
Current		
Loans to related parties (Also refer note 37(c))	139	-
	139	-

Notes forming part of the Standalone Financial Statements

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

13. Other current assets (Unsecured, considered good)

	As at 31 March 2025	As at 31 March 2024
Dues from customers for construction contract works*	6,638	5,433
Advance to suppliers	890	942
Balances with government authorities	206	13
Prepaid expenses	177	124
Others	15	87
	7,926	6,599

* Includes allowance for expected credit loss amounting to ₹ 13 Millions (31 March 2024 : ₹ 142 Millions)

There are no advances due from directors or other officers of the Company.

14. Equity share capital

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Authorised				
Equity shares of ₹ 2 each	7,50,00,000	150	7,50,00,000	150
Issued, subscribed and fully paid up				
Equity shares of ₹ 2 each	6,21,90,428	124	6,21,90,428	124
	6,21,90,428	124	6,21,90,428	124

a) Reconciliation of share capital (Equity)

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the year	6,21,90,428	124	6,21,90,428	124
Issue of share capital	-	-	-	-
Balance at the end of the year	6,21,90,428	124	6,21,90,428	124

b) Shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	Number	% holding	Number	% holding
Equity Shares of ₹ 2 each				
Mr. Rajiv Mittal	97,09,406	15.6%	97,09,406	15.6%
Ms. Rekha Rakesh Jhunjhunwala	50,00,000	8.0%	50,00,000	8.0%
	1,47,09,406	23.6%	1,47,09,406	23.6%

Notes forming part of the Standalone Financial Statements

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

14. Equity share capital (Contd..)

c) Shares held by promoters of the Company

	As at 31 March 2025		As at 31 March 2024	
	Number	% holding	Number	% holding
Equity Shares of ₹ 2 each				
Mr. Rajiv Mittal	97,09,406	15.6%	97,09,406	15.6%
Mr. S. Varadarajan	21,85,762	3.5%	21,85,762	3.5%
	1,18,95,168	19.1%	1,18,95,168	19.1%

d) Terms/right attached to equity shares

The Company has issued only one class of equity shares having a face value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the Board meeting held on 21 May 2025, the dividend proposed by the Board of Directors at ₹ 4 per equity share is subject to the approval of the shareholders in the ensuing Annual General Meeting. This amount has not been recorded as a liability for the year ended 31 March 2025. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Shares reserved for issue under options

i) Terms and details of the ESOP scheme:

During the previous year, the Company issued New ESOP Series "Wabag Centenary Stock Option Scheme", the terms and details of which are summarised below.

Particulars	Scheme details
a. Date of Shareholders' approval	30 January 2024
b. Total number of options approved under ESOP Scheme	25,00,000
c. Vesting Period & Exercise period	Vesting period: Minimum period of 1 Year and maximum period of 4 Years from Grant Date Exercise period: Maximum period of 3 Years from the respective Vesting Date
d. Pricing formula	Exercise Price shall be as determined by the Nomination and Remuneration Committee as on the date of Grant, which shall be up to 25% discount to Market Price. However, the exercise price shall not be lesser than the face value of shares.
e. Maximum term of options granted	4 Years
f. Source of shares (primary, secondary or combination)	Primary
g. Variation in terms of options	Not applicable
h. Method of settlement	Equity Shares
i. Total number of options granted under ESOP Scheme in 1st tranche and exercise price of the same	15,00,000 (Grant Date : 21 March 2024) ₹ 513
j. Method used to account for ESOP Scheme - 2023 (Intrinsic or fair value)	The Company uses the fair value-based method of accounting for stock options granted.
k. Method used & assumptions made to incorporate effects of expected early exercise	Black-Scholes Options Pricing Model, The following assumptions were used for calculation of fair value of options granted. Risk free interest rate: 6.97 % Expected life of option: 2.5 Expected volatility: 37.18 % Share price: ₹ 682.8

Notes forming part of the Standalone Financial Statements

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

14. Equity share capital (Contd..)

Particulars	Scheme details
l. How expected volatility was determined, including explanation of the extent to which expected volatility was based on historical volatility	The expected price volatility is based on the historic volatility of the company's share price.
m. Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as market condition.	Not applicable
n. Weighted average equity share price during the exercise period	Not applicable
o. Expenses on Employee Stock Option Scheme debited to the Statement of Profit and Loss	During the year ₹ 166 Million

ii) Options movement during the year

Particulars	Scheme details
Number of options outstanding at the beginning of the period	15,00,000
Number of options granted during the year	Nil
Number of options allotted during the year	Nil
Number of options lapsed during the year	1,10,060
Number of options outstanding at the end of the period	13,89,940
Money realized by exercise of options (₹), as scheme is implemented directly by the Company	Nil

f) Buy back of shares

There were no buy back of shares and no shares issued pursuant to contract without payment being received in cash during the last 5 years immediately preceding 31 March 2025.

g) Capital management

The Company's capital management objectives are:

- to safeguard the Company's ability to continue as a going concern, and continue to provide optimum returns to the shareholders and all other stakeholders by building a strong capital base.
- to maintain an optimum capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders plus its borrowings, if any, less cash and bank balances.

Notes forming part of the Standalone Financial Statements

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

14. Equity share capital (Contd..)

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The amounts managed as capital by the Company for the reporting periods under review are summarized as follows:

		As at 31 March 2025	As at 31 March 2024
Borrowings		2,335	1,642
Less: Cash and bank balances		(8,401)	(3,621)
Net debt/(Cash)	(A)	(6,066)	(1,979)
Total equity	(B)	17,836	14,962
Total equity and net debt	(C=A+B)	11,770	12,983
Gearing ratio	(A/C)	(51.5%)	(15.2%)

15. Other equity

		As at 31 March 2025	As at 31 March 2024
Securities premium reserve			
Balance at the beginning of the year		3,939	3,939
Add : Additions made during the year		-	-
Balance at the end of the year		3,939	3,939

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

		As at 31 March 2025	As at 31 March 2024
Capital reserve			
Balance at the beginning of the year		25	25
Add : Additions made during the year		-	-
Balance at the end of the year		25	25

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.

		As at 31 March 2025	As at 31 March 2024
Stock option outstanding account			
Balance at the beginning of the year		-	-
Add: Options granted during the year		166	-
Less: Options exercised during the year		-	-
Less: Options lapsed during the year		-	-
Balance at the end of the year		166	-

Notes forming part of the Standalone Financial Statements

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

15. Other equity (Contd..)

The stock option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to securities premium reserve upon exercise of stock options by employees. In case of forfeiture, corresponding balance is transferred to general reserve.

	As at 31 March 2025	As at 31 March 2024
General reserve		
Balance at the beginning of the year	334	334
Add: Transfer from stock option outstanding account	-	-
Balance at the end of the year	334	334

General reserve represents an appropriation of profits by the Company.

	As at 31 March 2025	As at 31 March 2024
Surplus in the statement of profit and loss		
Balance at the beginning of the year	10,593	8,235
Add: Transfer from statement of profit and loss	2,713	2,358
Balance at the end of the year	13,306	10,593

Surplus in the statement of profit and loss comprises of prior years' undistributed earnings after taxes.

	As at 31 March 2025	As at 31 March 2024
Accumulated other comprehensive income		
Balance at the beginning of the year	(53)	(42)
Add: Transfer from other comprehensive income	(5)	(11)
Balance at the end of the year	(58)	(53)
Total other equity	17,712	14,838

16. Trade payables

	As at 31 March 2025	As at 31 March 2024
Non-current		
Dues to micro and small enterprises (Also, refer note (a) below)	-	-
Dues to others	2,334	1,329
	2,334	1,329
Current		
Dues to micro and small enterprises (Also refer note (a) below)	111	49
Dues to others	9,548	8,817
	9,659	8,866

Notes forming part of the Standalone Financial Statements

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

16. Trade payables (Contd..)

Ageing for trade payables - billed – Non current outstanding as at 31 March 2025 is as follows:

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-	-
Others	2,334	-	-	-	-	2,334
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	2,334	-	-	-	-	2,334

Ageing for trade payables - billed – Non current outstanding as at 31 March 2024 is as follows:

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-	-
Others	1,329	-	-	-	-	1,329
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	1,329	-	-	-	-	1,329

Ageing for trade payables - billed – current outstanding as at 31 March 2025 is as follows:

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
MSME	57	46	2	2	4	111
Others	2,235	6,029	437	319	503	9,523
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	2	-	23	25
Total	2,292	6,075	441	321	530	9,659

Ageing for trade payables - billed – current outstanding as at 31 March 2024 is as follows:

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
MSME	24	17	3	3	2	49
Others	3,071	4,440	284	182	838	8,815
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	0	1	-	-	1	2
Total	3,095	4,458	287	185	841	8,866

Notes forming part of the Standalone Financial Statements

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

16. Trade payables (Contd..)

The carrying values of trade payables are considered to be a reasonable approximation of fair value.

	As at 31 March 2025	As at 31 March 2024
a) Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006:		
i) Principal amount remaining unpaid	111	49
ii) Interest due thereon	6	6
iii) Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
iv) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
v) Interest accrued and remaining unpaid as at the year end	6	6
vi) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

b) Unclaimed credit balances amounting to ₹ 46 Millions (2023-24: ₹ 16 Millions) during the year have been reversed from trade payables .

17. Other financial liabilities

	As at 31 March 2025	As at 31 March 2024
Non-current		
Employee related payables	19	13
	19	13
Current		
Dues to related parties	8	35
Unpaid dividends	0	0
Employee related payables	299	227
Interest payables and others	16	10
	323	272
Total financial liabilities	342	285
Financial liabilities carried at amortized cost	342	285
Financial liabilities carried at fair value through profit and loss	-	-

Notes forming part of the Standalone Financial Statements

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

18. Provisions

	As at 31 March 2025	As at 31 March 2024
Non-current		
Provision for employee benefits		
- Compensated absences	48	43
	48	43
Current		
Provision for warranty	1,210	859
Provision for liquidated damages	-	-
Provision for foreseeable losses on contracts	4	11
Provision for employee benefits		
- Gratuity	18	24
- Compensated absences	39	38
	1,271	932

a) Provision for warranty

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	859	209
Provided during the year, net	373	658
Utilised during the year	(22)	(8)
Balance at the end of the year	1,210	859

A provision is recognized for expected warranty claims on construction contracts completed, based on past experience of level of repairs and returns. It is expected that these costs would be predominantly incurred within one year from the balance sheet date, which generally coincides with the completion of warranty period of the contracts. The assumption used to calculate the provision for warranties are based on the Company's current status of contracts under execution and information available about expenditure estimated to be incurred based on the Company's warranty period for contracts completed.

b) Provision for liquidated damages

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	-	-
Created during the year, net	36	137
Utilised during the year	(36)	(137)
Balance at the end of the year	-	-

The Company provides for liquidated damages when it reasonably expects that a delay in the completion of the project or a shortfall in the performance parameters might give rise to a claim from the customer. In the event of failure to complete a project as scheduled, or in case of a performance shortfall, the Company may generally be held liable for penalties in the form of agreed liquidated damages. Liquidated damages are generally measured and recognized in accordance with the terms of the contracts with customers.

Notes forming part of the Standalone Financial Statements

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

18. Provisions (Contd..)

c) Provision for foreseeable losses on contracts

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	11	-
Created / (Reversed) during the year, net	(7)	11
Utilised during the year	-	-
Balance at the end of the year	4	11

The Company provides for foreseeable losses on contracts when it is probable that total contract cost, including expected cost to complete, will exceed the economic benefits expected to be received under it.

d) Provision for employee benefits

i) Gratuity

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund maintained with an insurance company.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Gratuity.

	Year ended 31 March 2025	Year ended 31 March 2024
Change in projected benefit obligation		
Defined benefit obligation at the beginning of the year	104	88
Current service cost	10	9
Past service cost	-	-
Interest cost	6	5
Actuarial gain/(loss)	8	18
Benefits paid	(13)	(16)
Defined benefit obligation at the end of the year	115	104
Thereof		
Unfunded	17	24
Funded	98	80
Change in plan assets		
Fair value of plan assets at the beginning of the year	80	78
Expected return on plan assets	6	6
Actuarial gain/(loss)	1	3
Employer contributions	24	9
Benefits paid	(13)	(16)
Fair value of plan assets at the end of the year	98	80
Reconciliation of present value of obligation on the fair value of plan assets		
Present value of defined benefit obligation at the end of the year	114	103
Fair value of plan assets at the end of the year	(97)	(79)
Liability recognised in the balance sheet	17	24

Notes forming part of the Standalone Financial Statements

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

18. Provisions (Contd..)

	Year ended 31 March 2025	Year ended 31 March 2024
Components of net gratuity costs are:		
Current service cost	10	9
Interest cost	6	5
Past service cost	-	-
Expected return on plan assets	(6)	(6)
Recognized net actuarial loss	7	16
Net gratuity costs recognised during the year	17	24
Plan assets do not comprise any of the Company's own financial instruments or any assets used by the Company. Plan assets can be broken down into the following categories of investments:		
Group balance fund	95	79
Group debt fund	1	1
Group short term debt fund	0	0
Total	96	80

	Year ended 31 March 2025	Year ended 31 March 2024
Principal actuarial assumptions used:		
Discount rate	6.57%	7.18%
Long-term rate of compensation increase	5.00%	5.00%
Expected rate of return on plan assets	6.57%	7.18%
Average remaining life (in years)	23	22
Attrition rate	20.00%	24.00%

The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

Based on historical data, the Company expects contributions of ₹ 18 Millions to be paid for financial year 2024-25. The weighted average duration of the defined benefit obligation as at 31 March 2025 is 4.72 years (31 March 2024: 3.98 years)

Employee benefits - Maturity profile of defined benefits obligation

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2025					
Defined benefit obligation	34	21	45	44	144
31 March 2024					
Defined benefit obligation	31	26	41	24	122

Notes forming part of the Standalone Financial Statements

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

18. Provisions (Contd..)

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability:

	Attrition rate		Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2025						
> Sensitivity Level	0.5%	(0.5%)	0.5%	(0.5%)	0.5%	(0.5%)
> Impact on defined benefit obligation	0.02	(0.01)	1.75	(1.81)	(1.66)	1.64
31 March 2024						
> Sensitivity Level	0.5%	(0.5%)	0.5%	(0.5%)	0.5%	(0.5%)
> Impact on defined benefit obligation	(0.03)	0.03	1.35	(1.39)	(1.31)	1.29

(ii) Compensated absences

The Company permits encashment of compensated absences accumulated by its employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of privilege leave at the balance sheet date is determined and provided on the basis of actuarial valuation performed by an independent actuary. The Company does not maintain any plan assets to fund its obligation towards compensated absences. The total Compensated absences recognized in the statement of profit and loss for the year is ₹ 36 Millions (2023-24 : ₹ 37 Millions).

	Year ended 31 March 2025	Year ended 31 March 2024
Principal actuarial assumptions used :		
Discount rate	6.57%	7.18%
Long-term rate of compensation increase	5.00%	5.00%
Average remaining life	23	21
Attrition rate	20.00%	24.00%

19. Other liabilities

	As at 31 March 2025	As at 31 March 2024
Non-current		
Advance from customers	1,817	2,598
	1,817	2,598
Current		
Statutory dues	859	63
Billing in advance of work completed	71	37
Advance from customers	1,301	1,226
Unbilled Payables	6,034	4,710
Others	116	276
	8,381	6,312

Notes forming part of the Standalone Financial Statements

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

20. Borrowings

	As at 31 March 2025	As at 31 March 2024
Non-current borrowings (Secured)		
Debentures	594	790
	594	790
Current borrowings (Secured)		
From Banks		
Packing credit	1,519	662
Cash Credit	0	-
Current maturities of long term borrowings	222	190
	1,741	852

The carrying amount of borrowings is considered to be a reasonable approximation of fair value.

a) Terms, repayment and guarantee details of borrowings

- i) The Company has availed packing credit facilities in US dollars (USD) and Euro (EUR) at an interest rate of 3.21% p.a to 6.99% p.a (31 March 2024: 6.66% p.a to 8.00% p.a) . These packing credits are repayable within 180 days, as applicable, from the date of availment and are secured against foreign currency receivables. The Company has availed EUR-denominated packing credit facilities for the first time during the current financial year.
- ii) The Company has availed cash credit facilities from banks at an interest rate of 9.65% p.a to 10.05% p.a (31 March 2024: 8.25% p.a to 9.65% p.a) and are secured against receivables of the Company.
- iii) The Company has availed working capital demand loan at an interest rate of 8.55% p.a to 8.85% p.a (31 March 2024 : 8.25% p.a to 9.55% p.a) and is repayable within 180 days from the date of availment and are secured against receivables of the Company.
- iv) During the Previous year the Company issued debentures to an international organisation established under a Charter, which is secured by first pari-passu charge on the entire current assets of the Company except MRPL Project and BUIDCO Bhagalpur Project at an interest of 8.54% p.a and repayable by 18 quarterly instalments from August 2024 and during the current year the interest rate has been repriced to 7.695% p.a due to modification of interest terms .

21. Current tax liabilities (net)

	As at 31 March 2025	As at 31 March 2024
Current tax liabilities net of advance taxes	76	176
	76	176

Notes forming part of the Standalone Financial Statements

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

22. Financial instruments

Categories of financial assets and financial liabilities

	Financial assets at fair value through profit and loss	Financial assets at amortised cost	Total
As at 31 March 2025			
Financial assets			
Investments	2	-	2
Loans	-	139	139
Trade receivables	-	24,268	24,268
Cash and bank balances	-	8,385	8,385
Other financial assets	-	762	762
	2	33,554	33,556

	Financial liabilities at fair value through profit and loss	Financial liabilities at amortised cost	Total
As at 31 March 2025			
Financial liabilities			
Trade payables	-	11,993	11,993
Borrowings	-	2,335	2,335
Other financial liabilities	-	342	342
	-	14,670	14,670

	Financial assets at fair value through profit and loss	Financial assets at amortised cost	Total
As at 31 March 2024			
Financial assets			
Investments	2	-	2
Trade receivables	-	23,429	23,429
Cash and bank balances	-	3,557	3,557
Other financial assets	-	922	922
	2	27,908	27,910

	Financial liabilities at fair value through profit and loss	Financial liabilities at amortised cost	Total
As at 31 March 2024			
Financial liabilities			
Trade payables	-	10,195	10,195
Borrowings	-	1,642	1,642
Other financial liabilities	-	285	285
	-	12,122	12,122

Notes forming part of the Standalone Financial Statements

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

22. Financial instruments (Contd..)

Investments excludes equity and other instruments in subsidiaries and associates amounting to ₹ 1,410 Millions (previous year ₹ 1,300 Millions) which are measured at cost.

The carrying value of financial assets and financial liabilities approximates the fair value of financial assets and financial liabilities as at 31 March 2025 and 31 March 2024.

Also refer note 38 fair value measurement

23. Revenue from operations

	Year ended 31 March 2025	Year ended 31 March 2024
Sale of services		
Export	10,844	9,980
Domestic	17,716	14,912
	28,560	24,892
Other operating revenues, net (Also refer note 16 (b))	178	205
	28,738	25,097

A Disaggregation of sale of services

Revenue from operations are disaggregated based on projects, based on customers, based on timing of revenue recognition and based on geography.

a) Based on Projects

	Year ended 31 March 2025	Year ended 31 March 2024
Construction contracts	23,612	21,218
Operation and maintenance contracts	4,948	3,674
	28,560	24,892

b) Based on Customers

	Year ended 31 March 2025	Year ended 31 March 2024
Industrial	8,074	10,037
Municipal	20,486	14,855
	28,560	24,892

c) Based on Timing of revenue recognition

Revenues from construction contracts and operation & maintenance contracts are recognised on 'Over a point in time' basis and 'At a point in time' basis respectively.

d) Based on Geography

Revenue from operations can be disaggregated based on geography into 'India' and 'Rest of the World'.

Notes forming part of the Standalone Financial Statements

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

23. Revenue from operations (Contd..)

B Transaction price allocated to the remaining sales contracts (Order backlog)

Revenues expected to be recognised in the future related to performance obligations that are unsatisfied or partially unsatisfied as at 31 March 2025 amounting to ₹ 110,366 Millions (31 March 2024 : ₹ 84,111 Millions)

Construction contracts are progressively executed over a period of upto 3.5 years and based on specific project schedules. Operation and maintenance contracts are expected to be executed over a period of 1 to 20 years, primarily invoiced on a monthly basis.

C Reconciliation of sale of services with contract price

	Year ended 31 March 2025	Year ended 31 March 2024
Opening contract price of orders as at 01 April	84,111	94,760
Fresh orders /Change in orders received, net	54,465	13,940
Total revenue recognised during the year	(28,560)	(24,892)
Effects of foreign exchange movement	350	303
Closing contract price of orders as at 31 March	1,10,366	84,111

24. Other income

	Year ended 31 March 2025	Year ended 31 March 2024
Profit on sale of property, plant and equipment, net	2	2
Interest income from deposits with banks and others	206	116
Dividend income	-	102
Exchange gain on Foreign currency, net	161	93
	369	313

25. Cost of sales and services

	Year ended 31 March 2025	Year ended 31 March 2024
Engineering costs	684	769
Material costs	11,329	9,623
Civil costs	4,843	4,067
Erection and commissioning costs	702	687
Taxes and duties	3	64
Site establishment costs	689	691
Project consultancy fee	53	76
Warranty expenses (Also refer note 18(a))	373	658
Foreseeable losses/(Reversal) on contracts (Also refer note 18(c))	(8)	11
Project travel	201	176
Project Insurance	62	119
Power and fuel	367	44
Liquidated damages (Also refer note 18(b))	36	137
Other operation and maintenance expenses	770	558
Other project expenses	2,201	1,615
	22,305	19,295

Notes forming part of the Standalone Financial Statements

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

26. Changes in inventories

	Year ended 31 March 2025	Year ended 31 March 2024
Inventories at the beginning of the year		
Contract inventories	9	2
Stores and spares	94	100
(A)	103	102
Less: Inventories at the end of the year		
Contract inventories	13	9
Stores and spares	140	94
(B)	153	103
(A-B)	(50)	(1)

27. Employee benefits expense

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	1,907	1,535
Gratuity and compensated absences (Also refer note 18(d))	47	46
Contribution to provident and other defined contribution funds	77	67
Staff welfare expenses	123	81
	2,154	1,729

28. Finance costs

	Year ended 31 March 2025	Year ended 31 March 2024
Interest expenses for borrowings at amortised cost	186	187
Bank charges	406	407
	592	594

29. Depreciation and amortization expense

	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment (Also refer note 4)	26	38
Amortization of intangible assets (Also refer note 4)	4	4
	30	42

Notes forming part of the Standalone Financial Statements

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

30. Other expenses

	Year ended 31 March 2025	Year ended 31 March 2024
Rent (Also refer note 34)	25	23
Insurance	4	4
Power and fuel	20	18
Rates and taxes	3	4
Repairs and maintenance	52	55
Professional charges (Also refer note 35)	145	141
Communication expenses	7	7
Travelling and conveyance	62	52
Bad and doubtful debts, net	15	123
Impairment of investments	2	62
Corporate social responsibility expenses (Also refer note 36)	36	14
Printing and stationery	5	5
Office and maintenance expenses	23	22
Rerearch and development expenses	28	23
Miscellaneous expenses	34	38
	461	591

31. Income taxes

The major components of income tax expense for the year ended 31 March 2025 and 31 March 2024 are:

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax:		
Income tax expense	769	851
Tax expense/(reversal) in respect of earlier years	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	133	(49)
Tax expense reported in the statement of profit and loss	902	802
Income tax relating to items that will not be reclassified to profit and loss	2	4
Tax expense reported in other comprehensive income	2	4

Tax reconciliation:

The major components of tax expense and the reconciliation of the tax expense based on the domestic effective tax rate of the Company at 24.95% (31 March 2024: 25.38%) and the reported tax expense in the statement of profit and loss are as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before taxes	3,615	3,160
Enacted tax rates	25.168%	25.168%
Tax on profit at enacted tax rate	910	795
Dividend Income taxed at lower rate	-	-
Deferred Tax Charge	-	-
Tax effect on non deductible expenses	10	7
Others	(18)	-
Income tax expense	902	802

Notes forming part of the Standalone Financial Statements

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

31. Income taxes (Contd..)

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax	769	851
Deferred tax	133	(49)
Income tax expense reported in the statement of profit and loss	902	802

32. Earnings per equity share (EPS)

	Year ended 31 March 2025	Year ended 31 March 2024
For profit for the year		
Nominal value of equity shares (in ₹)	2	2
Profit attributable to equity shareholders (A)	2,713	2,358
Weighted average number of equity shares outstanding during the year (B)	6,21,90,428	6,21,90,428
Basic earnings per equity share (A/B) (in ₹)	43.62	37.91
For total comprehensive income		
Nominal value of equity shares (in ₹)	2	2
Total comprehensive income attributable to equity shareholders (a)	2,708	2,346
Weighted average number of equity shares outstanding during the year (b)	6,21,90,428	6,21,90,428
Basic earnings per equity share (a/b) (in ₹)	43.54	37.73
For profit for the year		
Dilutive effect on profit (C)	-	-
Profit attributable to equity shareholders for computing diluted EPS (D) = (A+C)	2,713	2,358
Dilutive effect on weighted average number of equity share options outstanding during the year (E)	9,03,303	-
Weighted average number of equity shares for computing diluted EPS (F) = (B+E)	6,30,93,731	6,21,90,428
Diluted earnings per equity share (D/F) (in ₹)	43.00	37.91
For total comprehensive income		
Dilutive effect on profit (c)	-	-
Total comprehensive income attributable to equity shareholders for computing diluted EPS (d) = (a+c)	2,708	2,346
Dilutive effect on weighted average number of equity share options outstanding during the year (e)	9,03,303	-
Weighted average number of equity shares for computing diluted EPS (f) = (b+e)	6,30,93,731	6,21,90,428
Diluted earnings per equity share (d/f) (in ₹)	42.92	37.73

33. Contract assets and contract liabilities

Contract Balances

	Year ended 31 March 2025	Year ended 31 March 2024
Movement in contract assets		
Opening balance	5,433	3,984
Changes in the measure of progress, claims and other adjustments, net	2,183	3,855
Transfer to trade receivables, net	(978)	(2,406)
Closing balance	6,638	5,433

Notes forming part of the Standalone Financial Statements

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

33. Contract assets and contract liabilities (Contd..)

	Year ended 31 March 2025	Year ended 31 March 2024
Movement in contract Liabilities		
Opening balance	3,861	1,134
Advances received during the year	480	3,224
Billing in advance for work completed	71	37
Advances offset against billing, net	(1,186)	(427)
Revenues recognised during the year	(37)	(107)
Closing balance	3,189	3,861

34. Leases

	Year ended 31 March 2025	Year ended 31 March 2024
(A) Expenses related to leases recognised in Statement of Profit and Loss :		
Depreciation expense from right to use assets	-	-
Interest expenses on lease liabilities	-	-
Expenses relating to short term leases (Also refer note 30)	25	23
(B) Payments related to leases recognised in Statement of Cash Flows :		
Recognition of finance lease liabilities	-	-
Interest paid on finance lease liabilities	-	-

35. Remuneration to auditors (included as part of Professional charges)*

	Year ended 31 March 2025	Year ended 31 March 2024
As auditor		
Audit fees	6	6
Taxation matters	0	0
Other services	1	1
Reimbursement of expenses	1	2
	8	9

*Excluding taxes

36. Expenditure on Corporate Social Responsibility (CSR)

	Year ended 31 March 2025	Year ended 31 March 2024
a) Amount required to be spent by the company during the year	36	14
b) Amount of expenditure incurred	36	14
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Nature of CSR activities#	-	-
f) Details of related party transactions	-	-

#Skill Development activities

Notes forming part of the Standalone Financial Statements

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

37. Related party disclosures:

a) Names of related parties and nature of relationship

Nature of relationship	Name of related party
Subsidiary companies	VA Tech Wabag (Singapore) Pte Ltd, Singapore
	VA Tech Wabag GmbH, Austria
	Wabag Wassertechnik AG, Switzerland (ceased to be a subsidiary effective 12 April 2023)
	VA Tech Wabag Deutschland GmbH, Germany
	Wabag Water Services s.r.l., Romania (ceased to be a subsidiary effective 30 June 2024)
	VA Tech Wabag Tunisie s.a.r.l., Tunisia
	VA Tech Wabag Su Tecknolojisi Ve Tic A.S, Turkey
	VA Tech Wabag Muscat LLC, Oman
	VA Tech Wabag (Philippines) Inc, Philippines
	VA Tech Wabag Limited Pratibha Industries Limited JV, Nepal
	Wabag Limited, Thailand (liquidated on 03 November 2023)
	Wabag Muhibbah JV Sdn Bhd, Malaysia
	Wabag Belhasa JV WLL, Bahrain
	VA Tech Wabag and Roots Contracting LLC, Qatar
	Ghaziabad Water Solutions Private Limited
	Kopri Bio Engineering Private Limited (Subsidiary upto 04 July 2023)
Associate	Windhoek Goreangab Operating Company (Pty) Limited, Namibia
	Ganga STP Project Private Limited, India
	DK Sewage Project Private Limited, India (Associate effective 28 March 2024)
	VA Tech Wabag and Roots Contracting LLC, Qatar
Key Managerial Personnel (KMP)	Mr. Rajiv Mittal - Chairman & Managing Director
	Mr. S Varadarajan - Whole Time Director & Chief Growth Officer
	Mr. Milin Mehta - Independent director
	Ms. Vijaya Sampath - Independent director
	Mr. Ranjit Singh - Independent director
	Mr. Amit Goela - Non Executive Non Independent director
	Mr. Skandaprasad Seetharaman - Chief Financial Officer
	Mr. Shailesh Kumar - CEO-India Cluster
	Mr. Arulmozhi - CFO- India Cluster
	Mr. Pankaj Malhan - Deputy Managing Director and Group Chief Executive Officer (Resigned w.e.f 30 October 2023)
Other Related Party (Relative of Chairman & Managing Director)	Mr. Rohan Mittal- Head -Strategy & Business Growth -GCC
	Ms. Shamali Chavan - Senior Engineer (w.e.f 14 February 2025)

Notes forming part of the Standalone Financial Statements

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

37 Related party disclosures (contd..)

b) Transactions with related parties

Particulars	Year ended 31 March 2025			Year ended 31 March 2024		
	Subsidiaries	Associates	KMP and other related party	Subsidiaries	Associates	KMP and other related party
Sale of goods/services	479	614	-	2,479	159	-
Purchase of goods/services	469	-	-	624	-	-
Investments made	113	-	-	286	130	-
Others operating income	34	-	-	159	-	-
Other Income	0	9	-	13	102	-
Other expenses	36	-	-	23	-	-
Reimbursements from /to, net	3	-	-	5	-	-

c) Balances with related parties

Particulars	As at 31 March 2025			As at 31 March 2024		
	Subsidiaries	Associates	KMP and other related party	Subsidiaries	Associates	KMP and other related party
Advances/ amount recoverable	794	737	-	897	525	-
Loan including interest	33	128	-	-	-	-
Creditors/ Payables	510	9	8	545	9	8

Note:

The maximum amount of Loans and advances in the nature of Loans outstanding during the year in accordance with Regulation 34(3) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015 is as below:

- DK Sewage Project Private Limited ₹ 15 Millions (31 March 2024 ₹ Nil)
- Ghaziabad Water Solutions Private Limited - ₹ 19 Millions (31 March 2024 ₹ Nil)
- Ganga STP Projects Private Limited ₹ 105 Millions (31 March 2024 ₹ Nil)

d) List of guarantees

Particulars	As at 31 March 2025			As at 31 March 2024		
	Subsidiaries	Associates	KMP and other related party	Subsidiaries	Associates	KMP and other related party
Corporate guarantee for securing banking lines	44	-	-	108	-	-

e) Remuneration to Key Managerial Personnel and Other Related Parties

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries including bonus	104	110
Post employment and termination benefits*	8	8
Commission	7	7

*Provisions for contribution to gratuity, leave encashment and other defined benefit are determined by actuary on an overall Company basis at the end of each year and, accordingly, have not been considered in the above information.

Notes forming part of the Standalone Financial Statements

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

38. Fair value measurement

Fair value measurement hierarchy

The Company records certain financial assets and financial liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The Company holds certain fixed income investments and other financial assets such as employee advances, deposits etc. which must be measured using the fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three Levels of fair value hierarchy. These levels are based on the observability of significant inputs to the measurement, as follows:

- > **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities
- > **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- > **Level 3:** Inputs for assets or liabilities that are not based on observable market data (unobservable inputs)

The following table shows the Levels within the hierarchy of financial and non-financial assets and liabilities measured at fair value on a recurring basis at 31 March 2025, 31 March 2024:

(a) Quantitative disclosures fair value measurement hierarchy for assets as at 31 March:

	Fair value measurement using				
	Date of valuation	Carrying value	Level 1	Level 2	Level 3
i) Assets measured at fair value:					
Fair value through statement of profit and loss					
Investments					
2025	31 March 2025	2	-	-	2
2024	31 March 2024	2	-	-	2
ii) Liabilities measured at fair value:					
Financial guarantees					
2025	31 March 2025	-	-	-	-
2024	31 March 2024	-	-	-	-

iii) Liabilities measured at amortised cost:

a) Interest-bearing loans and borrowings:

The Company ensures a balanced portfolio of fixed and floating rate loans and borrowings. The Company's borrowings as at 31 March 2025 of ₹ 1,519 Millions (31 March 2024 ₹ 663 Millions) and of ₹ 816 Millions (31 March 2024 ₹ 979 Millions) are on fixed rate and floating rate basis of interest respectively.

The fair values of the Company's interest-bearing borrowings and loans are determined under amortised cost method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. These rates are considered to reflect the market rate of interest and hence the carrying value are considered to be at fair value.

Notes forming part of the Standalone Financial Statements

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

39. Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies

The Company's principal financial liabilities comprise of borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its and group companies operations. The Company's principal financial assets include investments, trade and other receivables, cash and short-term deposits that are created directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's management is supported by the Group Treasury Team that advises on financial risks and the appropriate financial risk governance framework in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree on policies for managing each of these risks, which are summarised below.

a) Market risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

i. 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 relates primarily to the Company's debt obligations with floating interest rates.

Interest rate sensitivity

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% for the year ended 31 March 2025 (31 March 2024: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. Sensitivity calculations are based on a annualized interest cost on the borrowings at floating rate as of the reporting dates 31 March 2025 and 31 March 2024 . All other variables are held constant.

		As at 31 March 2025	As at 31 March 2024
Profit before tax			
Increase	+1%	8	10
Decrease	-1%	(8)	(10)
Equity before tax			
Increase	+1%	8	10
Decrease	-1%	(8)	(10)

ii. Foreign currency risk

Most of the Company's transactions are carried out in Indian rupees. Exposures to currency exchange rates arise from the Company's overseas sales and purchases, which are primarily denominated in US dollars (USD) and Euro (EUR).

To mitigate the Company's exposure to foreign currency risk, cash flows are monitored and forward exchange contracts are entered into in accordance with the Company's risk management policies. Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken.

Notes forming part of the Standalone Financial Statements

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

39. Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies (Contd..)

Foreign currency denominated financial assets and financial liabilities which predominantly expose the Company to currency risk are disclosed below. The amounts shown are translated at the closing rate:-

	Foreign currency exposure (in ₹ in Millions)	
	USD	EUR
31 March 2025		
Financial assets	6,976	299
Financial liabilities	2,126	1,316
31 March 2024		
Financial assets	12,610	759
Financial liabilities	2,186	371

For the purpose of this disclosure, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

The following table illustrates the sensitivity of profit and equity in regards to the Company's financial assets and financial liabilities and the USD/₹ exchange rate and EUR/₹ exchange rate 'all other things being equal'. It assumes a +/- 1% change of the ₹/USD and ₹/EUR exchange rate for the year ended 31 March 2025 (31 March 2024: 1%).

If the ₹ had strengthened against the USD by 1% during the year ended 31 March 2025 (31 March 2024: 1%), and EUR by 1% during the year ended 31 March 2025 (31 March 2024: 1%) respectively then this would have had the following impact on profit before tax and equity before tax:

		As at 31 March 2025	As at 31 March 2024
Profit before tax			
USD	+1%	49	104
EUR	+1%	(10)	4
		39	108
Equity before tax			
USD	+1%	49	104
EUR	+1%	(10)	4
		39	108

If the ₹ had weakened against the USD by 1% during the year ended 31 March 2025 (31 March 2024: 1%) and EUR by 1% during the year ended 31 March 2025 (31 March 2024: 1%) respectively, there would be an equal but opposite effect on the above currencies to the amount shown above, on the basis that all other variables remain constant.

Notes forming part of the Standalone Financial Statements

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

39. Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies (Contd..)

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 trade receivables, deposits etc. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March, as summarised below:

	As at 31 March 2025	As at 31 March 2024
Classes of financial assets		
Trade receivables	24,268	23,429
Cash and cash equivalents balances	6,142	2,899
Bank balances other than those mentioned in cash and cash equivalents	2,243	658
Other financial assets	762	921

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties. Customer credit risk is managed based on the Company's established policy, procedures and control relating to customer credit risk management, pursuant to which outstanding customer receivables are regularly monitored by the management, to ensure the risk of credit loss is minimal. Credit quality of a customer is assessed based on historical information in relation to pattern of collections, defaults and credit worthiness of the customer. As at 31 March 2025, the Company had 22 (Previous year 2023-24 : 19) customers that owed the Company more than ₹ 300 Millions each and accounted for approximately 91% (Previous year 2023-24: 90%) of all the receivables outstanding. As at 31 March 2025, the Company has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired. (Also refer note 6)

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

Other financial assets mainly comprises of tender deposits and security deposits which are given to customers or other governmental agencies in relation to contracts executed and are assessed by the Company for credit risk on a continuous basis. The credit risk on these balances are estimated to be low as at 31 March 2025.

c) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. 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 lookout period.

The Company's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for the reporting periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Company's existing cash resources and trade receivables significantly exceed the current cash outflow requirements. Cash flows from trade receivables are all contractually due within six months except for retention and long term trade receivables which are governed by the relevant contract conditions.

Notes forming part of the Standalone Financial Statements

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

39. Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies (Contd..)

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and short-term borrowings. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows including interest as at 31 March 2025 and 31 March 2024.

As at 31 March 2025	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Borrowings	1,634	138	682	-
Trade payables	9,659	-	2,334	-
Other financial liabilities	323	-	19	-
	11,616	138	3,035	-

As at 31 March 2024	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Borrowings	774	150	976	-
Trade payables	8,866	-	1,329	-
Other financial liabilities	272	-	13	-
	9,912	150	2,318	-

40. Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date (31 March 2025) and the date of authorisation (21 May 2025) other than those disclosed under respective notes.

41. Contingent liabilities, commitments and guarantees

a) Claims against the Company not acknowledged as debt

Particulars	As at 31 March 2025	As at 31 March 2024
Income tax demand including interest contested in appeal for various assessment years	66	134
Indirect tax matters under dispute including interest contested in appeal for various years	1,011	1,242

b) Capital commitments

The estimated amounts of contracts to be executed on capital account and not provided for (net of advances) Nil (Previous year – Nil).

c) Guarantees excluding financial guarantees

Particulars	As at 31 March 2025	As at 31 March 2024
Guarantees issued by the Company for:		
- subsidiaries	44	108

Notes forming part of the Standalone Financial Statements

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

42. Segment reporting

The Company publishes the standalone financial statements along with the consolidated financial statements in the annual report. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the consolidated financial statements.

43. Analytical ratios

Particulars	31 March 2025	31 March 2024	Change	Numerator	Denominator
a. Current Ratio	1.65	1.66	(0.6%)	Current assets	Current Liabilities
b. Debt-Equity Ratio	0.13	0.11	19.3%	Total Debt (Long & Short term)	Shareholder's Equity
c. Debt Service Coverage Ratio	7.18	6.87	4.5%	Earnings available for debt service	Debt Service
d. Return on Equity Ratio (ROE)	16.5%	17.1%	(3.3%)	Net Profits after taxes	Average Shareholder's Equity
e. Inventory turnover Ratio	18.61	20.27	(8.2%)	Sales	Average Inventory
f. Trade Receivables turnover Ratio	1.20	1.17	2.7%	Net Credit Sales	Average Accounts Receivable
g. Trade payables turnover Ratio	2.01	1.90	5.5%	Net Credit Purchases	Average Trade Payables
h. Net capital turnover Ratio	2.05	2.17	(5.4%)	Net Sales	Working Capital
i. Net profit Ratio	9.5%	9.5%	0.3%	Net Profit	Net Sales
j. Return on Capital employed (ROCE)	21.3%	22.4%	(4.8%)	Earning before interest and taxes	Capital Employed

All investments are non current in nature and invested in group companies, hence return on investment ratio is not computed.

44. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Previous Year : Nil)

45. Additional disclosures under Schedule III Division II of the Companies Act

- No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder, as at the end of the year.
- The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority
- As per the information available with the Company, the Company has not entered into any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 (Previous Year : Nil)

Notes forming part of the Standalone Financial Statements

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

45. Additional disclosures under Schedule III Division II of the Companies Act (Contd..)

- d. There has been no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as at the end of the year.
- e. The Company has not traded or invested in Cryptocurrency or Virtual currency during the financial year ended 31 March 2025. (Previous Year: Nil)
- f. The Company is using IFS ERP (accounting software) for maintaining books of accounts. Audit trail was operational throughout the year and audit trail backup has been preserved as required under Act.

46. Figures for the previous year have been regrouped / re-classified to conform to the figures of the current year. Values less than ₹ 0.5 Million disclosed as zero.

Notes 1 to 46 form an integral part of the standalone financial statements

In terms of our report of even date attached

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No.: 003792S

V Viswanathan
Partner
(Membership No.: 215565)

Place : Chennai
Date : 21 May 2025

For and on behalf of the Board of Directors of
VA Tech Wabag Limited

Rajiv Mittal
Chairman & Managing Director
(DIN : 01299110)

Skandaprasad Seetharaman
Chief Financial Officer

Place : Chennai
Date : 21 May 2025

Milin Mehta
Director
(DIN : 01297508)

Anup Kumar Samal
Company Secretary
(Membership No: F4832)

Independent Auditor's Report

To
The members of
VA Tech Wabag Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **VA Tech Wabag Limited** (hereinafter referred to as the "Company" / "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which includes Group's share of profit in its associates, which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date and notes to the consolidated financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2025, the consolidated profit and consolidated total comprehensive income, its consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("Standards") 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 consolidated financial statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No	Key audit matter description and principal audit procedures
------	---

1	Revenue recognition
---	----------------------------

Refer Notes 3.1, 11 and 23 in the consolidated financial statements

The Group recognises revenue and margin on the stage of completion based on the proportion of contract costs incurred relative to the estimated total costs of each contract (referred to as 'percentage of completion method'). The recognition of revenue and margin therefore relies on estimates in relation to the estimated total costs on each contract. Cost contingencies may also be included in these estimates to take account of specific uncertain risks arising within each contract. These cost estimates are reviewed by the Group on a regular basis during contract execution and adjusted where appropriate. There is significant judgement by the management of the Group in estimating the amount of revenue and margin to be recognised by the Group up to the balance sheet date and changes to these estimates could give rise to material variances and hence revenue recognition has been considered as a key audit matter.

Our procedures include the following:

- Evaluate and test key controls in the management processes in relation to recognition of revenue and margin including:
 - the preparation, review and authorisation of contract review sheets for contracts which contains the estimated total costs for the contracts including cost contingencies
 - the project reviews that are undertaken by the management of the Group
 - the controls in relation to the accrual of cost towards materials and services

S.No	Key audit matter description and principal audit procedures
------	---

- | | |
|--|---|
| | <ul style="list-style-type: none"> Recalculate revenue recognised under the percentage of completion method on a test basis Evaluate the financial performance of contracts against budget / earlier year estimates and obtain reasons for significant variances thereto Test the contract value, costs incurred to date including the costs accrued for work completed, total estimated contract costs for a sample of contracts selected based on factors such as value of contracts, material new contracts and contracts where significant risks have been identified by the management of the Group Conduct site visits on a test basis to confirm our understanding of the risks and controls at site level |
|--|---|

2	Dues from customers (unbilled) and Trade receivables
---	---

Refer Notes 3.1, 3.2, 3.3, 3.4, 7, 11 and 33 in the consolidated financial statements

The Group measures revenue to be recognised based on the contract costs incurred till the reporting date over the total estimated costs for each contract. Such revenue recognised in excess of progress billing till the reporting date is presented as 'Dues from customers' which are yet to be billed to the customers. Such Dues from customers are accounted based on the contractual terms and management's assessment of recoverability from customers. Management also assesses the recoverability of Trade receivables including those which have remained unsettled beyond the contractual credit period using judgement and past collection trends in similar contracts and customers. The management of the Group estimates and recognises allowance for expected credit losses on Trade receivables and Dues from customers which involves estimation of expected default and/or delay in the customer making payment over the duration of the contract and realisability of Dues from customers, considering the past trend and its assessment on the reporting date. The valuation of Dues from customers and Trade receivables involves significant management judgement and estimates as stated above, and hence it has been considered as a key audit matter.

Our procedures include the following:

- Evaluate management's processes and controls in respect of Dues from customers and Trade receivables for the following,
 - risk assessment pertaining to invoicing and recoverability
 - assessment of the probability of default and delay
 - assessment of the significant increases in credit risk, if any
- Request confirmation of balances from customers having significant outstanding balances as at the reporting date
- Review the project progress, invoicing and collection history of customers with significant Dues from customers or Trade receivables. Discuss with the project team to understand the management's assessment of risk associated with recoverability
- Analyse the past trend and inquire into the reasonableness of expected credit loss allowance matrix developed by the management of the Group for estimating the allowance for Trade receivables
- Consider the subsequent events and collections in assessing the recoverability of Dues from customers and Trade receivables
- Consult legal counsel wherever necessary for legal disputes to assess the valuation of Trade receivables

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

The Board of Directors of the Holding Company is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility and Sustainability Reporting and Report on Corporate Governance but does not include the consolidated financial statements and our report thereon.

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

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

The Board of Directors of the Holding Company is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with the Ind AS prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its associate or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal financial controls with reference to financial statements 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 Holding Company, its subsidiary companies and associate company incorporated in India, have adequate internal financial controls with reference to consolidated financial statements system in place with reference to the financial statements 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 the management of the Holding Company.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the

direction, supervision and performance of the audit of the financial statements of the Holding Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other matters

The consolidated financial statements include the financial statements of twelve subsidiaries, whose financial information reflect total assets of ₹ 11,938 million and net assets of ₹ 4,560 million as at 31 March 2025, total revenues of ₹ 6,376 million, total net profit after tax of ₹ 886 million, total comprehensive income of ₹ 887 million and net cash inflows amounting to ₹ 75 million for the year ended on that date, which have not been audited by us. The consolidated financial statements also include the Group's share of total comprehensive income (net) of ₹ 22 million for the year ended 31 March 2025, in respect of four associates, whose financial statements have not been audited by us. The financial information of these subsidiaries and associates have been audited by other auditors whose reports have been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates and our report in terms of sub-section

(3) of Section 143 of the Act including report on Other Information, in so far as it relates to the aforesaid subsidiaries and associates, is based on the reports of such other auditors

Our opinion above on the consolidated financial statements and our report on other legal and regulatory requirements below, are not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by paragraph 3(xxii) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies incorporated in India which are included in these Consolidated Financial Statements.
2. As required by Section 143(3) of the Act, to the extent applicable and based on our audit and consideration of other auditors' reports, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements
 - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 2(i) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)
 - (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements
 - (d) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act and read with Companies (Indian Accounting Standards) Rules, 2015, as amended
 - (e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary companies and associate company incorporated in India, none of the directors of the Holding

Company, subsidiary companies and associate company incorporated in India are disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act

- (f) the modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014
- (g) with respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"** which is based on our report of the Holding Company, its subsidiary companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for those Companies
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Group, as detailed in Note 46 to the consolidated financial statements, has disclosed the impact of pending litigations on its consolidated financial position of the Group;
 - ii. the Group, as detailed in Note 19 to the consolidated financial statements, has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate company incorporated in India.
- iv. (a) the respective managements of the Holding Company, its subsidiaries and associate company incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company, its subsidiaries and associate company, incorporated in India to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, its subsidiary companies and associate company incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) the respective managements of the Holding Company, its subsidiaries and associate company incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company, its subsidiary companies and associate company incorporated in India from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its

subsidiary companies and associate company incorporated in India from any person or entity, 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;

- (c) based on the audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of subsidiaries/ associate company which are incorporated in India, whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. as stated in the Note 15 (d) to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. based on our examination, which included test checks, and that performed by the respective

auditors of a subsidiary and associates which are companies incorporated in India whose financial statements have been audited under the Act, the Company, subsidiary and associates have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and the respective auditors of the above referred subsidiary and associates did not come across any instance of audit trail feature being tampered with, and the audit trail has been preserved by the Company and above referred subsidiary and associates, as per the statutory requirements for record retention, wherever the trail was enabled, except for two associates where the audit trail was not preserved for the previous year. Also, refer to the management assessment of the audit trail in note 48(g) of the consolidated financial statements.

for SHARP & TANNAN

Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan

Partner

Place: Chennai
Date: 21 May 2025

Membership No. 215565
UDIN: 25215565BMINJB3854

Annexure A to the Independent Auditor's Report

(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of VA Tech Wabag Limited of even date)

Independent Auditor's Report on the Internal financial controls with reference to consolidated financial statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the VA Tech Wabag Limited (hereinafter referred to as "Holding Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and associate company which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and associate company which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal

financial controls with reference to financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies and associate company which are companies incorporated in India.

Meaning of Internal financial controls with reference to financial statements

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

use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal financial controls with reference to financial statements

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 control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Holding Company, its subsidiary companies and associate company which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2025, based on the internal

control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to one subsidiary company and two associates, which are companies incorporated in India, is based solely on the corresponding reports furnished to us by the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of such other auditors.

for SHARP & TANNAN

Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan

Partner

Place: Chennai
Date: 21 May 2025

Membership No. 215565
UDIN: 25215565BMINJB3854

Consolidated Balance Sheet

as at 31 March 2025

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

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	5	636	689
Intangible assets	5	31	36
Investments accounted for using the equity method	6	650	628
Financial assets			
- Investments	6	44	43
- Trade receivables	7	5,951	5,304
- Other financial assets	8	1,932	1,993
Deferred tax assets (net)	9	337	450
Income tax assets (net)	10	283	349
		9,864	9,492
Current assets			
Inventories	12	358	359
Financial assets			
- Trade receivables	7	20,129	19,911
- Cash and cash equivalents	13	7,177	4,399
- Bank balances other than those mentioned in cash and cash equivalents	13	2,269	698
- Loans	14	120	-
- Other financial assets	8	372	345
Other current assets	11	12,384	10,541
		42,809	36,253
Total assets		52,673	45,745
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	124	124
Other equity			
- Securities premium reserve		3,939	3,939
- Reserves and surplus		17,336	14,123
Equity attributable to owners of the Parent		21,399	18,186
Non-controlling interest		51	53
Total equity		21,450	18,239
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	16	1,758	1,886
- Lease liabilities		28	48
- Trade payables		-	-
total outstanding dues of micro enterprises and small enterprises	17	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	17	2,274	1,283
- Other financial liabilities	18	19	13
Provisions	19	118	128
Other non-current liabilities	20	1,817	2,598
		6,014	5,956
Current liabilities			
Financial liabilities			
- Borrowings	16	1,815	920
- Lease liabilities		16	35
- Trade payables		-	-
total outstanding dues of micro enterprises and small enterprises	17	111	49
total outstanding dues of creditors other than micro enterprises and small enterprises	17	10,347	10,234
- Other financial liabilities	18	327	288
Other current liabilities	20	10,972	8,648
Provisions	19	1,498	1,152
Current tax liabilities (net)	21	123	223
		25,209	21,549
Total liabilities		31,223	27,505
Total equity and liabilities		52,673	45,745

Notes 1 to 49 form an integral part of these consolidated financial statements

In terms of our report of even date attached

For **Sharp & Tannan**

Chartered Accountants

Firm's Registration No.: 003792S

V Viswanathan

Partner

(Membership No.: 215565)

For and on behalf of the Board of Directors of

VA Tech Wabag Limited
Rajiv Mittal

Chairman & Managing Director

(DIN : 01299110)

Skandaprasad Seetharaman

Chief Financial Officer

Milind Mehta

Director

(DIN : 01297508)

Anup Kumar Samal

Company Secretary

(Membership No.F4832)

Place : Chennai

Date : 21 May 2025

Place : Chennai

Date : 21 May 2025

Consolidated Statement of Profit and Loss

for the year ended 31 March 2025

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

	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	23	32,940	28,564
Other income	24	446	434
Total income		33,386	28,998
Expenses			
Cost of sales and services	25	25,598	21,672
Changes in inventories	26	7	(5)
Employee benefits expense	27	2,645	2,354
Finance costs	28	788	711
Depreciation and amortization expense	29	59	84
Other expenses	30	467	786
Total expenses		29,564	25,602
Profit before share of net profits of investments accounted for using equity method and tax		3,822	3,396
Share of profit of associates and a joint venture, net		22	(95)
Profit before tax		3,844	3,301
Tax expense	31		
Current tax		781	866
Deferred tax		115	(69)
Profit for the year		2,948	2,504
Profit for the year attributable to:			
Owners of the parent		2,953	2,456
Non-controlling interests		(5)	48
		2,948	2,504
Other comprehensive income			
Items that will not be reclassified to profit and loss			
- Re-measurement gains on defined benefit plans		(7)	(16)
- Exchange differences on translation of foreign operations		-	-
- Income tax relating to items that will not be reclassified to profit and loss		2	4
		(5)	(12)
Items that will be reclassified subsequently to profit and loss			
- Exchange differences on translation of foreign operations		170	18
		170	18
Other comprehensive income for the year, net of tax		165	6
Total comprehensive income for the year		3,113	2,510
Other comprehensive income for the year, net of tax attributable to:			
Owners of the parent		162	-
Non-controlling interests		3	6
		165	6
Total comprehensive income for the year attributable to:			
Owners of the parent		3,115	2,456
Non-controlling interests		(2)	54
		3,113	2,510
Earnings per equity share	32		
Basic (in ₹)		47.48	39.49
Diluted (in ₹)		46.80	39.49

Notes 1 to 49 form an integral part of these consolidated financial statements

In terms of our report of even date attached

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No: 003792S

V Viswanathan
Partner
(Membership No: 215565)

For and on behalf of the Board of Directors of
VA Tech Wabag Limited

Rajiv Mittal
Chairman & Managing Director
(DIN: 01299110)

Skandaprasad Seetharaman
Chief Financial Officer

Milin Mehta
Director
(DIN: 01297508)

Anup Kumar Samal
Company Secretary
(Membership No: F4832)

Place: Chennai
Date: 21 May 2025

Place: Chennai
Date: 21 May 2025

Consolidated statement of cash flows

for the year ended 31 March 2025

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

	Year ended 31 March 2025	Year ended 31 March 2024
A. Cash flow from operating activities		
Profit before tax	3,844	3,301
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization expense	59	84
Share of (gain)/loss from associates and joint venture, net	(22)	95
Unrealized foreign exchange (gain)/loss	(18)	3
Bad and doubtful debts, net	(197)	101
Unclaimed credit balances	(46)	(16)
(Gain) on sale of property, plant and equipment, net	(2)	(2)
(Gain) on sale/liquidation of investment in subsidiary/joint venture	(80)	(152)
Expense on Employee Stock Option Plan (ESOP)	166	-
Interest expenses on lease liabilities	1	2
Interest expenses	333	253
Interest and Dividend income	(285)	(269)
(Reversal)/Provision for foreseeable losses on contracts	(8)	12
Provision for compensated absences and gratuity	57	62
Provision for liquidated damages	53	359
Provision for warranty	438	644
Operating profit before working capital changes	4,293	4,477
Changes in working capital		
(Increase) in trade receivables	(565)	(3,418)
Decrease/(Increase) in other financial assets	81	(852)
(Increase)/Decrease in other assets	(1,963)	273
Decrease/(Increase) in inventories	1	(6)
Increase/(Decrease) in trade payables	1,126	(397)
Increase/(Decrease) in other financial liabilities	16	(64)
Increase in other liabilities	1,586	2,054
(Decrease) in provisions	(206)	(472)
Cash generated from operating activities	4,369	1,595
Direct taxes paid, net	(817)	(260)
Net cash generated from operating activities (a)	3,552	1,335
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(45)	(119)
Proceeds from sale of property, plant and equipment and intangible assets	5	9
Proceeds from sale of investment in subsidiary	108	438
Dividend received	23	122
Interest received	216	140
Net movement in bank deposits	(1,517)	251
Net cash (used in)/generated from investing activities (b)	(1,210)	841

Consolidated statement of cash flows

for the year ended 31 March 2025

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

	Year ended 31 March 2025	Year ended 31 March 2024
C. Cash flow from financing activities		
(Repayment)/Proceeds from long term borrowings	(94)	1,476
Proceeds/(Repayment) of short term borrowings, net	808	(816)
Recognition of lease liabilities	(40)	27
Interest paid on lease liabilities	(1)	(2)
Interest paid	(333)	(249)
Net cash generated from financing activities (c)	340	436
D. Net change in cash and cash equivalents (a+b+c)	2,682	2,612
Effects of foreign currency translation	96	(19)
E. Cash and cash equivalents at the beginning of the year	4,399	2,066
F. Classified under assets held for sale		(260)
G. Cash and cash equivalents in Cash Flow Statement at the end of the year	7,177	4,399
Cash and cash equivalents at the end of the year include		
Cash on hand	55	16
Cheques on hand	2,640	270
Balances with banks		
- in current accounts	1,823	2,251
- in deposit account (with original maturity upto 3 months)	2,659	1,862
Cash and cash equivalents as per note 13	7,177	4,399
Cash and cash equivalents in Cash Flow Statement	7,177	4,399

Notes 1 to 49 form an integral part of these consolidated financial statements

In terms of our report of even date attached

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No.: 003792S

V Viswanathan
Partner
(Membership No.: 215565)

Place : Chennai
Date : 21 May 2025

For and on behalf of the Board of Directors of
VA Tech Wabag Limited

Rajiv Mittal
Chairman & Managing Director
(DIN : 01299110)

Skandaprasad Seetharaman
Chief Financial Officer

Place : Chennai
Date : 21 May 2025

Milin Mehta
Director
(DIN : 01297508)

Anup Kumar Samal
Company Secretary
(Membership No: F4832)

Consolidated statement of changes in equity

for the year ended 31 March 2025

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

A. Equity share capital (Issued, Subscribed and fully paid-up)

Particulars	Notes	Amount
Balance as at 01 April 2023		124
Issued during the period		-
Balance as at 01 April 2024	15	124
Issued during the period		-
Balance as at 31 March 2025		124

B. Other Equity

Particulars	Notes	Attributable to the equity holders of the Parent											Non-controlling interest	Total equity
		Reserves and surplus												
		Capital reserve	Debt Redemption Reserve	Stock Option Outstanding account	General reserve	Surplus in the statement of profit and loss	Legal reserve	Foreign currency translation reserve	Accumulated other comprehensive income	Total reserves and surplus	Securities premium reserve	Total attributable to the equity holders of the Parent		
Balance as at 01 April 2023		1,573	11	-	334	8,955	7	857	(52)	11,685	3,939	15,624	(3)	15,621
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend distribution tax		-	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners/ Non-controlling interests														
Profit for the year		-	-	-	-	2,456	-	-	-	2,456	-	2,456	48	2,504
Effects of sale of subsidiary	15	(32)	-	-	-	130	-	(97)	-	0	-	0	-	0
Transfer between reserves		1	(11)	-	-	(4)	-	(3)	-	(18)	-	(18)	-	(18)
Other comprehensive income (net of tax)		-	-	-	-	-	-	12	(12)	-	-	-	8	8
Total comprehensive income		(32)	(11)	-	-	2,582	-	(89)	(12)	2,438	-	2,438	56	2,494
Balance as at 31 March 2024		1,541	-	-	334	11,537	7	769	(64)	14,123	3,939	18,062	53	18,115
Balance as at 01 April 2024		1,541	-	-	334	11,537	7	769	(64)	14,123	3,939	18,062	53	18,115

Consolidated statement of changes in equity

for the year ended 31 March 2025

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

B. Other Equity (Contd..)

Particulars	Notes	Attributable to the equity holders of the Parent										Non-controlling interest	Total equity
		Reserves and surplus								Securities premium reserve	Total attributable to the equity holders of the Parent		
		Capital reserve	Debt Redemption Reserve	Stock Option Outstanding account	General reserve	Surplus in the statement of profit and loss	Legal reserve	Foreign currency translation reserve	Accumulated other comprehensive income				
Dividends		-	-	-	-	-	-	-	-	-	-	-	-
Dividend distribution tax		-	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners/ Non-controlling interests													
Profit for the year		-	-	-	-	2,953	-	-	-	2,953	-	(5)	2,948
ESOP benefit created during the year		-	-	166	-	-	-	-	-	166	-	-	166
Effects of sale of subsidiary	15	(23)	-	-	-	(45)	-	68	-	0	-	-	0
Other comprehensive income (net of tax)		-	-	-	-	(3)	-	102	(5)	94	-	3	97
Total comprehensive income		(23)	-	166	-	2,905	-	170	(5)	3,213	-	(2)	3,211
Balance as at 31 March 2025		1,518	-	166	334	14,442	7	939	(69)	17,336	3,939	51	21,326

Notes 1 to 49 form an integral part of these consolidated financial statements

In terms of our report of even date attached

For **Sharp & Tannan**

Chartered Accountants

Firm's Registration No.: 003792S

V Viswanathan

Partner

(Membership No.: 215565)

For and on behalf of the Board of Directors of

VA Tech Wabag Limited

Rajiv Mittal

Chairman & Managing Director

(DIN : 01299110)

Skandaprasad Seetharaman

Chief Financial Officer

Milin Mehta

Director

(DIN : 01297508)

Anup Kumar Samal

Company Secretary

(Membership No.F4832)

Place: Chennai

Date: 21 May 2025

Place: Chennai

Date: 21 May 2025

Summary of material accounting policies and other accounting policies

1. Nature of operations

VA Tech Wabag Limited ('Parent'), and its subsidiaries, its associates and joint venture (collectively referred to as 'Group') is one of the world's leading companies in the water treatment sector. The Group's principal activities include design, supply, installation, construction, operation and maintenance of drinking water, waste water treatment, industrial water treatment and desalination plants including production of energy from biogas and sludge management. The shares of the Parent are listed in the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Parent is domiciled in India and its registered office and its principal place of business is 'WABAG HOUSE', No.17, 200 Feet Thoraipakkam - Pallavaram Main Road, Sunnambu Kolathur, Chennai - 600 117.

2. Basis of preparation of Consolidated financial statements

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

The consolidated financial statements of the Group have been 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, 2016 (the "Act"). In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

The consolidated financial statements as at and for the year ended 31 March 2025 are approved and authorized for issue by the Board of Directors on 21 May 2025.

The consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial assets and financial liabilities that have been measured at fair value. These consolidated financial statements are presented in millions of Indian Rupees which is also the Parent's functional currency, except per share data and other financial information as otherwise stated. Figures for the previous years have been regrouped/rearranged wherever considered necessary to conform to the figures presented in the current year.

There are no standards of accounting or any addendum thereto, prescribed by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013, which are issued and not effective as at 31 March 2025.

Basis of consolidation

The consolidated financial statements include the financial statements of the Parent and all of its subsidiaries, associates as listed below. The financial statements of the subsidiaries, associates forming part of these consolidated financial statements are drawn up to 31 March 2025. All material inter-company transactions and balances are eliminated on consolidation. The following subsidiaries, associates have been included in the consolidated financial statements:

Particulars	Country of incorporation	Percentage of holding/interest as at	
		31 March 2025	31 March 2024
Subsidiaries			
VA Tech Wabag (Singapore) Pte Ltd	Singapore	100	100
VA Tech Wabag (Philippines) Inc	Philippines	100	100
VA Tech Wabag Limited Pratibha Industries Limited JV ⁽⁴⁾	Nepal	100	100
Wabag Muhibbah JV SDN BHD	Malaysia	70	70
VA Tech Wabag GmbH	Austria	100	100
VA Tech Wabag Deutschland GmbH	Germany	100	100
Wabag Water Services s.r.l ⁽⁵⁾	Romania	-	100
VA Tech Wabag Tunisie s.a.r.l.	Tunisia	100	100
VA Tech Wabag Su Teknolojisi Ve Tic. A.S	Turkey	100	100
VA Tech Wabag Muscat LLC	Oman	70	70
VA Tech Wabag and Roots Contracting L.L.C. – Project I	Qatar	60	60
Wabag Belhasa JV WLL	Bahrain	100	100
Ghazaibad Water Solutions Private Limited ⁽²⁾	India	100	100

Summary of material accounting policies and other accounting policies

Particulars	Country of incorporation	Percentage of holding/interest as at	
		31 March 2025	31 March 2024
Associates			
Windhoek Goreangab Operating Company (Pty) Limited	Namibia	33	33
Ganga STP Project Private Limited ⁽³⁾	India	26	26
DK Sewage Project Private Limited ⁽¹⁾	India	49.8	49.8
VA Tech Wabag and Roots Contracting L.L.C. – Project II	Qatar	49	49
VA Tech Wabag and Roots Contracting L.L.C. – Project III	Qatar	25	25

- (1) DK Sewage Project Private Limited was incorporated on 26 September 2019 as a project specific entity.

The Parent has entered into a Share Holder's Agreement with Numen Growth Partners Private Limited (formerly known as Madhya Pradesh Waste Management Private Limited) on 29 March 2024 for subscription of the Company's Securities. Debenture application money of ₹ 153.00 million was received. Pursuant to this agreement, the control has been transferred to Numen Growth Partners Private Limited (formerly known as Madhya Pradesh Waste Management Private Limited) as on 29 March 2024 hence the entity been treated as associate, instead of subsidiary with effect from 31 March 2024.

- (2) Ghazalbad Water Solutions Private Limited was incorporated on 30 April 2020 as a project specific entity.

- (3) Ganga STP Project Private Limited has been incorporated on 5 April 2019 as a project specific entity.

- (4) The Group had entered into a joint venture with Pratibha Industries Limited in Nepal to execute a project. Considering the fact that the Group has control over the governing body and thereby has power over the entity, has rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of its returns, the same has been treated as a subsidiary in the consolidated financial statements.

- (5) Wabag Water Services s.r.l in Romania, 100% stake has been sold on 8th July 2024, hence deconsolidation been done with effective from 30th June 2024.

Pursuant to exclusive contractual arrangements providing for a majority share in the economic interests and control of voting power differently to the shareholders in each of the projects, i.e. Project – I, Project- II and Project-III are being executed under the same legal entity VA Tech Wabag and Roots Contracting LLC. These projects have been treated as separate enterprises with varying controlling interests and accordingly Project-I is consolidated for as a subsidiary and Project-II and Project-III are consolidated for as an associate.

The Group had entered into a joint venture with Belhasa Projects LLC, Dubai to execute a project in Bahrain. Considering the fact that the group has control over the governing body and over the operating and financial decisions of the joint venture entity, Wabag Belhasa JV, the same has been treated as a subsidiary in the consolidated financial statements.

Principles of consolidation

The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under Ind AS 110 - Consolidated Financial Statements, Ind AS 28 - Accounting for Investments in Associates and Joint Ventures and accounting standards as specified in the Ind ASs notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Group combines the financial statements of the Parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses resulting from intra-group transactions are also eliminated except to the extent recoverable value of related assets is lower than their cost to the Group. Profit or loss of subsidiaries acquired or disposed during the year is recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted.

Subsidiaries are all entities over which the Group exercises control. The Group controls an entity when the Group is exposed to or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct relevant activities of the entity. Subsidiaries are fully consolidated from the date on which the control is transferred to the Group and are deconsolidated from the date the control ceases.

Summary of material accounting policies and other accounting policies

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss and consolidated balance sheet respectively. Non-controlling interests in net profits/losses of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the owners of the Parent. Their share of net assets is identified and presented in the consolidated balance sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual/legal obligation on the minorities, the same is accounted for by the Parent, except where there is a contractual/legal obligation on minority interests.

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Interests in joint venture are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint venture are recognised as a reduction in the carrying amount of the investment. After the investor's interest is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the investor has incurred legal or constructive obligations or made payments on behalf of the investee. If the investee subsequently reports profits, the investor resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Unrealised gains on transactions between the Group and its associates and joint venture are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The carrying amount of equity accounted investments are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired.

Excess of acquisition cost over the carrying amount of the Parent's share of equity of the acquiree at the date of acquisition is recognized as goodwill. In cases where the share of the equity in the acquiree as on the date of acquisition is in excess of acquisition cost, such excess of share in equity is recognised as 'Capital reserve' and classified under 'Reserves and Surplus'. The Parent's share of equity in the subsidiary is determined on the basis of book values of assets and liabilities as per the financial statements of the subsidiary as at the date of acquisition.

The construction cost incurred by the Group as part of the Build-Own-Operate-Transfer (BOOT) contract is considered as exchanged with the grantor against the right to operate and generate revenues from the project and the profit from such contract is considered as realized. Accordingly, the BOOT contract awarded to the entities of the Group where work is subcontracted to other entities within the Group, the intra-group transactions on the BOOT contract and the profits arising thereon are taken as realized and not eliminated on consolidation under Ind AS 110.

The amounts shown in respect of reserves comprise the amount of relevant reserves as per the balance sheet of the Parent and its share in the relevant reserves of the subsidiary.

As per Ind AS 110 - Consolidated Financial Statements prescribed under the Ind ASs notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 only the notes involving items which are material need to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary or the Parent having no bearing on the true and fair view of the consolidated financial statements of the group are not disclosed in the consolidated financial statements.

Overall considerations

The consolidated financial statements have been prepared using the accounting policies and measurement basis summarized 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.

Summary of material accounting policies and other accounting policies

3. Summary of material accounting policies

3.1 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable by the Group 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 Group, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Group's different activities has been met.

The Group derives revenues from two types of contracts:

- a. Construction contracts - Customer contracts towards delivering a water treatment facility and its associated infrastructure, that is fit for purpose as per the contract
- b. Operation and maintenance contracts - Customer contracts towards operation and maintenance of water treatment facilities and its associated infrastructure.

The Group determines its performance obligations included in the contracts signed with customers, which in general is a single performance obligation. When a customer contract includes both a construction and operation & maintenance, the performance obligations are separately identified and revenue is recognized in accordance with the principles of Ind AS 115.

Construction contracts:

Construction contracts generally involve design, supply, construction, installation and commissioning of water treatment facilities and its associated infrastructure on turnkey basis. Construction contracts include both EPC contracts (Contracts with scope of design, supply, construction, installation and commissioning) and EP contracts (Contracts with scope of design, supply, installation and commissioning).

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

Construction contracts usually have a single performance obligation, wherein the control of goods and services are transferred progressively over the period of the contract. The group satisfies its performance obligation upon completing the scope of the construction contract and achieving customer acceptance.

Contract revenue and Contract costs in respect of construction contracts, execution of which is spread over different accounting periods is recognized as revenue and expense respectively by using 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 for each contract. Only costs that reflect work performed are included in cost incurred to date.

When the Group cannot measure the outcome of a contract reliably, revenue is recognized 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 recognized immediately in the statement of profit and loss.

Operation and maintenance contracts:

Operation and maintenance contracts involve operation and maintenance services for water treatment facilities and supply of spares. Revenue from operation and maintenance contracts are recognized as the services are provided and invoiced to the customer, as per the terms of the contract.

Summary of material accounting policies and other accounting policies

The amount due from customers for operation and maintenance contracts are presented as "Trade receivable". Prepayments received from customers in advance of performance under the contract are presented as contract liabilities and represented as "Advances from customers" as part of other current liabilities.

Service Concession Arrangements

Service Concession Arrangements ('SCA') 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 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 recognized 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 receivables under SCA are classified and disclosed under other financial asset.

3.2 Dues from Customers for construction contract work and Billing in Advance of work completed

The gross amount due from customers for contract work, in excess of the amounts presented as "Trade receivable", are presented as contract assets under "Due from customers for construction contract work" as part of other current assets. Due from customers for construction contract work represents costs incurred plus recognized 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. Amounts 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.

3.3 Trade Receivables

Trade Receivables are recognised based on the contractual terms agreed with customers and are initially measured at the transaction price, as the arrangement does not include a significant financing component.

3.4 Expected Credit Losses

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Group 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 Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which does not require the Group 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.

3.5 Cost of sales and services

Cost of sales and services comprise 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 related to construction contracts incurred towards engineering, construction, installation and supervision of the project is recognised in the period in which the relevant services are procured or delivered to the project.

Summary of material accounting policies and other accounting policies

Equipments, fabricated items & specialised items for the purpose of construction of water treatment facilities are manufactured by suppliers based on the engineering drawings and specifications approved by the customers. Costs related to construction contracts incurred towards procurement of equipments, fabricated items & specialised items are recognised over the production and delivery cycle of each such item, in line with the manufacturing progress milestones.

3.6 Trade Payables

Trade Payables are recognised based on invoices submitted by the Suppliers and Sub-Contractors to the Group on reaching the milestones as prescribed in the relevant Purchase/Work orders.

3.7 Unbilled Payables

Costs incurred representing progress of work done, on the reporting date, pending invoicing by the suppliers, are disclosed under "Unbilled Payables" as part of other current liabilities.

3.8 Significant management judgment in applying accounting policies and estimation uncertainty

When preparing the consolidated 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 judgments

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

Recognition of construction contract and operation & maintenance revenues

Recognizing construction contract revenue requires significant judgement in determining actual work performed and the estimated costs to complete the work (refer note 23). Significant judgments are used in:

- a. Estimating the revenue to be recognised in case of construction contracts where revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation as the performance obligation is satisfied over a period of time.
- b. Assessing the amount and period with respect to the variable consideration, requiring an adjustment to the transaction price.

Recognizing revenue from operation and maintenance services requires significant understanding, based on historical experience and knowledge of the market, in relation to:

- a. The nature and timing of the services provided to the customers.
- b. The pattern of consumption of those services.

4. Summary of other accounting policies

4.1 Investments in associates, joint venture and joint operations

Investments in associates and joint venture are accounted for using the equity method of accounting, after initially being recognised at cost less impairment, if any. Investments in joint operations are accounted for using proportionate consolidation method in the consolidated financial statements. The Group does not have investments in joint operations for the year ended 31 March 2025.

4.2 Foreign currency translation

4.2.1 Financial reporting and presentation currency

The consolidated financial statements are presented in Indian Rupees, which is also the functional currency of the Parent.

Summary of material accounting policies and other accounting policies

4.2.2 Foreign currency transactions and balances

Foreign currency transactions are translated into the respective functional currencies of the entities of the Group, using the exchange rates prevailing at the dates of the transactions, duly approximated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the measurement of monetary items denominated in foreign currency at year-end exchange rates are recognized as other income/ other expenses respectively in statement of profit and loss.

Non-monetary items are not translated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value, which are translated using the exchange rates at the date when fair value was determined.

4.3 Revenue recognition - Interest, dividends, duty drawback and other entitlements

Income from interest is recognized using effective interest method taking into account the amount outstanding and the applicable rate of interest.

Dividend income is recognised when the right to receive is established as at the reporting date.

Income from duty drawback and export benefit under duty free credit entitlements is recognized in the statement of profit and loss, when the right to receive license as per terms of the scheme is established in respect of exports made and there is no significant uncertainty regarding the ultimate collection of the export proceeds, as applicable.

4.4 Property, plant and equipment

4.4.1 Land

Land (other than investment property) held for use in operations or administration is stated at cost. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

4.4.2 Buildings and other equipment

Buildings and other equipment (comprising plant and machinery, furniture and fittings, electrical equipment, office equipment, computers, vehicles and right to use assets) are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Group's management. Buildings and other equipment are subsequently measured at cost less accumulated depreciation and any impairment losses. Right to use assets are recognised as per IndAS-116 (Refer note 34(C)) for details of recognition and measurement.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of property, plant and equipment not ready for the intended use before reporting date is disclosed as capital work-in-progress.

Subsequent expenditure incurred on an item of property, plant and equipment is added to the book value of that asset only if this increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation on assets is provided on straight line method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 except for vehicles where the management believes that the useful life of 5 years would best represent the period over which the management expects to use these assets and the residual value is 20% of the acquisition cost which is considered to be the amount recoverable at the end of the asset's useful life. Hence the useful life of these assets is different from that prescribed under Part C of Schedule II to the Companies Act, 2013.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss within other income or other expenses.

The components of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of respective asset. The life of components is determined based on technical assessment and past history of replacement of such components in the assets.

Summary of material accounting policies and other accounting policies

4.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, the intangible assets are carried at cost less accumulated amortization and accumulated impairment, if any.

Computer software is stated at cost less accumulated amortization and are being amortized on a straight line basis over the estimated useful life of 5 years.

Amortization has been included within depreciation and amortization expense in the Consolidated Statement of Profit and Loss.

Gains or losses that arise on disposal or retirement of an intangible asset are measured as the difference between net disposal proceeds and the carrying value of an intangible asset and are recognized in profit and loss when the intangible asset is derecognized.

The amortization period and method are reviewed at each balance sheet date. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment as detailed in note below.

4.6 Impairment testing of property, plant and equipment and intangible assets

For the purpose of impairment assessment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill (if any) is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the Group at which management monitors goodwill.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the assets' (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

4.7 Leases

The group recognizes lease contracts as per the single lease accounting model for lessee's. The model requires a lessee to recognize right-of-use assets and corresponding lease liabilities for all leases with a lease term of more than 12 months, unless the underlying asset is of a low value. For such leases the lease payments are recognized as an operating expense on a straight line basis over the term of the lease contract.

The recognition, measurement, presentation and disclosure of leases are in accordance with the principles of the standard. At the time of initial measurement, the lease liabilities are recognized at the present value of lease payments payable. The lease liability is discounted at the interest rate implicit to the lease, or incremental borrowing rate to arrive at the present value. The lease liabilities are diluted over the remaining lease period by lease payments. The right-of-use assets are initially recognized at lease liability amount. The right-of-use assets are thereafter depreciated over the period of lease term or the useful life of underlying asset, whichever is lower. An impairment loss is recognised where the carrying amount of right-of-use asset exceeds its recoverable amount.

The Group determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis.

Summary of material accounting policies and other accounting policies

4.8 Financial instruments

Financial assets (other than trade receivables) and financial liabilities are recognized when the Group 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 profit and loss which are measured initially at fair value.

Subsequent measurement of financial assets and financial liabilities are described below.

4.8.1 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 and Loss (FVTPL)

All financial assets are reviewed for impairment 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.

4.8.1.1 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 twelve months and credit risk exposure. The Group shall also measure the loss allowance for a financial instrument at an amount equal to the life time expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition.

4.8.1.2 Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Group, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These elections are made on an instrument-by-instrument (i.e., share-by-share) basis. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognized in statement of profit and loss.

The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Group 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 loss allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

Summary of material accounting policies and other accounting policies

4.8.1.3 Financial assets at Fair Value Through Profit and Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Group 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 loss allowance shall be recognized in profit and loss.

4.8.2 Hedge accounting

To qualify for hedge accounting, the hedging relationship must meet the conditions with respect to documentation, probability of occurrence of the hedged transaction and hedge effectiveness.

These arrangements have been entered into to mitigate currency exchange risk arising from certain legally binding sales and purchase orders denominated in foreign currency. For the reporting periods under review, the Group has not designated any forward currency contracts as hedging instruments.

4.8.3 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 (i.e. removed from the Group's consolidated balance sheet) when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

4.8.4 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 Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

4.8.5 Subsequent measurement

Financial liabilities are measured subsequently at amortized cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

Summary of material accounting policies and other accounting policies

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

4.8.6 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.

4.9 Inventories

Inventory of stores and spares are stated at lower of cost and net realizable value and is determined on weighted average cost method. Cost of inventories include all other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost to completion and applicable selling expenses.

Contract inventories are contract costs incurred for a future activity on a contract and are recognized as an asset if it is probable that they would be recovered. The cost comprises of material and other expenses directly attributable to the contract.

4.10 Income taxes

Tax expense recognized in the 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 as at the reporting period. Deferred income taxes are calculated 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 respective entity'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.

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions, the Group 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 the statement of profit and loss, except where they relate to items that are recognized in other comprehensive income (such as the re-measurement of defined benefit plans) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

4.11 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.

Summary of material accounting policies and other accounting policies

4.12 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued and paid-up.

Other components of equity include the following:

- i. Accumulated other comprehensive income which includes re-measurement of net defined benefit liabilities.
- ii. General reserve represents the accumulated surplus transferred from the statement of profit and loss.
- iii. Securities premium reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from securities premium, net of any related income tax benefits.
- iv. Surplus in the statement of profit and loss includes all current and previous period retained profits.
- v. Stock option outstanding account includes the value of equity-settled share based payment transactions with employees.

All transactions with owners of the parent and non-controlling interests are recorded separately within equity.

4.13 Post-employment benefits and short-term employee benefits

i) Short term Employee Benefits

Employee benefits such as salaries, wages, short-term compensated absences, bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

ii) Post-Employment Benefits

A. Defined contribution plan

- a. Contribution to Provident Fund in India and other defined contribution plans in the other entities of the Group are in the nature of defined contribution plan and are made to a recognized fund.
- b. Contribution to Superannuation Fund is in the nature of defined contribution plan and is remitted to insurance company in accordance with the scheme framed by the Corporation.

The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions.

i. Provident fund and Employee state insurance scheme

The Parent makes contribution to the statutory provident fund and employee state insurance scheme in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948. These contributions, paid or payable, are recognized as an expenses in the period in which it falls due.

ii. Other funds

The Group's contribution towards defined contribution plan is accrued in compliance with the requirement of the domestic laws of the countries in which the consolidated entities operate in the year of which the contributions are done. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

iii. Superannuation fund

Contribution made towards Superannuation Fund (funded by payments to an insurance company) is charged as expenses on accrual basis. There are no obligations other than the contribution made to respective fund.

Summary of material accounting policies and other accounting policies

B. Defined benefit plans

Under the Group's defined benefit plans, the amount of benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside. Plan assets may include assets specifically designated to a long-term benefit fund as well as qualifying insurance policies.

The Group estimates the defined benefit liability annually. The actual outcome may vary due to estimation uncertainties. The estimate of its defined benefit liability is based on standard rates of inflation, medical cost trends and mortality. It also takes into account the Group's specific anticipation of future salary increases. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. Estimation uncertainties exist particularly with regard to medical cost trends, which may vary significantly in future appraisals of the Group's defined benefit obligations.

The defined benefit funds maintained by the Group are as below:

i. Gratuity

The liability recognized in the statement of financial position for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets. The Group estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related gratuity liability.

Service cost on the Group's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Actuarial gains and losses resulting from measurements of the net defined benefit liability are included in other comprehensive income.

The plan assets represent qualifying insurance policies that are administered by an Insurance company.

ii. Leave salary - compensated absences

The Group also extends defined benefit plans in the form of compensated absences to employees. Provision for compensated absences is made on actuarial valuation basis.

4.14 Employees stock option plan

Share based compensation benefits are provided to employees via "Wabag Centenary Stock Option Scheme 2023" of the Parent.

The fair value of options granted under the scheme is recognised as an employee benefit expenses with corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- a) including any market performance conditions (e.g., the entity's share price)
- b) excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specific time period) and
- c) including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holding shares for a specific period of time)

4.15 Provisions, contingent assets and contingent liabilities

Provisions for warranties, legal disputes, or other claims are recognized when the Group 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 Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Summary of material accounting policies and other accounting policies

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.

Any reimbursement that the Group is virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

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 Group 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 consolidated financial statements.

4.16 Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to owners of the parent 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 the owners of the parent and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.17 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 overdraft accounts and other short-term highly liquid investments with original maturities of 3 months or less, as applicable.

4.18 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.

4.19 Segment reporting

a. Identification of segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Group is engaged in the construction and maintenance of water treatment plants across geographies. The entities in the Group are organized and managed separately according to their respective geographical location. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

b. Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

c. Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

Summary of material accounting policies and other accounting policies

4.20 Significant management judgment in applying accounting policies and estimation uncertainty

When preparing the consolidated 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 judgments

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

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

(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.

Inventories

The Group estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Defined benefit obligation (DBO)

Group's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (Refer note 19 (e)).

Useful lives of depreciable assets

Group reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Fair value measurement

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

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

The Group uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets.

Summary of material accounting policies and other accounting policies

This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (Refer note 39).

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Considering the nature of business activities of the Group, the time between deploying of resources for projects/contracts and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

4.21 Transfer pricing

As per the transfer pricing norms introduced in India with effect from 01 April, 2001, the Group is required to use certain specific methods in computing arm's length price of international transactions with the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The transfer pricing study for the fiscal year ended 31 March, 2025 is in progress and accordingly, the contracts may be amended subsequently and related adjustment, if any, will be quantified upon completion of this study. However, in the opinion of the Group management, the outcome of the study will not have material impact on the Group's results.

Notes forming part of the Consolidated Financial Statements

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

5. Property, plant and equipment and intangible assets

Particulars	Property, plant and equipment								Right to use asset ⁽¹⁾	Total	Computer software	Total
	Freehold land	Buildings	Plant and machinery	Furniture and fittings	Electrical equipment	Office equipment	Computers	Vehicles				
Gross carrying value												
Balance as at 01 April 2023	170	403	39	188	57	71	51	42	170	1,191	107	107
Additions	-	-	-	3	-	2	20	28	60	113	6	6
Disposals	-	-	-	1	-	-	24	14	14	53	1	1
Assets held for sale	-	-	12	9	-	22	10	6	-	59	-	-
Effects of foreign currency translation	-	-	-	-	-	(1)	-	-	(1)	(2)	-	-
Balance as at 31 March 2024	170	403	27	181	57	50	37	50	215	1,190	112	112
Balance as at 01 April 2024	170	403	27	181	57	50	37	50	215	1,190	112	112
Additions	-	-	-	-	-	3	15	27	-	46	0	0
Disposals	-	-	5	5	1	4	5	60	56	138	9	9
Effects of foreign currency translation	-	-	0	-	-	0	-	0	1	1	-	-
Balance as at 31 March 2025	170	403	22	176	57	49	47	17	160	1,101	103	103
Accumulated depreciation/amortization												
Balance as at 01 April 2023	-	53	-	157	50	37	40	37	99	473	71	71
Depreciation/amortization expense for the year	-	7	2	22	5	2	3	9	28	78	6	6
Reversal on disposal of assets	-	-	-	1	-	-	24	11	13	49	1	1
Effects of foreign currency translation	-	(0)	(0)	(0)	-	(1)	-	(0)	-	(1)	(0)	(0)
Balance as at 31 March 2024	-	60	2	178	55	38	19	35	114	501	76	76
Balance as at 01 April 2024	-	60	2	178	55	38	19	35	114	501	76	76
Depreciation/amortization expense for the year	-	7	3	2	1	3	8	11	19	54	5	5
Reversal on disposal of assets	-	-	5	5	1	4	5	32	40	92	9	9
Effects of foreign currency translation	-	-	0	-	-	0	-	1	1	2	-	-
Balance as at 31 March 2025	-	67	(0)	175	55	37	22	15	94	465	72	72
Net carrying value												
Balance as at 31 March 2024	170	343	25	3	2	12	18	15	101	689	36	36
Balance as at 31 March 2025	170	336	22	1	2	12	25	2	66	636	31	31

(1) Refer note 34(C) for details of category of assets of right to use assets.

Notes forming part of the Consolidated Financial Statements

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

6. Investments

	As at 31 March 2025	As at 31 March 2024
Non-current		
Investments carried at cost		
Investments accounted for using the equity method		
Windhoek Goreangab Operating Company (Pty) Limited, Namibia (33 (Previous year: 33) equity shares of Namibian Dollar 1 each)	38	35
VA Tech Wabag and Roots Contracting L.L.C, Qatar- Project-II and Project-III ⁽¹⁾ (98 (Previous year : 98) equity shares of Qatari Rial 1,000 each)	16	18
DK Sewage Project Private Limited (3,589,999 (Previous year: 3,589,999) equity shares of ₹ 10 each) (19,080,000 (Previous year: 19,080,000) 8% Non convertible debentures of ₹ 10 each) (4,650,000 (Previous year: 4,650,000) 8% Compulsory convertible debentures of ₹ 10 each)	320	334
Ganga STP Project Private Limited (50,999 (Previous year: 50,999) equity shares of ₹ 10 each) (9,699,000 (Previous year: 9,699,000) Compulsory convertible preference shares of ₹ 10 each) (8,515,000 (Previous year: 8,515,000) 9% Non convertible debentures of ₹ 10 each)	276	241
	650	628
Investments carried at fair value through profit and loss		
Investments in equity instruments of other companies (fully paid-up)		
First STP Private Limited (150,000 (Previous year :150,000) equity shares of ₹ 10 each)	2	2
Konark Water Infraprojects Private Limited ⁽²⁾ (5,000 (Previous year : 5,000) equity shares of ₹ 10 each)	0	0
Aurangabad City Water Utility Company Limited ⁽³⁾ (5,000 (Previous year : 5,000) equity shares of ₹ 10 each)	0	0
Ganapati Marine Enterprises Private Limited ⁽⁴⁾ (813 (Previous Year: 769) equity shares of ₹ 10 each)	-	-
Kopri Bio Engineering Private Limited ⁽⁵⁾ (5,100 (Previous year: 5,100) equity shares of ₹ 10 each)	0	0
Ujams Wastewater Treatment Company (Pty) Ltd. (84 (Previous Year: 84) equity shares of NAD 1 each)	42	41
	44	43
Total non-current investments	694	671
Aggregate amount of unquoted investments	694	671
Aggregate amount of impairment in the value of investments	-	-
Extent of investment in those accounted for using the equity method⁽⁶⁾		
Windhoek Goreangab Operating Company (Pty) Limited, Namibia	33.0%	33.0%
VA Tech Wabag and Roots Contracting L.L.C, Qatar- Project-II ⁽¹⁾	49.0%	49.0%
VA Tech Wabag and Roots Contracting L.L.C, Qatar- Project-III ⁽¹⁾	25.0%	25.0%
Ganga STP Project Private Limited	26.0%	26.0%
DK Sewage Project Private Limited	49.8%	49.8%

(1) Pursuant to an exclusive contractual arrangement providing for a majority share in the economic interests and control of voting power in the Project-I of VA Tech Wabag and Roots Contracting L.L.C, Qatar, the investment was classified as a subsidiary at inception. During the year ended 31 March, 2016 and 31 March, 2020 for Project-II and Project-III respectively, a similar arrangement providing for majority rights in the new projects to the partner was agreed and hence the investment in the legal entity has been accordingly reclassified as an associate based on economic interests in the projects respectively as against the ownership in the entity.

⁽²⁾ Since the amount of investment is ₹ 50,000 (31 March 2024 : ₹ 50,000), the same is below the rounding off norm adopted by the Group.

⁽³⁾ Since the amount of investment is ₹ 50,000 (31 March 2024 : ₹ 50,000), the same is below the rounding off norm adopted by the Group.

⁽⁴⁾ Since the amount of investment is ₹ 8,130 (31 March 2024 : ₹ 7,690), the same is below the rounding off norm adopted by the Group.

⁽⁵⁾ Since the amount of investment is ₹ 51,000 (31 March 2024 : ₹ 51,000), the same is below the rounding off norm adopted by the Group.

⁽⁶⁾ Also refer note 44- Interest in other entities.

The term loans availed in the Special Purpose Vehicles ('SPVs'), namely Ganga STP Project Private Limited, DK Sewage Project Private Limited, and Ghaziabad Water Solutions Private Limited, for projects being implemented under the Design, Build, Finance, Operate, and Transfer ('DBFOT') model are secured by way of a charge over the assets, securities of the respective SPVs (investments in securities held by the Parent Company in these SPVs), in accordance with the provisions set out in the relevant financing agreements.

Notes forming part of the Consolidated Financial Statements

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

7. Trade receivables (Unsecured considered good, unless stated otherwise)

	As at 31 March 2025		As at 31 March 2024	
	Non-current	Current	Non-current	Current
Trade receivables	-	19,596	-	19,418
Customer retention	5,951	533	5,304	493
	5,951	20,129	5,304	19,911
Credit impaired				
- Trade receivables and customer retention	-	569	227	1,206
Less: Allowances for expected credit loss				
- Trade receivables and customer retention	-	(569)	(227)	(1,206)
	-	-	-	-
	5,951	20,129	5,304	19,911

Ageing for trade receivables - billed – non current outstanding as at 31 March 2025 is as follows:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables-considered good	5,008	18	-	-	-	-	5,026
ii) Undisputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables-Credit Impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables considered good	925	-	-	-	-	-	925
v) Disputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade receivables-Credit Impaired	-	-	-	-	-	-	-
Total	5,933	18	-	-	-	-	5,951
Less: Allowance for expected credit loss							-
Trade Receivables - Non Current							5,951

Ageing for trade receivables - billed – non current outstanding as at 31 March 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables-considered good	4,300	-	-	-	-	-	4,300
ii) Undisputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables-Credit Impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables considered good	1,004	-	-	-	-	-	1,004
v) Disputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade receivables-Credit Impaired	227	-	-	-	-	-	227
Total	5,531	-	-	-	-	-	5,531
Less: Allowance for expected credit loss							(227)
Trade Receivables - Non Current							5,304

Notes forming part of the Consolidated Financial Statements

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

7. Trade receivables (Contd..)

Ageing for trade receivables - billed – current outstanding as at 31 March 2025 is as follows:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables-considered good	9,010	3,428	3,568	2,171	1,595	323	20,095
ii) Undisputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables-Credit Impaired	-	-	174	113	161	109	557
iv) Disputed Trade receivables considered good	-	-	-	-	16	18	34
v) Disputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade receivables-Credit Impaired	-	-	-	-	-	12	12
Total	9,010	3,428	3,742	2,284	1,772	462	20,698
Less: Allowance for expected credit loss							(569)
Trade Receivables - Current							20,129

Ageing for trade receivables - billed – current outstanding as at 31 March 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables – considered good	6,490	7,849	2,680	2,013	632	113	19,777
ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables-Credit Impaired	11	1	90	163	44	690	999
iv) Disputed Trade Receivables considered good	-	-	-	82	52	-	134
v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	26	26	155	207
Total	6,501	7,850	2,770	2,284	754	958	21,117
Less: Allowance for expected credit loss							(1,206)
Trade Receivables - Current							19,911

The carrying amount of the current trade receivables and customer retention is considered a reasonable approximation of fair value as it is expected to be collected within twelve months, such that the effect of any difference between the effective interest rate applied and the estimated current market rate is not significant.

Trade Receivables include dues from related parties amounting to ₹ 748 Millions (31 March 2024: ₹ 532 Millions). There are no receivables due from directors or other officers.

All of the Group's trade receivables and customer retentions have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired and an allowance for credit losses of ₹ (864) Millions (Year ended 31 March 2024 : ₹ 140 Millions) has been (utilised)/created respectively within other expenses. The Group has provided for expected credit loss on its trade receivables using a provisioning matrix and specific provisioning, where appropriate, representing expected credit losses based on a range of outcomes.

Notes forming part of the Consolidated Financial Statements

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

7. Trade receivables (Contd..)

Movements in allowances for expected credit loss

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	1,433	1,293
(Utilised)/Additions during the year, net	(864)	140
Balance at the end of the year	569	1,433

8. Other financial assets

(Unsecured, considered good)

	As at 31 March 2025		As at 31 March 2024	
	Non-current	Current	Non-current	Current
Security deposits	315	134	421	100
Bank balances*	16	-	64	-
Tender deposits	-	81	-	89
Rental deposits	0	38	0	23
Advances to employees	3	12	3	19
Receivables under Service Concession Arrangements	-	74	-	66
Dues from customers for construction contract works under Service Concession Arrangements	1,598	13	1,505	(0)
Other financial assets	-	20	-	48
	1,932	372	1,993	345

There are no financial assets due from directors or other officers of the Parent. The carrying amount of the current financial assets are considered as a reasonable approximation of fair value.

Refer Note 40 for description of Group's financial instrument risks, including risk management objectives and policies.

*Non-current bank balances represents interest bearing deposits with bank with more than 12 months maturity and held as margin money or security against the borrowings, guarantees and other commitments.

9. Deferred taxes (net)

	As at 31 March 2025	As at 31 March 2024
The breakup of deferred taxes is as follows:		
Deferred tax asset arising on account of :		
- Provision for employee benefits, liquidated damages and foreseeable losses	17	27
- Allowances for expected credit loss	206	335
- Others	152	181
Total deferred tax asset A	375	543
Less: Deferred tax liability arising on account of :		
- Carrying value of Property, plant and equipment/Intangible assets as per books and tax laws	38	39
- Others	0	55
Total deferred tax liability B	38	94
Foreign exchange fluctuation C	(0)	(1)
Total (A-B-C)	337	450

Notes forming part of the Consolidated Financial Statements

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

9. Deferred taxes (net) (Contd..)

	As at 31 March 2025	As at 31 March 2024
Disclosed as		
Deferred tax assets	337	450
Deferred tax liabilities	-	-

Deferred tax recognized in statement of profit and loss and other comprehensive income for the year ended 31 March 2025:

	Recognised in Other comprehensive Income	Recognised in statement of profit and loss
Deferred tax asset arising on account of :		
- Provision for employee benefits, liquidated damages and foreseeable losses	-	10
- Allowances for expected credit loss	-	129
- Others	-	29
Deferred tax liability arising on account of :		
- Carrying value of Property, plant and equipment/Intangible assets as per books and tax laws	-	(1)
- Others	-	(55)
Foreign exchange fluctuation	-	-
Derecognition of deferred tax liabilities, net on account of disinvestment of subsidiary	-	3
Total	-	115

Deferred tax recognized in statement of profit and loss and other comprehensive income for the year ended 31 March 2024:

	Recognised in Other comprehensive Income	Recognised in statement of profit and loss
Deferred tax asset arising on account of :		
- Provision for employee benefits, liquidated damages and foreseeable losses	-	(11)
- Allowances for expected credit loss	-	(22)
- Others	-	(7)
Deferred tax liability arising on account of :		
- Carrying value of Property, plant and equipment/Intangible assets as per books and tax laws	-	(3)
- Others	-	(43)
Foreign exchange fluctuation	-	(1)
Derecognition of deferred tax liabilities, net on account of disinvestment of subsidiary	-	16
Total	-	(69)

In assessing the recoverability of deferred tax assets, the Group considers whether it is more likely than not that some portion or all of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Notes forming part of the Consolidated Financial Statements

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

10. Income tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Income tax assets net of provision for tax	283	349
	283	349

11. Other assets

(Unsecured, considered good)

	As at 31 March 2025		As at 31 March 2024	
	Non-current	Current	Non-current	Current
Dues from customers for construction contract works*	-	10,330	-	8,451
Advances to supplier	-	1,064	-	1,223
Balances with government authorities	-	767	-	632
Prepaid expenses	-	207	-	147
Other assets	-	16	-	88
	-	12,384	-	10,541

* Includes allowance for expected credit loss amounting to ₹ 764 Millions (31 March 2024: ₹ 944 Millions)

There are no advances due from directors or other officers of the company.

12. Inventories

	As at 31 March 2025	As at 31 March 2024
Contract inventories	207	259
Stores and spares	151	100
	358	359

13. Cash and bank balances

	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents		
Cash on hand	55	16
Cheques on hand	2,640	270
Balances with banks		
- in current accounts**	1,823	2,251
- in deposit account (with original maturity upto 3 months)#	2,659	1,862
	(A) 7,177	4,399

Notes forming part of the Consolidated Financial Statements

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

13. Cash and bank balances (Contd..)

	As at 31 March 2025	As at 31 March 2024
Bank balances other than those mentioned in cash and cash equivalents		
Unpaid dividend account	0	0
Deposits with maturity less than 3 months [#]	635	210
Deposits with maturity more than 3 months but less than 12 months [#]	1,608	448
Balances with bank held as margin money [#]	26	40
(B)	2,269	698
(A+B)	9,446	5,097

^{*} Restricted bank balances: Balances with banks include ₹ 292 Millions (31 March 2024: ₹ 277 Millions) held in a foreign country which are not freely remissible because of exchange/contractual restrictions.

[#] Deposits and balances with bank includes a sum of ₹ 858 Millions (31 March 2024: ₹ 1,288 Millions) held as margin money / in escrow account or security against the borrowings, guarantees and other commitments.

14. Loans (Unsecured, considered good)

	As at 31 March 2025	As at 31 March 2024
Loans to related parties (Also refer note 38(c))	120	-
	120	-

15. Equity share capital

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Authorised				
Equity shares of ₹ 2 each	7,50,00,000	150	7,50,00,000	150
Issued, subscribed and fully paid up				
Equity shares of ₹ 2 each	6,21,90,428	124	6,21,90,428	124
	6,21,90,428	124	6,21,90,428	124

a) Reconciliation of share capital (Equity)

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the year	6,21,90,428	124	6,21,90,428	124
Add: Changes in Equity Share Capital during the year	-	-	-	-
Balance at the end of the year	6,21,90,428	124	6,21,90,428	124

Notes forming part of the Consolidated Financial Statements

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

15. Equity share capital (Contd..)

b) Shareholders holding more than 5% of the aggregate shares in the Parent

	As at 31 March 2025		As at 31 March 2024	
	Number	% holding	Number	% holding
Equity Shares of ₹ 2 each				
Mr. Rajiv Mittal	97,09,406	15.6%	97,09,406	15.6%
Ms. Rekha Rakesh Jhunjunwala	50,00,000	8.0%	50,00,000	8.0%
	1,47,09,406	23.6%	1,47,09,406	23.6%

c) Shares held by promoters of the Parent

	As at 31 March 2025		As at 31 March 2024	
	Number	% holding	Number	% holding
Mr. Rajiv Mittal	97,09,406	15.6%	97,09,406	15.6%
Mr. S. Varadarjan	21,85,762	3.5%	21,85,762	3.5%
	1,18,95,168	19.1%	1,18,95,168	19.1%

d) Terms/right attached to equity shares

The Parent has issued only one class of equity shares having a face value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Parent declares and pays dividends in Indian Rupees. In the Board meeting held on 21 May 2025, the dividend proposed by the Board of Directors of the Parent at ₹ 4 per equity share, which is subject to the approval of the shareholders in the ensuing Annual General Meeting. This amount has not been recorded as a liability for the year ended 31 March 2025. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Parent, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Buy back of shares

There were no buy back of shares and no shares issued pursuant to contract without payment being received in cash during the last 5 years immediately preceding 31 March 2025.

f) Shares reserved for issue under options of the Parent

i) Terms and details of the ESOP scheme:

The Parent has granted ESOP Series "Wabag Centenary Stock Option Scheme", the terms and details of which are summarised below.

Particulars	Scheme details
a. Date of Shareholders' approval	30 January 2024
b. Total number of options approved under ESOP Scheme	25,00,000
c. Vesting Period & Exercise period	Vesting period: Minimum period of 1 Year and maximum period of 4 Years from Grant Date Exercise period: Maximum period of 3 Years from the respective Vesting Date
d. Pricing formula	Exercise Price shall be as determined by the Nomination and Remuneration Committee as on the date of Grant, which shall be up to 25% discount to Market Price. However, the exercise price shall not be lesser than the face value of shares.
e. Maximum term of options granted	4 Years

Notes forming part of the Consolidated Financial Statements

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

15. Equity share capital (Contd..)

Particulars	Scheme details
f. Source of shares (primary, secondary or combination)	Primary
g. Variation in terms of options	Not applicable
h. Method of settlement	Equity Shares
i. Total number of options granted under ESOP Scheme in 1st tranche and exercise price of the same	15,00,000 (Grant Date : 21 March 2024) ₹ 513
j. Method used to account for ESOP Scheme - 2023 (Intrinsic or fair value)	The Parent uses the fair value-based method of accounting for stock options granted.
k. Method used & assumptions made to incorporate effects of expected early exercise	Black-Scholes Options Pricing Model, The following assumptions were used for calculation of fair value of options granted. Risk free interest rate 6.97% Expected life of option 2.5 Expected volatility 37.18% Share price ₹ 682.8
l. How expected volatility was determined, including explanation of the extent to which expected volatility was based on historical volatility	The expected price volatility is based on the historic volatility of the parent's share price.
m. Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as market condition.	Not applicable
n. Weighted average equity share price during the exercise period	Not applicable
o. Expenses on Employee Stock Option Scheme debited to the Statement of Profit and Loss	During the year ₹ 166 Million

ii) Options movement during the year

Particulars	Scheme details
Number of options outstanding at the beginning of the period	15,00,000
Number of options granted during the year	Nil
Number of options allotted during the year	Nil
Number of options lapsed during the year	1,10,060
Number of options outstanding at the end of the period	13,89,940
Money realized by exercise of options (₹), as scheme is implemented directly by the Parent	Nil

g) Capital management

The Group's capital management objectives are:

- to safeguard the Group's ability to continue as a going concern, and continue to provide optimum returns to the shareholders and all other stakeholders by building a strong capital base
- to maintain an optimum capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders including non-controlling interests and borrowings, less cash and bank balances.

Notes forming part of the Consolidated Financial Statements

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

15. Equity share capital (Contd..)

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The amounts managed as capital by the Group for the reporting periods under audit are summarized as follows:

		As at 31 March 2025	As at 31 March 2024
Borrowings		3,573	2,806
Less: Cash and bank balances		(9,462)	(5,161)
Net debt/ (Cash)	(A)	(5,889)	(2,355)
Total equity	(B)	21,450	18,239
Total equity and net debt	(C=A+B)	15,561	15,884
Gearing ratio	(A/C)	(37.8%)	(14.8%)

16. Borrowings

	As at 31 March 2025		As at 31 March 2024	
	Non-current	Current	Non-current	Current
Secured				
Debentures	594	-	790	-
Term loans from others	1,164	-	1,096	1
Current maturities of long term borrowings	-	296	-	256
Overdraft account/Packing credit/Cash credit	-	1,519	-	663
	1,758	1,815	1,886	920

The carrying amount of borrowings is considered to be a reasonable approximation of fair value.

Terms, guarantee and repayment details of borrowings

- The Parent has availed working capital demand loan at an interest rate of 8.55 % to 8.85% (31 March 2024: 8.25% to 9.55%) per annum, and is repayable within 180 days from the date of availment and are secured against receivables of the Parent.
- VA Tech Wabag (Philippines) Inc. has availed secured term loans at an interest of 6.00% to 6.50% per annum with scheduled repayments.
- The Parent has availed packing credit facilities US dollars and EURO at an interest rate of 3.21% to 6.99% (31 March 2024: 6.66% to 8.00%) per annum. These packing credits are repayable within 180 days, as applicable, from the date of availment and are secured against foreign currency receivables of the Parent. The Parent has availed EURO denominated packing credit facilities for the first time during the current financial year.
- The Parent has availed secured cash credit facilities from banks at an interest rate of 9.65 % to 10.05% (31 March 2024: 8.25% to 9.65%) per annum and are secured against receivables of the Parent.
- During the previous year the Parent issued debentures to an international organisation established under a Charter, which is secured by first pari-passu charge on the entire current assets of the Company except MRPL Project and BUIDCO Bhagalpur Project at an interest of 8.54% p.a and repayable by 18 quarterly instalments from August 2024 and during the current year the interest rate has been repriced to 7.695% p.a due to modification of interest terms.
- Ghaziabad Water Solutions Private Limited had availed secured term loans at an interest rate of 10.85% (31 March 2024: 10.55%) per annum with scheduled repayments, payable by end of 31 March 2038.

Notes forming part of the Consolidated Financial Statements

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

17. Trade payables

	As at 31 March 2025		As at 31 March 2024	
	Non-current	Current	Non-current	Current
Dues to micro and small enterprises (Also refer note (a) below)	-	111	-	49
Dues to others	2,274	10,347	1,283	10,234
	2,274	10,458	1,283	10,283

Ageing for trade payables - billed – non current outstanding as at 31 March 2025 is as follows:

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-	-
Others	2,274	-	-	-	-	2,274
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Total	2,274	-	-	-	-	2,274

Ageing for trade payables - billed – non current outstanding as at 31 March 2024 is as follows:

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
MSME	0	-	-	-	-	0
Others	1,283	-	-	-	-	1,283
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Total	1,283	-	-	-	-	1,283

Ageing for trade payables - billed – current outstanding as at 31 March 2025 is as follows:

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
MSME	57	46	2	2	4	111
Others	1,900	6,744	803	399	475	10,321
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	3	-	23	26
Total	1,957	6,790	808	401	502	10,458

Notes forming part of the Consolidated Financial Statements

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

17. Trade payables (Contd..)

Ageing for trade payables - billed – current outstanding as at March 31, 2024 is as follows:

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
MSME	24	17	3	3	2	49
Others	2,913	5,311	1,050	147	811	10,232
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	0	1	-	-	1	2
Total	2,937	5,329	1,053	150	814	10,283

- (a) For details of disclosures pursuant to Section 22 of Micro, Small and Medium Enterprises Development Act (MSMED), 2006 refer note 16(a) of standalone financial statements.
- (b) Unclaimed credit balances amounting to ₹ 46 Millions (31 March 2024: ₹ 16 Millions) have been reversed from trade payables.

18. Other financial liabilities

	As at 31 March 2025		As at 31 March 2024	
	Non-current	Current	Non-current	Current
Employee related payables	19	303	13	278
Unpaid dividends	-	0	-	0
Other liabilities	-	24	-	10
	19	327	13	288

19. Provisions

	As at 31 March 2025		As at 31 March 2024	
	Non-current	Current	Non-current	Current
Provision for warranty	-	1,358	-	999
Provision for liquidated damages	-	-	-	-
Provision for litigations	-	-	-	-
Provision for foreseeable losses on contracts	-	5	-	13
Provision for employee benefits				
Gratuity, anniversary, severance payments and others	64	75	84	83
Compensated absences	54	60	44	57
	118	1,498	128	1,152

a) Provision for warranty

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	999	398
Created during the year, net	438	644
Utilized during the year	(84)	(44)
Foreign exchange fluctuation	5	1
Balance at the end of the year	1,358	999

Notes forming part of the Consolidated Financial Statements

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

19. Provisions (Contd..)

A provision is recognized for expected warranty claims on construction contracts completed, based on past experience of level of repairs and returns. It is expected that these costs would be predominantly incurred within one year from the balance sheet date, which generally coincides with the completion of warranty period of the contract. The assumption used to calculate the provision for warranties are based on the Group's current status of contracts under execution and information available about expenditure estimated to be incurred based on the Group's warranty period for contracts completed.

b) Provision for liquidated damages

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	-	-
Created during the year, net	53	359
Utilized during the year	(53)	(359)
Balance at the end of the year	-	-

The Group provides for liquidated damages when it reasonably expects that a delay in the completion of the project or a shortfall in the performance parameters might give rise to a claim from the customer. In the event of failure to complete a project as scheduled, or in case of a performance shortfall, the Group may generally be held liable for penalties in the form of agreed liquidated damages. Liquidated damages are generally measured and recognized in accordance with the terms of the contracts with customers.

c) Provision for litigations

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	-	-
Created during the year, net	-	-
Utilized during the year	-	-
Balance at the end of the year	-	-

The Group provides for litigation, which is predominantly on account of disputes on statutory dues. The Group assesses each demand raised by the statutory authorities and based on responses and discussions with the attorneys and when there is a present obligation as a result of a past event, where the outflow of economic resources is probable and a reliable estimate of the amount of obligation, a provision for litigation is created. Instances when there is no present obligation or where the present obligation would probably not require outflow of resources or where the same cannot be reliably estimated, the same is disclosed as contingent liability in the financial statements. The Group derecognises its provisions on receipt of a favourable order from the appropriate authority and when no further obligation is envisaged.

d) Provision for foreseeable losses on contracts

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	13	1
(Reversed)/Created during the year, net	(8)	12
Utilized during the year	-	-
Balance at the end of the year	5	13

The Group provides for foreseeable losses on contracts when it is probable that total contract cost, including expected cost to complete, will exceed the economic benefits expected to be received under it.

Notes forming part of the Consolidated Financial Statements

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

19. Provisions (contd..)

e) Provision for employee benefits

The following tables summarize the components of all defined benefit plans for the year ended 31 March 2025:

For the year ended 31 March 2025	Gratuity	Anniversary	Severance payments
Change in defined benefit obligation			
Defined benefit obligation at the beginning of the year	103	6	61
Current Service cost	10	0	0
Past Service cost	-	-	-
Interest cost	6	0	1
Actuarial (gain)/losses	8	(1)	1
Benefits paid	(13)	-	(21)
Foreign exchange fluctuation	-	-	-
Defined benefit obligation at the end of the year	115	5	42
Thereof			
Unfunded	17	6	42
Funded	98	-	-
Change in plan assets			
Fair value of plan assets at the beginning of the year	80	-	-
Expected return on plan assets	6	-	-
Actuarial gain	1	-	-
Employer contributions	24	-	-
Benefits paid	(13)	-	-
Fair value of plan assets at the end of the year	98	-	-
Reconciliation of present value of obligation on the fair value of plan assets			
Present value of defined benefit obligation at the end of the year	115	5	42
Fair value of plan assets at the end of the year	(98)	-	-
Liability recognised in the balance sheet	17	5	42
Components of expenses :			
Current service cost	10	0	0
Past service cost	6	-	-
Interest cost	-	0	1
Expected returns on plan assets	(6)	-	-
Recognized net actuarial (gain)/loss	7	(1)	1
Foreign exchange fluctuation	-	-	-
Net expense recognized in the statement of profit and loss	17	(1)	2

Plan assets do not comprise any of the Group's own financial instruments or any assets used by the entities of the Group. Plan assets can be broken down into the following categories of investments:

Total plan assets	Gratuity	Anniversary	Severance payments
Group balance fund	95	-	-
Group debt fund	1	-	-
Group short term debt fund	0	-	-
Total	97	-	-

Notes forming part of the Consolidated Financial Statements

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

19. Provisions (contd..)

Total plan assets	Gratuity	Anniversary	Severance payments
Principal actuarial assumptions used:			
Discount rate	6.57%	3.13%	2.75%
Long-term rate of compensation increase	5.00%	4.00%	4.00%
Attrition rate	20.00%	-	-
Expected rate of return on plan assets	6.57%	-	-
Average remaining life (in years)	23	7	3

The Group assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

In accordance with applicable Indian laws, the Parent provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity plan are determined by actuarial valuation on the reporting date and the Parent makes annual contribution to the gratuity fund maintained with an insurance company.

Severance payments are one time settlements payable on termination of employment by the employer or on retirement to employees. These are calculated on the basis of years of service and the amount or remuneration in accordance with actuarial principles.

Claims for anniversary bonus deriving from collective wage and company agreements were calculated using same parameters as for the provision for severance payments in accordance with actuarial principles.

Based on historical data, the Group expects contributions of ₹ 18 Millions to be paid for financial year 2024-25. The weighted average duration of the defined benefit obligation as at 31 March 2025 is 4.72 years.

Employee benefits - Maturity profile of defined benefit obligation

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2025					
Gratuity	34	21	45	44	144
Anniversary	-	6	-	-	6
Severance payments	-	44	-	-	44

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarizes the effects of changes in these actuarial assumptions on the defined benefit liability as at 31 March 2025.

Gratuity	Attrition rate		Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2025						
> Sensitivity level	0.5%	(0.5%)	0.5%	(0.5%)	0.5%	(0.5%)
> Impact on defined benefit obligation	0.02	(0.01)	1.75	(1.81)	(1.66)	1.64

Notes forming part of the Consolidated Financial Statements

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

19. Provisions (contd..)

Anniversary	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
31 March 2025				
> Sensitivity level	1.0%	(1.0%)	1.0%	(1.0%)
> Impact on defined benefit obligation	(0.36)	0.42	0.40	(0.35)

Severance payments	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
31 March 2025				
> Sensitivity level	1.0%	(1.0%)	1.0%	(1.0%)
> Impact on defined benefit obligation	(1.41)	1.50	1.44	(1.38)

The following tables summarise the components of all defined benefit plans for the year ended 31 March 2024:

For the year ended 31 March 2024	Gratuity	Anniversary	Severance payments
Change in defined benefit obligation			
Defined benefit obligation at the beginning of the year	88	7	69
Current Service cost	9	0	0
Past Service cost	-	-	-
Interest cost	5	0	2
Actuarial loss/(gain)	17	(1)	(1)
Benefits paid	(16)	-	(9)
Foreign exchange fluctuation	-	0	0
Defined benefit obligation at the end of the year	103	6	61
Thereof			
Unfunded	23	6	61
Funded	80	-	-
Change in plan assets			
Fair value of plan assets at the beginning of the year	78	-	-
Expected return on plan assets	6	-	-
Actuarial gain	3	-	-
Employer contributions	9	-	-
Benefits paid	(16)	-	-
Fair value of plan assets at the end of the year	80	-	-
Reconciliation of present value of obligation on the fair value of plan assets			
Present value of defined benefit obligation at the end of the year	103	6	61
Fair value of plan assets at the end of the year	(80)	-	-
Liability recognised in the balance sheet	23	6	61
Components of expenses :			
Current service cost	9	0	0
Past service cost	-	-	-
Interest cost	5	0	2
Expected returns on plan assets	(6)	-	-
Recognized net actuarial (gain)/loss	15	(1)	(1)
Foreign exchange fluctuation	-	0	-
Net expense recognized in the statement of profit and loss	23	(1)	1

Notes forming part of the Consolidated Financial Statements

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

19. Provisions (contd..)

Plan assets do not comprise any of the Group's own financial instruments or any assets used by the entities of the Group. Plan assets can be broken down into the following categories of investments:

Total plan assets	Gratuity	Anniversary	Severance payments
Group balance fund	79	-	-
Group debt fund	1	-	-
Group short term debt fund	-	-	-
Total	80	-	-
Principal actuarial assumptions used:			
Discount rate	7.18%	3.16%	3.26%
Long-term rate of compensation increase	5.00%	4.00%	4.00%
Attrition rate	24.00%	-	-
Expected rate of return on plan assets	7.18%	-	-
Average remaining life (in years)	22	7	3

The Group assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

Based on historical data, the Company expects contributions of ₹ 23 Millions to be paid for financial year 2023-24. The weighted average duration of the defined benefit obligation as at 31 March 2024 is 3.98 years.

Employee benefits - Maturity profile of defined benefit obligation

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2024					
Gratuity	31	25	41	24	121
Anniversary	-	6	-	-	6
Severance payments	-	60	-	-	60

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarizes the effects of changes in these actuarial assumptions on the defined benefit liability as at 31 March 2024.

Gratuity	Attrition rate		Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2024						
> Sensitivity level	0.5%	(0.5%)	0.5%	(0.5%)	0.5%	(0.5%)
> Impact on defined benefit obligation	(0.03)	0.03	1.35	(1.39)	(1.31)	1.29

Anniversary	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
31 March 2024				
> Sensitivity level	1.0%	(1.0%)	1.0%	(1.0%)
> Impact on defined benefit obligation	(0.42)	0.48	0.46	(0.41)

Notes forming part of the Consolidated Financial Statements

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

19. Provisions (contd..)

Severance payments	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
31 March 2024				
> Sensitivity level	1.0%	(1.0%)	1.0%	(1.0%)
> Impact on defined benefit obligation	(1.47)	1.57	1.49	(1.42)

Compensated absences

The Group permits encashment of compensated absences accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Group, for outstanding balance of privilege leave at the balance sheet date is determined and provided on the basis of actuarial valuation performed by an independent actuary. The Group does not maintain any plan assets to fund its obligation towards compensated absences. The total compensated absences recognised in the statement of profit and loss for the year is ₹ 36 Millions (Year ended 31 March 2024: ₹ 37 Millions).

	Year ended 31 March 2025	Year ended 31 March 2024
Principal actuarial assumptions used:		
Discount rate	6.57%	7.18%
Long-term rate of compensation increase	5.0%	5.0%
Attrition rate	20.0%	24.0%
Average remaining life (in years)	23	21

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

The defined benefit obligation and plan assets are composed by geographical locations as follows:

Total plan assets	India	Rest of the world	Total
31 March 2025			
Defined benefit obligation	202	47	249
Fair value of plan assets	98	-	98
	104	47	151
31 March 2024			
Defined benefit obligation	181	67	248
Fair value of plan assets	80	-	80
	101	67	167

20. Other liabilities

	As at 31 March 2025		As at 31 March 2024	
	Non-Current	Current	Non-Current	Current
Advance from customers	1,817	1,491	2,598	1,528
Unbilled payables	-	7,338	-	6,075
Statutory dues	-	1,284	-	400
Billing in advance of work completed	-	801	-	426
Others	-	58	-	219
	1,817	10,972	2,598	8,648

Notes forming part of the Consolidated Financial Statements

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

21. Current tax liabilities (net)

	As at 31 March 2025	As at 31 March 2024
Current tax liabilities net of advance taxes	123	223
	123	223

22. Financial Instruments

The carrying value and fair value of financial instruments by categories are as follows:

Categories of financial assets and financial liabilities

	Financial assets at fair value through profit and loss	Financial assets at amortised cost	Total
As at 31 March 2025			
Financial assets			
Investments	44	-	44
Trade receivables	-	26,080	26,080
Cash and bank balances	-	9,446	9,446
Loan	-	120	120
Other financial assets	-	2,304	2,304
	44	37,950	37,994

	Financial liabilities at fair value through profit and loss	Financial liabilities at amortised cost	Total
As at 31 March 2025			
Financial liabilities			
Trade payables	-	12,732	12,732
Borrowings	-	3,573	3,573
Lease liabilities	-	44	44
Other financial liabilities	-	346	346
	-	16,695	16,695

	Financial assets at fair value through profit and loss	Financial assets at amortised cost	Total
As at 31 March 2024			
Financial assets			
Investments	43	-	43
Trade receivables	-	25,215	25,215
Cash and bank balances	-	5,097	5,097
Other financial assets	-	2,338	2,338
	43	32,650	32,693

Notes forming part of the Consolidated Financial Statements

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

22. Financial Instruments (Contd..)

	Financial assets at fair value through profit and loss	Financial assets at amortised cost	Total
As at 31 March 2024			
Financial liabilities			
Trade payables	-	11,566	11,566
Borrowings	-	2,806	2,806
Lease liabilities	-	83	83
Other financial liabilities	-	301	301
	-	14,756	14,756

The carrying value of financial asset and financial liabilities approximates the fair value of financial asset and financial liabilities as at 31 March 2025 and 31 March 2024. Also refer note 39- fair value measurement.

23. Revenue from operations

	Year ended 31 March 2025	Year ended 31 March 2024
Sale of services	32,760	28,269
Other operating revenues, net (Also refer note 17(b))	180	295
	32,940	28,564

A Disaggregation of sale of services

Sale of services are disaggregated based on projects, based on customer, based on timing of revenue recognition and based on geography.

a) Based on Project

	Year ended 31 March 2025	Year ended 31 March 2024
Construction contracts	26,771	23,603
Operation and maintenance contracts	5,989	4,666
	32,760	28,269

b) Based on Customers

	Year ended 31 March 2025	Year ended 31 March 2024
Industrial	8,153	10,304
Municipal	24,607	17,965
	32,760	28,269

c) Based on Timing of revenue recognition

Revenues from construction contracts and operation & maintenance contracts are recognised on 'Over a point in time' basis and 'At a point in time' basis respectively.

Notes forming part of the Consolidated Financial Statements

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

23. Revenue from operations (Contd..)

d) Based on Geography

Sale of services can be disaggregated based on geography into 'India' and 'Rest of the World'. Refer Note 41- Segment Reporting for further details.

B Transaction price allocated to the remaining performance obligations (Order backlog)

Revenues expected to be recognised in the future relating to performance obligations that are unsatisfied or partially unsatisfied as at 31 March 2025 amount to ₹ 124,837 Millions (31 March 2024: ₹ 102,811 Millions).

Construction contracts are progressively executed over a period of upto 3.5 years and based on specific project schedules. Operation and maintenance contracts are expected to be executed over a period of 1 to 20 years, primarily invoiced on a monthly basis.

C Reconciliation of sales of services with contract price

	Year ended 31 March 2025	Year ended 31 March 2024
Opening contract price of orders as at 01 April*	1,02,811	1,20,554
Total orders received during the year	56,918	23,434
Total revenue recognised during the year	(32,760)	(28,269)
Effects of foreign exchange movements & order variations	(2,132)	(12,908)
Closing contract price of orders as at 31 March*	1,24,837	1,02,811

*Excludes framework contracts amounting to ₹ 11,830 Millions (31 March 2024: ₹ 11,673 Millions).

Framework contracts represents contracts wherein advance monies/letters of credit are awaited, hence these are not included in the contract price of orders as at the reporting date.

24. Other income

	Year ended 31 March 2025	Year ended 31 March 2024
Interest income from deposits with banks and others	262	147
Exchange gain on foreign currency, net	79	11
Gain on sale/liquidation of investment in subsidiary/joint venture	80	152
Gain on sale of property, plant and equipment, net	2	2
Dividend income	23	122
	446	434

25. Cost of sales and services

	Year ended 31 March 2025	Year ended 31 March 2024
Engineering costs	721	833
Material costs	13,539	10,577
Civil costs	4,908	4,080
Erection and commissioning costs	741	895
Taxes and duties	242	133
Site establishment costs	953	1,149
Project consultancy fee	57	72

Notes forming part of the Consolidated Financial Statements

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

25. Cost of sales and services (Contd..)

	Year ended 31 March 2025	Year ended 31 March 2024
Warranty expenses (Also refer note 19(a))	438	644
Foreseeable losses on contracts (Also refer note 19(d))	(8)	12
Project travel	217	191
Project Insurance	66	130
Power and fuel	413	87
Liquidated damages (Also refer note 19(b))	53	359
Other operation and maintenance expenses	908	682
Other project expenses	2,350	1,828
	25,598	21,672

26. Changes in inventories

	Year ended 31 March 2025	Year ended 31 March 2024
Inventories at the beginning of the year		
Contract inventories	259	217
Stores and spares	100	136
	(A) 359	353
Less: Inventories at the end of the year		
Contract inventories	207	259
Stores and spares	151	100
	(B) 358	359
Net exchange differences	(C) 6	1
	(A-B+C) 7	(5)

27. Employee benefits expense

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	2,327	2,072
Contribution to defined benefit plans (Also refer note 19(e))	57	62
Contribution to provident and other defined contribution funds	82	73
Staff welfare expenses	179	147
	2,645	2,354

28. Finance costs

	Year ended 31 March 2025	Year ended 31 March 2024
Interest expenses for borrowings at amortised cost	333	253
Interest expenses on lease liabilities	1	2
Bank charges	454	456
	788	711

Notes forming part of the Consolidated Financial Statements

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

29. Depreciation and amortization expense

	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment (Also refer note 5)	54	78
Amortization of intangible assets (Also refer note 5)	5	6
	59	84

30. Other expenses

	Year ended 31 March 2025	Year ended 31 March 2024
Rent (Also refer note 34)	61	61
Insurance	24	23
Power and fuel	24	28
Rates and taxes	20	26
Repairs and maintenance	89	93
Professional charges (Also refer note 35)	197	232
Communication expenses	13	14
Travelling and conveyance	89	77
Bad and doubtful debts, net	(197)	101
Advertisement	8	8
Research and development expenses	40	36
Corporate social responsibility expenses (Also refer note 36)	36	14
Miscellaneous expenses	63	73
	467	786

31. Income taxes

The major components of income tax expense for the year ended 31 March 2025 and 31 March 2024 are:

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax :		
Income tax expense	781	866
Deferred tax :		
Relating to allowances for credit losses	129	(22)
Relating to origination and reversal of temporary differences	(14)	(47)
Tax expense reported in the statement of profit and loss	896	797
Deferred tax related to net (gain)/loss on remeasurements of defined benefit plans recognized in other comprehensive income	(2)	(4)
Tax expense reported in other comprehensive income	(2)	(4)

Notes forming part of the Consolidated Financial Statements

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

31. Income taxes (Contd..)

Tax reconciliation:

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Parent at 24.95% (Year ended 31 March 2024 : 24.15%) and the reported tax expense in the statement of profit and loss are as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before taxes	3,844	3,301
Enacted tax rates in India	25.17%	25.17%
Tax on profit at enacted tax rate	967	831
Difference between Indian and foreign tax rates and net results of subsidiaries	(196)	28
Dividend Income taxed at lower rate	-	-
Tax effect on non deductible expenses	10	7
Deferred tax charges	115	(69)
Income tax expense	896	797
Current tax	781	866
Deferred tax	115	(69)
Income tax expense reported in the statement of profit and loss	896	797

32. Earnings per equity share (EPS)

	Year ended 31 March 2025	Year ended 31 March 2024
For profit for the year		
Nominal value of equity shares (in ₹)	2	2
Profit attributable to owners of the parent (A)	2,953	2,456
Weighted average number of equity shares outstanding during the year (B)	6,21,90,428	6,21,90,428
Dilutive effect on weighted average number of equity share options outstanding during the year (C)	9,03,303	-
Weighted average number of equity shares for computing diluted EPS (D) = (B + C)	6,30,93,731	6,21,90,428
Basic earnings per equity share (A/B) (in ₹)	47.48	39.49
Diluted earnings per equity share (A/D) (in ₹)	46.80	39.49
For total comprehensive income		
Nominal value of equity shares (in ₹)	2	2
Total comprehensive income attributable to owners of the parent (a)	3,115	2,456
Weighted average number of equity shares outstanding during the year (b)	6,21,90,428	6,21,90,428
Dilutive effect on weighted average number of equity share options outstanding during the year (c)	9,03,303	-
Weighted average number of equity shares for computing diluted EPS (d) = (b + c)	6,30,93,731	6,21,90,428
Basic earnings per equity share (a/b) (in ₹)	50.09	39.49
Diluted earnings per equity share (a/d) (in ₹)	49.37	39.49

Notes forming part of the Consolidated Financial Statements

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

33. Contract balances

	Year ended 31 March 2025	Year ended 31 March 2024
Movement in contract assets		
Opening balance	8,451	7,907
Changes in the measure of progress, claims and other adjustments, net	3,922	4,667
Transfers to trade receivables, net	(2,043)	(4,123)
Closing balance	10,330	8,451
Movement in contract liabilities		
Opening balance	4,551	2,152
Billing-in-advance for work completed	599	374
Advances received during the year	532	3,488
Revenues recognised during the period	(224)	(476)
Advances offset against billing, net	(1,349)	(987)
Closing balance	4,109	4,551

34. Leases

Leases include several office buildings and vehicles.

	Year ended 31 March 2025	Year ended 31 March 2024
(A) Expenses related to leases recognised in Statement of Profit and Loss:		
Interest expense on lease liabilities	1	2
Expenses relating to short term leases (Also refer note 30)	61	61
Depreciation expenses of right to use assets	19	28
(B) Payments related to leases recognised in Statement of Cash Flows:		
(De-Recognition)/Recognition of lease liabilities	(40)	27
Interest paid on lease liabilities (Also refer note 28)	1	2

(C) Total right to use assets recognised for the year ended 31 March 2025:

Right to use assets class wise	Property, plant and equipment		
	Buildings	Vehicles	Total
Gross carrying value			
Balance as at 31 March 2024	96	119	214
Additions	-	-	-
Disposals	69	22	91
Effects of foreign currency translation	1	0	1
Balance as at 31 March 2025	28	97	125
Accumulated depreciation/amortization			
Balance as at 31 March 2024	32	81	113
Depreciation/amortization expense for the year	14	5	19
Reversal on disposal of assets	38	35	73
Effects of foreign currency translation	1	0	1
Balance as at 31 March 2025	9	51	61
Net carrying value			
Balance as at 31 March 2024	63	38	101
Balance as at 31 March 2025	19	46	64

Notes forming part of the Consolidated Financial Statements

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

34. Leases (Contd..)

(D) Maturity analysis of lease liabilities as at 31 March 2025:

	As at 31 March 2025	As at 31 March 2024
Current lease liabilities liquidity analysis		
Within 6 months	10	22
Within 6-12 months	6	13
Non-Current lease liabilities liquidity analysis		
Within 1 to 5 years	28	48
Later than 5 years	-	-

35. Remuneration to auditors of the Parent (included as part of professional charges) *

	Year ended 31 March 2025	Year ended 31 March 2024
As auditor		
Audit fees	6	6
Taxation matters	0	0
Other services	1	1
Reimbursement of expenses	1	2
	8	9

* excluding taxes and amounts paid to component auditors

36. Expenditure on Corporate Social Responsibility (CSR)

	Year ended 31 March 2025	Year ended 31 March 2024
a) Amount required to be spent by the company during the year	36	14
b) Amount of expenditure incurred	36	14
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Nature of CSR activities [#]	-	-
f) Details of related party transactions	-	-

[#]Skill Development activities

37. Service Concession Arrangements

The significant terms of the agreements entered into by the subsidiaries of the Parent towards design, construction, operation and maintainance of Water Treatment Plants on Design Build Finance Operate Transfer ('DBFOT') basis are as below :

Subsidiary	Ghaziabad Water Solutions Private Limited (Formerly known as Digha STP Projects Private Limited)
Project Description	Design, finance, construct/renovate, complete, operate and maintain the new 40 MLD Recycle and Re-use Tertiary Treatment Reverse Osmosis ('TTRO') plant and infrastructure in Ghaziabad
Concession Authority	Ghaziabad Nagar Nigam ('GNN')

Notes forming part of the Consolidated Financial Statements

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

37. Service Concession Arrangements (Contd..)

Subsidiary	Ghaziabad Water Solutions Private Limited (Formerly known as Digha STP Projects Private Limited)
Key Terms	<ul style="list-style-type: none"> - Construction period of 2 years including 3 months of trial run and O&M period of 15 years - One portion of the bid EPC cost shall be paid to the concessionaire over the construction period in specific milestones - Balance portion of the bid EPC cost shall be paid over 15 years starting after the Commercial Operation Date ('COD') - The concessionaire will also receive the O&M charges along with escalation as per contract during the 15 year O&M tenure on a monthly basis and is required to adhere and maintain contractual performance parameters
Effective / Appointed Date	02 March 2022
Project bid cost	₹ 5,940 Millions (including taxes)
Classification	Dues from the concession authority have been recognised as Financial Assets, backed by an unconditional right to receive cash from the grantor
Revenue recognised	₹ 296 Millions (Previous year: ₹ 1,413) (excluding taxes)

38. Related party disclosures

a) Names of related parties and nature of relationship

Nature of relationship	Name of related party
Associates	Windhoek Goreangab Operating Company (Pty) Limited, Namibia
	VA Tech Wabag and Roots Contracting LLC, Qatar
	DK Sewage Project Private Limited, India (w.e.f March 28, 2024)
	Ganga STP Project Private Limited, India
Key Management Personnel (KMP)	Mr. Rajiv Mittal - Chairman & Managing Director
	Mr. S Varadarajan - Whole time Director & Chief Growth Officer
	Mr. Milin Mehta - Independent Director
	Ms. Vijaya Sampath - Independent Director
	Mr. Ranjit Singh - Additional Director
	Mr. Amit Goela - Non Executive Non-Independent Director
	Mr. Skandaprasad Seetharaman - Chief Financial Officer
	Mr. Shailesh Kumar - CEO India Cluster
	Mr. Arulmozhi - CFO, India Cluster
	Mr. Pankaj Malhan - Deputy Managing Director and Group Chief Executive Officer (Resigned w.e.f 30 October 2023)
Other Related Party (Relative of Chairman & Managing Director)	Mr. Rohan Mittal - Head – Strategy & Business Growth – GCC
	Ms. Shamali Chavan - Senior Engineer (w.e.f 14 February 2025)

b) Transactions with related parties

	Year ended 31 March 2025 Associates	Year ended 31 March 2024 Associates
Sales of goods and services	624	165
Others operating income	5	102

Notes forming part of the Consolidated Financial Statements

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

38. Related party disclosures (Contd..)

c) Balances with related parties

Particulars	As at 31 March 2025		As at 31 March 2024	
	Associates	KMP and other related party	Associates	KMP and other related party
Advances/amount recoverable	770	-	532	-
Loan including interest	128	-	-	-
Creditors/Payables	9	8	9	8

Note :

The maximum amount of loans outstanding during the year in accordance with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are as below :

- Ganga STP Project Private Limited - ₹ 105 Millions (31 March 2024 : ₹ Nil)
- DK Sewage Project Private Limited - ₹ 15 Millions (31 March 2024 : ₹ Nil)

d) Remuneration to Key Management Personnel and Other Related Party :

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries including bonus	104	110
Post employment and termination benefits*	8	8
Commission	7	7

*Provisions for contribution to gratuity, leave encashment and other defined benefit are determined by actuary on an overall Company basis at the end of each year and, accordingly, have not been considered in the above information.

39. Fair value measurement

Fair value measurement hierarchy

The Group records certain financial assets and financial liabilities at fair value on a recurring basis. The Group determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The Group holds certain fixed income investments, and other financial assets such as employee advances, deposit etc., which must be measured using the fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Group's assumptions about current market conditions. The fair value hierarchy also requires the Group to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three Levels of fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- > **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- > **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- > **Level 3:** Inputs for assets or liabilities that are not based on observable market data (unobservable inputs)

Notes forming part of the Consolidated Financial Statements

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

39. Fair value measurement (Contd..)

The following table shows the Levels within the hierarchy of financial and non-financial assets and liabilities measured at fair value on a recurring basis as at 31 March 2025 and 31 March 2024:

Quantitative disclosures for fair value measurement hierarchy for assets as at 31 March:

	Fair value measurement using				
	Date of valuation	Carrying value	Level 1	Level 2	Level 3
i) Assets measured at fair value:					
Fair value through statement of profit and loss					
Investments					
2025	31 March 2025	44	-	-	44
2024	31 March 2024	43	-	-	43

ii) Liabilities measured at amortized cost:

Interest-bearing loans and borrowings:

The Group ensures a balanced portfolio of fixed and floating rate loans and borrowings. The Group's borrowings as at 31 March 2025 of ₹ 1,589 Millions (31 March 2024 ₹ 729 Millions) and of ₹ 1,984 Millions (31 March 2024 ₹ 2,077 Millions) are on fixed rate and floating rate basis of interest respectively.

The fair values of the Group's interest-bearing borrowings and loans are determined under amortised cost method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. These rates are considered to reflect the market rate of interest and hence the carrying values are considered to be at fair value.

40. Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies

The Group's principal financial liabilities, comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include investments, trade and other receivables and cash and short-term deposits that are created directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The Group's management is supported by the Group Treasury Team that advises on financial risks and the appropriate financial risk governance framework in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by Group Treasury Team that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors of the Parent review and agree on policies for managing each of these risks, which are summarised below.

a) Market risk

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

Notes forming part of the Consolidated Financial Statements

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

40. Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies (Contd..)

Interest rate sensitivity

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% for the year ended 31 March 2025 (31 March 2024 : +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. Sensitivity calculations are based on annualised interest cost on the borrowings at floating rate as of the reporting dates 31 March 2025 and 31 March 2024. All other variables are held constant.

		As at 31 March 2025	As at 31 March 2024
Profit before tax			
Increase	+1%	20	21
Decrease	-1%	(20)	(21)
Equity before tax			
Increase	+1%	20	21
Decrease	-1%	(20)	(21)

Foreign currency risk

The Group enters into transactions of sales and purchases in various currencies based on the domiciliation of the entities of the group. Euro (EUR) and United States Dollar (USD) are the major currencies transacted in, outside the functional currency (₹) of the Parent.

To mitigate the Group's exposure to foreign currency risk, cash flows in foreign currencies are monitored and forward exchange contracts are entered into in accordance with the Group's risk management policies. Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken.

Foreign currency denominated financial assets and financial liabilities which expose the Group to currency risk are disclosed below. The amounts shown are those reported to the key management and are translated at the closing rate:-

	Foreign currency exposure (in ₹ in Millions)	
	USD	EUR
31 March 2025		
Financial assets	6,790	289
Financial liabilities	1,842	690
31 March 2024		
Financial assets	12,444	757
Financial liabilities	1,831	395

Currency risk (or foreign exchange risk) arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency, of the respective entity, in which they are measured. For the purpose of this disclosure, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency of the respective entities.

The following table illustrates the sensitivity of profit and equity with regard to the Group's financial assets and financial liabilities and the USD/₹ exchange rate and EUR/₹ exchange rate 'all other things being equal'. It assumes a +/- 1% change of the USD/₹ and EUR/₹ exchange rate for the year ended 31 March 2025 (31 March 2024 : +/- 1%).

Notes forming part of the Consolidated Financial Statements

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

40. Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies (Contd..)

If the ₹ had strengthened against the USD by 1% during the year ended 31 March 2025 (31 March 2024: 1%) and EUR by 1% during the year ended 31 March 2025 (31 March 2024: 1%) respectively, then it would have had the following impact on profit before tax and equity before tax :

		As at 31 March 2025	As at 31 March 2024
Profit before tax			
USD	+1%	49	106
EUR	+1%	(4)	4
		45	110
Equity before tax			
USD	+1%	49	106
EUR	+1%	(4)	4
		45	110

If the ₹ had weakened against the USD by 1% during the year ended 31 March 2025 (31 March 2024: 1%) and EUR by 1% during the year ended 31 March 2025 (31 March 2024: 1%) respectively, there would be an equal but opposite effect on the above currencies to the amount shown above, on the basis that all other variables remain constant.

b) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example on trade receivables, deposits, etc. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March, as summarised below:

Classes of financial assets	As at 31 March 2025	As at 31 March 2024
Trade receivables	26,080	25,215
Cash and cash equivalents	7,177	4,399
Bank balances other than those mentioned in cash and cash equivalents	2,269	698
Loans	120	-
Other financial assets	2,304	2,338

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. The Group's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

In respect of trade receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties. Customer credit risk is managed based on Group's established policy, procedures and control relating to customer credit risk management, pursuant to which outstanding customer receivables are regularly monitored by the management. Credit quality of the customer is assessed based on historical information in relation to pattern of collections, defaults and credit worthiness of the customer. As at 31 March 2025, the Group had 17 (31 March 2024: 16) customers that owed the Group more than ₹ 500 millions each and accounted for approximately 77% (31 March 2024: 79%) of all the receivables outstanding. As at 31 March 2025, the Group has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired. (Also refer note 7)

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

Notes forming part of the Consolidated Financial Statements

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

40. Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies (Contd..)

Other financial assets mainly comprises of tender deposits and security deposits which are given to customers or other governmental agencies in relation to contracts executed and are assessed by the Group for credit risk on a continuous basis. The credit risk on these balances are estimated to be low as on 31 March 2025.

c) Liquidity risk

Liquidity risk is risk of the Group not being able to meet its obligations. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. 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 lookout period.

The Group's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-days period at a minimum. This objective was met for the reporting periods. Funding for long term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Group's existing cash resources and trade receivables significantly exceed the current cash outflow requirements. Cash flows from trade receivables are due within six months except for retention and long term trade receivables which are governed by the relevant contract conditions.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and borrowings. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below analyses non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows including interest as at 31 March 2025 and 31 March 2024.

As at 31 March 2025	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Borrowings	1,635	211	822	1,024
Trade payables	9,269	1,189	2,274	-
Lease liabilities	10	6	28	-
Other financial liabilities	315	12	19	-
	11,229	1,418	3,143	1,024

As at 31 March 2024	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Borrowings	774	218	1,091	980
Trade payables	8,900	1,383	1,283	-
Lease liabilities	22	13	48	-
Other financial liabilities	180	108	13	-
	9,876	1,722	2,435	980

Notes forming part of the Consolidated Financial Statements

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

41. Segment reporting

Considering the risk/return profiles of the segments between product and geography, the Group has identified geography as reportable segment in accordance with Indian Accounting Standard (Ind AS) 108 "Operating Segments".

Particulars	India	Rest of world	Unallocated	Total
For the year ended 31 March 2025				
Revenue				
External sales	18,012	15,525	-	33,537
Other operating revenue	-	-	317	317
Inter-segment sales*	-	(914)	-	(914)
Total revenue	18,012	14,611	317	32,940
Results				
Segment result	3,041	4,114	-	7,155
Share of profit of associates, net	-	22	-	22
Unallocated corporate expenses	-	-	(3,171)	(3,171)
Operating profit	3,041	4,136	(3,171)	4,006
Interest and finance charges, net	-	-	(421)	(421)
Other income	-	-	258	258
Profit before tax	3,041	4,136	(3,333)	3,844
Income taxes	-	-	(896)	(896)
Profit after tax	3,041	4,136	(4,229)	2,948
Non-controlling interests	-	-	5	5
Profit for the year attributable to owners of the Parent	3,041	4,136	(4,224)	2,953
As at 31 March 2025				
Other information				
Segment assets	23,926	19,821	-	43,747
Unallocated corporate assets	-	-	8,926	8,926
Total assets	23,926	19,821	8,926	52,673
Segment liabilities	16,111	11,241	-	27,352
Unallocated corporate liabilities	-	-	3,871	3,871
Total liabilities	16,111	11,241	3,871	31,223
For the year ended 31 March 2025				
Capital expenditure	-	-	45	45
Depreciation and amortization	-	-	59	59
Other non cash expenditure, net	-	-	276	276

* Net of intra-segment eliminations of sales within India

Particulars	India	Rest of world	Unallocated	Total
For the year ended 31 March 2024				
Revenue				
External sales	17,324	13,481	-	30,805
Other operating revenue	-	-	657	657
Inter-segment sales	-	(2,898)	-	(2,898)
Total revenue	17,324	10,583	657	28,564
Results				
Segment result	3,437	3,265	-	6,702
Share of profit of associates and a joint venture, net	-	(95)	-	(95)
Unallocated corporate expenses	-	-	(3,223)	(3,223)
Operating profit	3,437	3,170	(3,223)	3,384

Notes forming part of the Consolidated Financial Statements

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

41. Segment reporting (Contd..)

Particulars	India	Rest of world	Unallocated	Total
Interest and finance charges, net	-	-	(390)	(390)
Other income	-	-	307	307
Profit before tax	3,437	3,170	(3,306)	3,301
Exceptional items	-	-	-	-
Income taxes	-	-	(797)	(797)
Profit after tax	3,437	3,170	(4,103)	2,504
Non-controlling interests	-	-	(48)	(48)
Profit for the year attributable to owners of the Parent	3,437	3,170	(4,151)	2,456
As at 31 March 2024				
Other information				
Segment assets	17,675	23,346	-	41,020
Unallocated corporate assets	-	-	4,725	4,725
Total assets	17,675	23,346	4,725	45,745
Segment liabilities	13,294	11,651	-	24,945
Unallocated corporate liabilities	-	-	2,560	2,560
Total liabilities	13,294	11,651	2,560	27,505
For the year ended 31 March 2024				
Capital expenditure	-	-	119	119
Depreciation and amortization	-	-	84	84
Other non cash expenditure, net	-	-	1,162	1,162

42. Statutory group information

Name of the entity in the Group	Net assets, i.e. total assets minus total liabilities as at		Share in profit or (loss) for the year ended		Share in other comprehensive income for the year ended		Share in total comprehensive income for the year ended	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
VA Tech Wabag Limited								
31 March 2025	83.2%	17,836	92.0%	2,713	100.2%	166	92.5%	2,879
31 March 2024	82.0%	14,963	94.2%	2,358	111.8%	7	94.2%	2,365
Indian Subsidiaries								
DK Sewage Project Private Limited								
31 March 2025	-	-	-	-	-	-	-	-
31 March 2024	-	-	1.5%	37	-	-	1.5%	37
Ghaziabad Water Solutions Private Limited								
31 March 2025	(0.8%)	(163)	(4.2%)	(123)	-	-	(3.9%)	(123)
31 March 2024	(0.2%)	(40)	(2.2%)	(55)	-	-	(2.2%)	(55)
Foreign subsidiaries								
VA Tech Wabag (Philippines) Inc								
31 March 2025	0.6%	123	(2.3%)	(67)	0.2%	0	(2.1%)	(67)
31 March 2024	1.1%	202	(0.9%)	(23)	(11.8%)	(1)	(0.9%)	(24)

Notes forming part of the Consolidated Financial Statements

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

42. Statutory group information (Contd..)

Name of the entity in the Group	Net assets, i.e. total assets minus total liabilities as at		Share in profit or (loss) for the year ended		Share in other comprehensive income for the year ended		Share in total comprehensive income for the year ended	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of other comprehensive income	Amount	As % of total comprehensive income	Amount
VA Tech Wabag Muscat LLC								
31 March 2025	0.1%	17	0.0%	1	-	-	0.0%	1
31 March 2024	0.1%	16	(0.3%)	(7)	-	-	(0.3%)	(7)
Wabag Muhibbah JV SDN. BHD.								
31 March 2025	0.5%	97	(0.3%)	(10)	-	-	(0.3%)	(10)
31 March 2024	0.5%	98	4.5%	112	-	-	4.5%	112
Wabag Belhasa JV WLL								
31 March 2025	0.2%	37	0.5%	14	-	-	0.4%	14
31 March 2024	0.1%	23	0.1%	2	-	-	0.1%	2
VA Tech Wabag And Roots Contracting LLC- Project-I								
31 March 2025	0.0%	5	(0.0%)	(1)	-	-	(0.0%)	(1)
31 March 2024	0.0%	6	0.0%	-	-	-	0.0%	-
Wabag Limited								
31 March 2025	0.0%	-	0.0%	-	-	-	0.0%	-
31 March 2024	0.0%	-	0.0%	-	-	-	0.0%	-
VA Tech Wabag (Singapore) Pte Limited								
31 March 2025	3.4%	733	5.0%	146	-	-	4.7%	146
31 March 2024	3.1%	573	0.2%	4	-	-	0.2%	4
Va Tech Wabag Limited								
Pratibha Industries Limited JV								
31 March 2025	0.2%	46	0.0%	1	-	-	0.0%	1
31 March 2024	0.2%	45	0.3%	9	-	-	0.3%	9
VA Tech Wabag Gmbh								
31 March 2025	16.8%	3,607	29.5%	870	(0.4%)	(1)	27.9%	870
31 March 2024	15.0%	2,736	5.7%	143	-	-	5.7%	143
Wabag Water Services S.R.L.								
31 March 2025	0.0%	-	(0.4%)	(11)	-	-	(0.3%)	(11)
31 March 2024	4.4%	802	0.7%	17	-	-	0.7%	17
VA Tech Wabag Su Teknolojisi Ve Tic. A.S								
31 March 2025	(1.0%)	(217)	0.0%	1	-	-	0.0%	1
31 March 2024	(1.2%)	(213)	0.0%	1	-	-	0.0%	1
VA Tech Wabag Tunisie S.A.R.L								
31 March 2025	1.0%	222	2.4%	70	-	-	2.3%	70
31 March 2024	0.8%	146	1.2%	29	-	-	1.2%	29
VA Tech Wabag Deutschland Gmbh								
31 March 2025	-	-	-	-	-	-	-	-
31 March 2024	-	-	-	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements

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

42. Statutory group information (Contd..)

Name of the entity in the Group	Net assets, i.e. total assets minus total liabilities as at		Share in profit or (loss) for the year ended		Share in other comprehensive income for the year ended		Share in total comprehensive income for the year ended	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of other comprehensive income	Amount	As % of total comprehensive income	Amount
Non-controlling interest in all subsidiaries								
31 March 2025	0.2%	51	(0.2%)	(5)	-	-	(0.2%)	(5)
31 March 2024	0.3%	53	1.9%	48	-	-	1.9%	48
Associates (investments as per equity method)								
Indian								
Ganga STP Project Private Limited								
31 March 2025	1.3%	276	1.2%	35	-	-	1.1%	35
31 March 2024	1.3%	241	(1.1%)	(26)	-	-	(1.1%)	(26)
DK Sewage Project Private Limited								
31 March 2025	1.5%	320	(0.4%)	(13)	-	-	(0.4%)	(13)
31 March 2024	1.8%	333	0.4%	11	-	-	0.4%	11
VA Tech Wabag And Roots Contracting LLC- Project-II and Project-III								
31 March 2025	0.1%	16	(0.1%)	(2)	-	-	(0.1%)	(2)
31 March 2024	0.1%	18	(3.6%)	(91)	-	-	(3.6%)	(91)
Windhoek Goreangab Operating Company (Pty) Limited								
31 March 2025	0.2%	38	0.1%	2	-	-	0.1%	2
31 March 2024	0.2%	35	0.5%	12	-	-	0.5%	12
Intercompany eliminations and other adjustments								
31 March 2025	(7.4%)	(1,594)	(22.8%)	(673)	-	-	(21.6%)	(673)
31 March 2024	(9.9%)	(1,798)	(3.1%)	(77)	-	-	(3.1%)	(77)
Total								
31 March 2025	100.0%	21,450	100.0%	2,948	100.0%	165	100.0%	3,113
31 March 2024	100.0%	18,239	100.0%	2,504	100.0%	6	100.0%	2,510

Notes forming part of the Consolidated Financial Statements

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

43. Authorization of financial statements

The consolidated financial statements for the year ended 31 March 2025 (including comparatives) is approved by the Board of Directors on 21 May 2025.

44. Interest in other entities

Summarized financial information of the associates and joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

(a) Investments in associates

	As at 31 March 2025	As at 31 March 2024
Aggregate carrying amount of associates	650	628
	Year ended 31 March 2025	Year ended 31 March 2024
Aggregate amount of the associates share of:		
Profit for the year	22	(95)
Other comprehensive income	-	-
Total comprehensive income	22	(95)

(b) Investments in joint venture

	As at 31 March 2025	As at 31 March 2024
Aggregate carrying amount of joint venture	-	-
	Year ended 31 March 2025	Year ended 31 March 2024
Aggregate amounts of the group's share of:		
(Loss) for the year	-	-
Other comprehensive income	-	-
Total comprehensive income	-	-
Share of (losses)/profits from associates	22	22
Share of (losses) from joint venture	-	-

Notes forming part of the Consolidated Financial Statements

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

45. Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date (31 March 2025) and the date of authorization (21 May 2025), other than those disclosed under respective notes.

46. Contingent liabilities, commitments and guarantees

a) Claims against the Group not acknowledged as debt

	As at 31 March 2025	As at 31 March 2024
Income tax demand including interest contested in appeal for various assessment years	66	134
Indirect tax matters under dispute including interest contested in appeal for various years	1,011	1,242
Shares of contingent liabilities in subsidiaries with respect of income tax matters	3	-
Shares of contingent liabilities in associates with respect of income tax and indirect tax matters	55	245

b) Capital commitments

The estimated amounts of contracts to be executed on capital account and not provided for (net of advances) Nil (31 March 2024: Nil).

c) Guarantees excluding financial guarantees: ₹ Nil (31 March 2024: ₹ Nil)

47. Analytical ratios

Particulars	31 March 2025	31 March 2024	Change	Numerator	Denominator
a. Current Ratio	1.70	1.68	0.9%	Current assets	Current Liabilities
b. Debt-Equity Ratio	0.17	0.15	8.3%	Total Debt (Long & Short term)	Shareholder's Equity
c. Debt Service Coverage Ratio	4.96	4.77	4.0%	Earnings available for debt service	Debt Service
d. Return on Equity Ratio (ROE)	14.9%	14.7%	0.9%	Net Profits after taxes	Average Shareholder's Equity
e. Inventory turnover Ratio	7.61	6.62	15.0%	Cost of goods sold or sales	Average Inventory
f. Trade Receivables turnover Ratio	1.28	1.20	6.5%	Net Credit Sales	Average Accounts Receivable
g. Trade payables turnover Ratio	2.11	1.84	14.5%	Net Credit Purchases	Average Trade Payables
h. Net capital turnover Ratio	1.86	1.92	(3.2%)	Net Sales	Working Capital
i. Net profit Ratio	9.0%	8.9%	1.6%	Net Profit	Net Sales
j. Return on Capital employed (ROCE)	19.5%	19.5%	(0.1%)	Earning before interest and taxes	Capital Employed

All investments are non current in nature and invested in group companies. Hence return on investment ratio is not computed

Notes forming part of the Consolidated Financial Statements

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

48. Additional disclosures under Schedule III Division II of the Companies Act

With respect to entities incorporated in India (referred to as "Indian Entities") and consolidated in the financial statements:

- a) No proceedings have been initiated on or are pending against the Indian Entities for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder, as at the end of the year.
- b) The Indian Entities has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.
- c) As per the information available with the Indian Entities, the Indian Entities has not entered into any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 (31 March 2024: Nil)
- d) There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period as at the end of the year
- e) Indian Entities has not traded or invested in Crypto currency or Virtual Currency during the financial year ended 31 March 2025 (31 March 2024: Nil).
- f) 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 Indian Entities to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Indian Entities (Ultimate Beneficiaries). The Indian Entities has not received any fund from any party(s) (Funding Party) with the understanding that the Indian Entities shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Indian Entities ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (31 March 2024: Nil).
- g) The Parent and Indian Entities is using IFS ERP (accounting software) for maintaining books of accounts. Audit trail was operational throughout the year and audit trial backup has been preserved as required under Act, except for two Indian Entities for the previous year as it was maintained in electronic form.

49. Figures for the previous year have been regrouped/re-classified to conform to the figures of the current year. Values less than ₹ 0.5 Million is disclosed as Zero.

Notes 1 to 49 form an integral part of these consolidated financial statements

In terms of our report of even date attached

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No.: 003792S

V Viswanathan
Partner
(Membership No.: 215565)

Place : Chennai
Date : 21 May 2025

For and on behalf of the Board of Directors of
VA Tech Wabag Limited

Rajiv Mittal
Chairman & Managing Director
(DIN : 01299110)

Skandaprasad Seetharaman
Chief Financial Officer

Place : Chennai
Date : 21 May 2025

Milin Mehta
Director
(DIN : 01297508)

Anup Kumar Samal
Company Secretary
(Membership No: F4832)

VA TECH WABAG LIMITED

CIN - L45205TN1995PLC030231

Registered Office: "WABAG HOUSE", No.17, 200 Feet Thoraipakkam - Pallavaram Main Road,

Sunnambu Kolathur, Chennai - 600 117, Tamil Nadu, India

E-mail: companysecretary@wabag.in | Website: www.wabag.com

Phone: 044 6123 2323 | Fax: 044 6123 2324

NOTICE

NOTICE is hereby given that the Thirtieth (30th) Annual General Meeting ("AGM") of the Members of VA TECH WABAG LIMITED will be held on **Tuesday, August 12, 2025 at 4.00 P.M. (IST)**, through video conferencing / other audio visual means ("VC/OAVM") to transact the following business:

ORDINARY BUSINESS

1. Adoption of Financial Statements

- a. To consider and adopt the audited standalone financial statements of VA TECH WABAG LIMITED ("the Company") for the financial year ended March 31, 2025, together with the reports of the Board of Directors of the Company and the Auditors thereon; and
- b. To consider and adopt the audited consolidated financial statements of VA TECH WABAG LIMITED ("the Company") for the financial year ended March 31, 2025, together with the report of the Auditors thereon.

2. Declaration of Dividend

To declare a final dividend of INR 4/- per equity share for the financial year ended March 31, 2025.

3. Appointment of Mr. Amit Goela (DIN: 01754804) as a Director, liable to retire by rotation

To appoint a Director in place of Mr. Amit Goela (DIN: 01754804), who retires by rotation and being eligible, seeks re-appointment.

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

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the approval of the Members of VA TECH WABAG LIMITED ("the Company"), be and is hereby accorded to re-appoint Mr. Amit Goela (DIN: 01754804), as a Director of the Company, who is liable to retire by rotation."

SPECIAL BUSINESS

4. Appointment of M/s. M. Damodaran & Associates LLP, Practising Company Secretaries, as the Secretarial Auditors of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 179, 204 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors of VA TECH WABAG LIMITED ("the Company"), M/s. M. Damodaran & Associates LLP, Practising Company Secretaries, Chennai (Firm Registration No.: L2019TN006000), be and are hereby appointed as the Secretarial Auditors of the Company for a term of five (5) consecutive years, commencing from the FY 2025-26 till the FY 2029-30 at such remuneration and out-of-pocket expenses, if any as mutually agreed and other terms and conditions as may be determined by the Board of Directors (including its Committees thereof), and to avail any other services, certificates, or reports as may be permissible under the applicable laws."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committees thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto."

5. Ratification of Remuneration payable to the Cost Auditor for the Financial Year 2024-25

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), a remuneration of INR 5,50,000/- (Indian Rupees Five Lakhs Fifty Thousands only) exclusive of applicable taxes and out of pocket expenses, if any, payable to Mr. K. Suryanarayanan, Practicing Cost Accountant, Chennai (Membership No. 24946) who was appointed by the Board

of Directors of VA TECH WABAG LIMITED ("the Company") (hereinafter referred to as "the Board" which term shall deem to include any Committee constituted / to be constituted by the Board), to conduct the audit of the cost records maintained by the Company for the FY 2024-25, as recommended by the Audit Committee and approved by the Board, be and is hereby ratified, confirmed and approved."

"RESOLVED FURTHER THAT the Board, be and are hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable including powers / authority to settle any question, difficulty, doubt that may arise in respect of the matters aforesaid and to take all steps and / or other formalities as may be required to give effect to the above resolution."

By Order of the Board of Directors of
VA TECH WABAG LIMITED

Anup Kumar Samal

Company Secretary & Compliance Officer
Membership No.: FCS 4832

Date: May 21, 2025

Place: Chennai

Registered Office:

VA TECH WABAG LIMITED

"WABAG HOUSE", No.17,
200 Feet Thoraipakkam - Pallavaram Main Road,
Sunnambu Kolathur, Chennai - 600 117,
Tamil Nadu, India.
CIN - L45205TN1995PLC030231
E-mail: companysecretary@wabag.in
Website: www.wabag.com,
Phone: 044 6123 2323,
Fax: 044 6123 2324.

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under Item Nos. 3, 4 & 5 of the accompanying notice, is annexed hereto.
2. Additional information pursuant to Regulation 26 and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India ("ICSI"), in respect of the Directors seeking appointment / re-appointment at this AGM is furnished and forms part of the notice. There are no *inter-se* relationships between the Board Members. The Director has furnished requisite consent(s) / declaration(s) for the said appointment / re-appointment.
3. Members whose shareholding is in demat mode are requested to notify any change in address or bank account details to their respective depository participant(s) (DP). Members whose

shareholding is in physical mode are requested to opt for the Electronic Clearing System (ECS) mode to receive dividend on time in line with the SEBI Circulars issued from time to time. We urge members to utilize the ECS for receiving dividends. Please refer to point no. 8 for the process to be followed for updating bank account details.

4. Members may note that the Board, at its meeting held on May 21, 2025, has recommended a final dividend of INR 4/- per equity share for the financial year ended March 31, 2025. The record date for the purpose of determining list of Members eligible to receive the final dividend is fixed as **Tuesday, August 05, 2025**. The final dividend, once approved by the Members in the ensuing AGM, will be paid on or before September 10, 2025, through various modes. To avoid delay in receiving dividend, Members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive the dividend directly into their bank account on the pay-out date.

5. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of Members. The Company shall therefore be required to deduct tax at source (TDS) at the time of payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, Members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number (PAN)	10%* or as notified by the Government of India (GOI)
Members not having PAN / valid PAN	20% or as notified by the GOI

* As per Section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid / inoperative and he/she shall be liable to all consequences under the IT Act and tax shall be deducted at the higher rates as provided in section 206AA of the IT Act, 1961 i.e. at 20%.

However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during FY 2025-26 does not exceed INR 10,000/- and also in cases where Members provide Form No.15G (applicable to individual below 60 years of age) / Form No. 15H (applicable to an individual of age 60 years or more), subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for Members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the GOI on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI), between India and the country of tax residence of the shareholders, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under rule 37BC of the Income-tax Rules, 1962
- Copy of the Tax Residency Certificate for FY 2025-26 obtained from the revenue or tax authorities of the

country of tax residence, duly attested by shareholders / authorized signatory

- Electronic Form 10F as per notification no. 03/2022 dated July 16, 2022 issued by the Central Board of Direct Tax [Notification can be read under notification-no-3-2022-systems.pdf ([incometaxindia.gov.in](https://www.incometaxindia.gov.in))]. Form 10F can be obtained electronically through the e-filing portal of the income tax website at <https://www.incometax.gov.in/iec/foportal>.
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes, if applicable, duly attested by the shareholders

In case of Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the IT Act at the rate of 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

The aforementioned documents are required to be uploaded on the shareholder portal at https://cambridge.cameoindia.com/Module/Downloadable_Formats.aspx on or before **August 06, 2025**. Members are requested to visit www.wabag.com for more instructions and information on this subject. No communication would be accepted from Members after August 06, 2025 regarding tax-withholding matters. Shareholders may write to Investor@cameoindia.com / companysecretary@wabag.in for any clarifications on this subject.

Shareholders can check their tax credit in Form 26AS from the e-filing account at <https://www.incometax.gov.in/iec/foportal> or "View Your Tax Credit" on <https://www.tdscpc.gov.in>.

6. Members are requested to address all correspondence, including dividend-related matters, to the Registrar & Transfer Agent (RTA), Cameo Corporate Services Limited, Subramanian Building, 1, Club House Road, Anna Salai, Chennai – 600002, Tamil Nadu, Toll free no. 044 4002 0700 & Email ID: investor@cameoindia.com.

7. General instructions for accessing and participating in the 30th AGM through VC/OAVM facility and voting through electronic means including remote e-Voting.

- a. As per the Ministry of Corporate Affairs ("MCA") General Circular No.09/2024 dated September 19, 2024 (referred to as "MCA Circular(s)") read with the SEBI Circular No. SEBI/

HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 (referred to as "SEBI Circular(s)"), and in compliance with the provisions of the Act and the SEBI LODR, the 30th AGM of the Company is being conducted through VC/OAVM facility (hereinafter called as "e-AGM"), which does not require physical presence of the Members at a common venue. The deemed venue for the 30th AGM shall be the Registered Office of the Company.

- b. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE, THIS AGM IS BEING HELD THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF THE MEMBERS HAS BEEN DISPENSED WITH.

ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE. HOWEVER, PURSUANT TO SECTION 112 AND 113 OF THE ACT, AUTHORISED REPRESENTATIVES OF THE MEMBERS MAY BE APPOINTED FOR THE PURPOSE OF VOTING THROUGH REMOTE E-VOTING, PARTICIPATION IN THE 30TH AGM THROUGH VC/OAVM FACILITY AND E-VOTING DURING THE 30TH AGM.

- c. The Corporate Members / Institutional Members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution / Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-Voting. The said Resolution/Authorisation shall be sent to the Scrutiniser by e-mail through its registered e-mail address to kjr@mdassociates.co.in with a copy marked to evoting@nsdl.com and our Registrar and Transfer Agent (RTA) investor@cameoindia.com. The scanned image of the above mentioned documents should be in the naming format "**Corporate Name Event No.**". The Institutional Members/Corporate Members can also upload their Board Resolution/Power of Attorney/Authority Letter, by clicking on "Upload Board Resolution/Authority letter", etc. displayed under 'e-Voting' tab in their Login.
- d. In compliance with the aforesaid MCA Circular and SEBI Circular, Notice of 30th AGM along with the Annual Report for the FY 2024-25 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report for FY 2024-25 will also be available on the Company's website at www.wabag.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com

and www.nseindia.com respectively and on the website of our Registrar and Transfer Agent at www.cameoindia.com. This AGM notice shall be disseminated on the website of NSDL (agency appointed for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. www.evoting.nsdl.com.

- e. The register of Members and share transfer books will remain closed from **Wednesday, August 06, 2025 to Tuesday, August 12, 2025 (both days inclusive)** for the 30th AGM scheduled to be held on Tuesday, August 12, 2025.
- f. The scanned copy of the Registers prescribed under the Act and relevant documents referred to in the accompanying notice may be accessed by the Members for inspection upon log-in into www.evoting.nsdl.com
- g. Since the AGM will be held through VC/OAVM facility, the route map of the venue is not annexed to this notice.
- h. National Securities Depository Limited ("NSDL") will be providing the facilities for remote e-Voting, for AGM participation through VC/OAVM mode and e-Voting during the 30th AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized e-Voting agency.
- i. The Members may join the 30th AGM through VC/ OAVM mode by following the procedure as mentioned in point No. 16, which shall be kept open for the Members from 3.30 P.M. (IST) i.e. thirty (30) minutes before the scheduled time to start the 30th AGM and the Company may close the window for joining the VC/OAVM facility thirty (30) minutes after the scheduled time to start the 30th AGM.
- j. The Members may note that the facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- k. Attendance of the Members participating in the 30th AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- l. In case of joint holder(s), the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date are entitled to vote.

m. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM.

8. The Members holding shares in electronic form are requested to intimate immediately for any change in their address or bank mandates to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise for any change in their address or bank mandates immediately to the Company / Cameo Corporate Services Limited (hereinafter referred to as "Cameo" or "RTA"). The said changes related to physical shares to be intimated in prescribed Form ISR -1 and other forms pursuant to the SEBI circulars nos. Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, etc. as per instructions mentioned in the Form(s). The said Form(s) can be downloaded from the Company's website www.wabag.com.

9. Transfer of Unclaimed Dividend amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to sections 124, 125 and other applicable provisions of the Act, if any, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules"), (including any statutory modification(s) and or re-enactment(s) thereof for the time being in force), dividends, unpaid or unclaimed for a period of seven (7) years from the date of transfer to unpaid dividend account by the Company, are required to be transferred by the Company to the IEPF established by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the Members for seven (7) consecutive years shall also be transferred to the demat account of the IEPF.

During the FY 2024-25, the Company has transferred to the IEPF Authority, the unclaimed dividend for the FY 2016-17 amounting to INR 1,06,700/- pertaining to 511 Members and 897 shares pertaining to 29 Members in respect of whom dividend had remained unclaimed for seven (7) consecutive years.

The unclaimed dividend amounts and unclaimed shares which have been transferred to the IEPF Authority account during the year can be claimed by the Members concerned from the IEPF

Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends and shares transferred to IEPF are also available on the Company's website at www.wabag.com and the said details have also been uploaded on the website of the IEPF Authority (www.iepf.gov.in).

In accordance with the aforesaid IEPF Rules, the Company has been sending reminder letters and / or other communication to all Members having unclaimed / unpaid dividend(s) and share(s) before transfer of such dividend(s) and share(s) to the IEPF Authority. Members who wish to claim dividends, which remain unclaimed / unpaid, are requested to either correspond with the Corporate Secretarial Department at the Company's registered office or the Company's RTA for revalidation and encash them before the unclaimed amount / shares transferred to the IEPF Authority.

The details of such unclaimed dividends of previous years are also available on the Company's website at www.wabag.com. Pursuant to the provisions of the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid / unclaimed amounts lying with the Company as on March 31, 2025 on the website of the Company www.wabag.com and such details are available with the Ministry of Corporate Affairs.

Registrar and Transfer Agent ("RTA")

Cameo Corporate Services Limited, Chennai having the SEBI Registration no: INR000003753, an ISO / IEC 27001:2013 (Certified, leading Category I Registrar and Share Transfer Agent) is the RTA of the Company for the equity shares pursuant to Regulation 7 of the SEBI LODR.

10. The SEBI had mandated the submission of PAN, nomination, contact details, Bank account details and Specimen signature for their corresponding folio numbers by holders of physical securities by October 1, 2023, and linking PAN with Aadhaar by June 30, 2023 vide its circular dated March 16, 2023 / Master Circular dated May 17, 2023. Members are requested to submit their PAN, KYC and nomination details to the Company's RTA. Members holding shares in electronic form are therefore requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.

As per earlier requirement, in case a physical Shareholder fails to furnish PAN, nomination, contact details, Bank account details and Specimen signature for their corresponding folio numbers before October 1, 2023 or link their PAN with Aadhaar before June 30, 2023, in accordance with the SEBI circular dated March 16, 2023, RTA is obligated to freeze such folios.

The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents mentioned above. If the

securities continue to remain frozen as on December 31, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002.

Further, the SEBI vide its circular No. SEBI/HO/MIRSD/POD-1/CIR/2023/181 dated November 17, 2023 has decided to do away with the provisions relating to freezing of folios and referring frozen folios to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and / or the Prevention of Money Laundering Act, 2002, to mitigate unintended challenges.

11. The Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members. The nomination Form can be downloaded from the Company's website www.wabag.com under the section 'Investor Relations'. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said Form can be downloaded from the Company's website www.wabag.com. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held in physical form, by quoting their folio number.
12. Non-Resident Indian Members are requested to inform Company / RTA immediately of:
 - i. Change in their residential status upon return to India for permanent settlement.
 - ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. The Company is concerned about the environment and utilises natural resources in a sustainable way. Members who have not registered their e-mail IDs so far, are requested to register their e-mail IDs for receiving all communications including Annual Report, notices, etc., from the Company electronically. In terms of Regulation 36(1)(b) of SEBI LODR, a letter providing the web-link, including the exact path, where complete details of the Annual Report is available will be sent to those Shareholder(s) who have not registered their e-mail address(es) with the Company or with the depository. Members who require communication in physical form, in addition to electronic mode, may write to the Company at companysecretary@wabag.in or raise request with the RTA at <https://wisdom.cameoindia.com/>.
14. SEBI vide its notification No. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022, as amended Regulation 40 of the SEBI LODR pursuant to which the requests for effecting transfer of securities shall not be processed unless the securities are

held in the dematerialised form with a depository. Further, the transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

However, it is clarified that, Members can continue holding shares in physical form. Transfer of shares in demat form will facilitate convenience and ensure safety of transactions for the Members.

The Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

The Members may please note that the SEBI vide its Circular nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated May 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates / folios; transmission and transposition.

Accordingly, the Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said Form can be downloaded from the Company's website www.wabag.com.

The SEBI vide its Circular nos. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 (updated as on December 20, 2023) and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to the above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA / Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR portal <https://smartodr.in/login>.

15. The business set out in the notice will be transacted through electronic voting system (e-Voting) and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-Voting are as under:

- i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act, and the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI LODR and in terms of SEBI vide its circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting facility provided by the listed entities, the

Company is pleased to provide to its Members the facility to cast their votes electronically, through the e-Voting services provided by NSDL, on all the resolutions set forth in this notice. The instructions for e-Voting are given below. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (remote e-voting).

- ii. However, pursuant to SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by the Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting Service Provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-Voting process. Members are advised to update their mobile number and e-mail ID with their DPs to access the e-Voting facility.
- iv. The remote e-Voting period commences on Thursday, August 07, 2025 from 9.00 A.M. (IST) and ends on Monday, August 11, 2025 at 5.00 P.M. (IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e., **Tuesday, August 05, 2025**, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this notice for information purposes only. The remote e-Voting module shall be blocked for voting thereafter. Once the vote on a resolution(s) is casted by the Member, the Member shall not be allowed to change it subsequently.
- v. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member / Beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Tuesday, August 05, 2025. In other words, a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only, shall be entitled to avail the facility of remote e-Voting and voting during the AGM.
- vi. Any Member holding shares in physical form and non-individual Members, who acquires shares of the Company and becomes a Member of the Company after sending of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if such Member is already registered with RTA for remote e-Voting then such Member can use the existing User ID and password for casting the vote.

- vii. In case of Individual Members holding shares in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the notice and holding shares as of the cut-off date may follow steps mentioned under "Login method for remote e-Voting" and "joining virtual meeting for Individual Members holding securities in demat mode".
- viii. The Board of Directors of the Company has appointed Mr. M. Damodaran, Managing Partner or in his absence Mrs. J. Kalaiyarasi, Partner of M/s. M. Damodaran & Associates, LLP, Practicing Company Secretaries, Chennai as the scrutiniser to scrutinise the remote e-Voting and voting at the AGM in a fair and transparent manner. They had communicated their willingness to be appointed and will be available for the same.
- ix. The scrutiniser, after scrutinising the votes cast through remote e-Voting and during the AGM will make a consolidated scrutiniser's report and submit the same to the Chairman. The results shall be filed with the stock exchanges within two (2) working days from the conclusion of the AGM. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company www.wabag.com and on the website of NSDL at www.evoting.nsdl.com.
- x. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM, i.e. **Tuesday, August 12, 2025**.

16. Procedure for Remote E-Voting

- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by the NSDL.
- ii. However, pursuant to SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Members are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The voting rights of Members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the cut-off date.
- v. In line with the MCA's Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.wabag.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com (agency for providing the e-voting and Video Conferencing facility).

17. Effective April 1, 2024, the SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], shall be eligible to get dividend only in electronic mode. Accordingly, payment of final dividend, subject to approval at the AGM, shall be paid to physical holders only after the above details are updated in their folios. Shareholders are requested to complete their KYC by writing to the Company's RTA (Cameo), at <https://wisdom.cameoindia.com/>. The Forms for updating the same are available at <https://www.wabag.com>. The Members can refer to the detailed FAQs

issued by the SEBI in this regard at the link: https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING THE ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **Thursday, August 07, 2025 at 9.00 A.M. IST** and ends on **Monday, August 11, 2025 at 5.00 P.M. IST**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Tuesday, August 05, 2025** may cast their vote electronically. The voting right of the Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of the SEBI circular dated December 9, 2020 on e-Voting facility provided by the Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with the Depositories and Depository Participants. The Shareholders are advised to update their mobile number and E-mail ID in their demat accounts in order to access e-Voting facility.

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of Shareholders	Login Method
	<ol style="list-style-type: none"> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

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

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

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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- c) For Members holding shares in Physical Form.
EVEN Number followed by Folio Number registered with the company
For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

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

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

General Guidelines for Shareholders

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to KJR@mdassociates.co.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 or send a request to **Ms. Prajakta Pawle** at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to companysecretary@wabag.in.
2. In case shares are held in demat mode, please provide DP ID – CLIENT ID (16 digit DP ID + CLIENT ID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to companysecretary@wabag.in. If you are an Individual Shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/member may send a request to evoting@nsdl.com for procuring user ID and password for e-voting by providing above mentioned documents.

4. In terms of the SEBI circular dated December 9, 2020 on e-Voting facility provided by the Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with the Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective

network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views/have questions may send their questions in advance at least **7 days prior to the 30th AGM i.e. till Monday, August 04, 2025** mentioning their name, demat account number/folio number, e-mail id, mobile number at companysecretary@wabag.in. These queries will be replied to by the Company by e-mail or answered during the AGM suitably.
6. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **4 days prior to the 30th AGM i.e., till Thursday August 07, 2025** mentioning their name, demat account number/folio number, e-mail id, mobile number at companysecretary@wabag.in.
7. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
8. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
9. If any votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members may be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

PROCESS FOR THOSE MEMBERS WHOSE EMAIL/ MOBILE NUMBER ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. **For Physical Members** - Please provide necessary details like Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by e-mail to **Company/RTA e-mail id**.
2. **For Demat Members** - Please update your e-mail id & mobile no. with your respective **Depository Participant (DP)**.
3. **For Individual Demat Members – Please update your e-mail id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 (“the Act”)

The following statements sets out all material facts relating to certain ordinary business and all special business mentioned in the accompanying notice of the 30th AGM:

Item No. 3:

Appointment of Mr. Amit Goela (DIN: 01754804) as a Director, liable to retire by rotation

As per the provisions of Section 152(6) of the Act and Article 108 of the Articles of Association of the Company, not less than one-third of the Directors, who are liable to retire by rotation, shall retire and being eligible offer themselves for re-appointment at the Annual General Meeting (AGM) of the Company. The Directors to retire by rotation at every AGM shall be those who have longest in office since their last appointment. Mr. Amit Goela (DIN: 01754804) was appointed as the Non-Executive Non-Independent Director by the Members at the 29th AGM of the Company held on August 14, 2024 for a term of five (5) years commencing from July 20, 2024 upto July 19, 2029.

As per the provisions of Section 149(13) of the Act, the Independent Directors of the Company shall not be liable to retire by rotation. The Managing Director of the Company shall also not be liable to retire by rotation, as per the provisions contained in the Article 108 of the Articles of Association of the Company. Hence, in order to comply with the provisions of Section 152(6) of the Act, Mr. Amit Goela, Non-Executive Non-Independent Director of the Company, is the Director liable to retire by rotation and being eligible offers himself to get re-appointed at this AGM by way of an Ordinary Resolution.

The Company has received from Mr. Amit Goela the consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act and is not debarred from holding the office of Director by virtue of any order of the Securities and Exchange Board of India (SEBI) or any other such authority.

Pursuant to Section 152 and other applicable provisions, if any, of the Act and the Rules made thereunder, the resolution as set out at Item No.3 seeks the approval of the Members for the appointment of Mr. Amit Goela as a Director in the capacity of Non-Executive Non-Independent Director, retiring by rotation.

Brief Profile of Mr. Amit Goela:

Mr. Amit Goela has a distinguished profile in the Indian Financial and Securities market with over 31 years of experience. He has worked with several leading corporate houses on strategy planning and investments. He is currently part of the management team of Rare Enterprises.

Mr. Goela has been an advisor for various companies in the areas of macro-economics, equity research, both public and private markets,

corporate restructuring, investments and arrangements including mergers and acquisitions and advisory for stakeholder value creation. He is currently on the board of various companies in India. He is an MBA in finance from the University of North Florida and gains international experience.

Except Mr. Amit Goela, being an appointee, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the accompanying notice of the 30th AGM. Mr. Amit Goela is not related to any Director and Key Managerial Personnel of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

Item No. 4

Appointment of M/s. M. Damodaran & Associates LLP, Practising Company Secretaries, as the Secretarial Auditors of the Company

Pursuant to the provisions of Sections 179, 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (‘the Act’), every listed company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practising Company Secretary, to their Board’s report.

Also, as per the amendments to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed entity and its material Subsidiaries in India are required to conduct Secretarial Audit and annex the Secretarial Audit Report to its Board’s Report and listed entity shall appoint a Secretarial Audit firm for a maximum of two (2) terms of five (5) consecutive years, with Members approval to be obtained at the Annual General Meeting.

Accordingly, on the basis of recommendations of the Audit Committee, the Board of Directors, at its meeting held on May 21, 2025, approved the appointment of M/s. M. Damodaran & Associates LLP, Practising Company Secretaries, Chennai [Firm Registration No. (Firm Registration No.: L2019TN006000)] (hereinafter referred as “MDA”) as the Secretarial Auditors of the Company to hold office for a term of five (5) consecutive years commencing from the FY 2025-26 till FY 2029-30, subject to the approval of the Members at the ensuing AGM.

M/s.M.Damodaran & Associates LLP, Practising Company Secretaries, a peer reviewed firm is a premier business advisory firm providing holistic advisory and compliance solutions in the areas of corporate laws, statutory matters, secretarial and legal services to numerous corporates. Established in the year 2002, MDA, the ISO certified firm

today, has a clientele of over 800 corporates ranging from small and mid-sized companies to large multinational corporations including listed companies. MDA is ably supported by a team of over 60 professionals.

MDA's key deliverables include: (i) Corporate Advisory; (ii) Insolvency and Bankruptcy; (iii) Legal Advisory & Audit; (iv) Intellectual Property Rights; (v) Mergers & Acquisitions (M&A); (vi) Secretarial Audit & Due Diligence; (vii) Start-ups; (viii) Overseas Investment Decisions & Funding; (ix) Valuations; (x) Retainership Services; (xi) Winding up.

MDA were appointed as the Secretarial Auditors of the Company for conducting secretarial audit of the Company upto the previous year (i.e. FY 2024-25) and they were paid a remuneration of INR 2.00 Lakhs for FY 2024-25; and the same is not considered as a term of appointment of Secretarial Auditor as per Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR").

In terms of Regulation 24A of the SEBI LODR, read with the SEBI notification dated December 12, 2024, and other applicable provisions, the Company can appoint a peer reviewed firm as the secretarial auditors for not more than two (2) terms of five (5) consecutive years.

The terms and conditions for appointment includes initial tenure of five (5) years with an Audit Fee of INR 2.50 Lakhs per annum plus applicable taxes (excluding out-of-pocket expenses, if any), for the FY 2025-26 and for the subsequent years, as may be mutually agreed upon between the Board (including its Committees thereof) and the Secretarial Auditors. Audit Fees as recommended and approved by the Audit Committee and the Board of Directors of the Company is well justified considering the qualification, experience and scope of work of the Secretarial Auditors.

MDA has given their consent to act as the Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if approved) would be within the limits specified by the Institute of Company Secretaries of India (ICSI). Furthermore, in terms of the amended regulations, MDA has provided a confirmation that they have subjected themselves to the peer review process of the ICSI and hold a valid peer review certificate and have also confirmed that they are not disqualified from being appointed as the Secretarial Auditors.

Besides the secretarial audit services, the Company may also obtain certifications from MDA under various statutory regulations and

certifications required by the banks, statutory authorities, audit related services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee, if required.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution at Item No. 4 of the accompanying notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the notice for approval by the Members.

Item No. 5

Ratification of remuneration payable to the Cost Auditor for the Financial Year 2024-25

The Board, based on the recommendation of the Audit Committee, had approved the re-appointment of Mr. K. Suryanarayanan, Practicing Cost Accountant (Membership No.24946) as the Cost Auditor including his remuneration to conduct the audit of cost records of the Company for the FY 2024-25.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration of INR 5.50 Lakhs per annum plus applicable taxes payable to the Cost Auditor for the FY 2024-25 has to be ratified by the Members of the Company. Remuneration as recommended and approved by the Audit Committee and the Board of Directors of the Company is well justified considering the qualification, experience and scope of work of the Cost Auditors.

Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the notice for ratification for the remuneration payable to the Cost Auditor for the financial year ended March 31, 2025.

None of the Directors and Key Managerial Personnel of the Company and / or their relatives are concerned or interested in the resolution at Item No. 5 of the accompanying notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the notice for approval by the Members.

DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 (3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND APPLICABLE SECRETARIAL STANDARDS

Name of the Director

Mr. Amit Goela



DIN	01754804
Date of Birth	February 02, 1965
Age	60 years
Date of first Appointment	July 19, 2021
Qualifications	MBA
Expertise in specific functional area	Capital Market, Finance, Strategy and Planning
Brief Resume	Refer Explanatory Statement to Item No. 3
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable
Terms and condition of re-appointment	Refer Explanatory Statement to Item No. 3
Details of Remuneration for FY 2024-25	INR 18.00 Lakhs
Directorships in other companies (excluding foreign companies, & Section 8 companies)	<ol style="list-style-type: none"> 1. Aptech Limited 2. Hope Film Makers Private Limited 3. SNV Aviation Private Limited 4. Inventurus Knowledge Solutions Limited 5. Race Ahead Properties Private Limited 6. Roshni Agencies Private Limited 7. Rare Equity Private Limited
Listed entities from which the Director has resigned in the past three (3) years	Suryaamba Spinning Mills Limited (Date of Cessation -August 08, 2024)
Membership of Committees/ Chairmanship in other Companies	Audit Committee: SNV Aviation Private Limited Nomination and Remuneration Committee Rare Equity Private Limited Corporate Social Responsibility Committee Inventurus Knowledge Solution Limited Risk Management Committee Rare Equity Private Limited IPO Committee: Inventurus Knowledge Solution Limited Stakeholders' Relationship Committee <ol style="list-style-type: none"> 1. Rare Equity Private Limited 2. Inventurus Knowledge Solution Limited

Membership of Committees / Chairmanship in VA TECH WABAG LIMITED	Member 1. Audit Committee 2. Nomination and Remuneration Committee 3. Corporate Social Responsibility Committee
No. of Board Meetings attended during the FY 2024-25	7/8
No. of Equity Shares held:	
1) Own	NIL
2) Beneficial basis	NIL
Relationships between Directors <i>inter-se</i>	NIL

By Order of the Board of Directors of
VA TECH WABAG LIMITED

Date: May 21, 2025
Place: Chennai

Anup Kumar Samal
Company Secretary & Compliance Officer
Membership No.: FCS 4832

Registered Office:

VA TECH WABAG LIMITED

"WABAG HOUSE", No.17,
200 Feet Thoraipakkam - Pallavaram Main Road,
Sunnambu Kolathur, Chennai - 600 117,
Tamil Nadu, India.
CIN - L45205TN1995PLC030231
E-mail: companysecretary@wabag.in
Website: www.wabag.com,
Phone: 044 6123 2323,
Fax: 044 6123 2324.

Information at a glance

Particulars	Details
Time and date of AGM	4:00 P.M. IST, Tuesday, August 12, 2025
Mode	Video conference and other audio-visual means
Website for VC/OAVM	https://www.evoting.nsdl.com/
Helpline number for VC participation	022 - 48867000
Information of tax on dividend	https://www.wabag.com/investor-communications/
Cut-off date for e-Voting & Dividend	Tuesday, August 05, 2025
E-voting start time and date	9:00 A.M. IST, Thursday, August 07, 2025
E-voting end time and date	5:00 P.M. IST, Monday, August 11, 2025
Name, address and contact details of e-voting service provider	National Securities Depository Limited 301, 3rd Floor, Naman Chambers G Block, Plot No. C - 32, Bandra Kurla Complex, Bandra East Mumbai - 400051 Email ID - evoting@nsdl.com Contact No. 022 - 4886 7000
Name, address and contact details of Registrar and Transfer Agent (for Equity Shares)	Cameo Corporate Services Limited Subramanian Building, 1, Club House Road, Anna Salai, Chennai – 600002, Tamil Nadu Toll free no. 044 4002 0700 Email ID: investor@cameoindia.com

Corporate Information

Registered & Corporate Office

VA TECH WABAG LIMITED

'WABAG HOUSE', No.17, 200 Feet
Thoraipakkam – Pallavaram Main Road,
Sunnambu Kolathur,
Chennai - 600 117, Tamil Nadu, India.
P: +91 44 6123 2323
Fax: +91 44 6123 2324
Email: companysecretary@wabag.in
Website: www.wabag.com

Registrar and Transfer Agent

Cameo Corporate Services Limited

Subramanian Building, No. 1,
Club House Road, Anna Salai,
Chennai - 600002, Tamil Nadu, India.
P: +91 44 4002 0700
Email - investor@cameoindia.com
Website - www.cameoindia.com
Online Investor Portal - <https://wisdom.cameoindia.com>

Statutory Auditors

Sharp & Tannan

Chartered Accountants
3rd Floor, Parsn Manere, A-Wing,
602, Anna Salai, Chennai – 600006,
Tamil Nadu, India.
P: +91 44 2827 4368

Internal Auditors

Corporate Assurance Team

VA TECH WABAG LIMITED

PKF Sridhar & Santhanam LLP

Chartered Accountants
KRD Gee Crystal, No. 91-92,
7th Floor, Dr. Radhakrishnan Salai,
Mylapore, Chennai – 600004, Tamil Nadu, India.
P: +91 44 2811 2985

Cost Auditor

K. Suryanarayanan

Practicing Cost Accountant,
Membership Number: 24946,
Flat A, Brindhavan Apartments,
No. 1, Poes Road, 4th Street, Teynampet,
Chennai – 600018, Tamil Nadu, India.
P: +91 44 2432 8836

Secretarial Auditor

M. Damodaran & Associates LLP

'MDA Tower',
New No. 6, Old No.12,
Appavoo Gramani 1st Street, Mandaveli,
Chennai - 600 028, Tamil Nadu, India.
P: +91 44 4360 1111

Bankers/Financial Institutions

State Bank of India
Export Import Bank of India
Bank of Baroda
Punjab National Bank
UCO Bank Limited
ICICI Bank
Federal Bank
Union Bank of India
IndusInd Bank
HSBC Bank
Canara Bank
IDBI Bank
Karnataka Bank
Asian Development Bank



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VA TECH WABAG LIMITED