



July 14, 2025

To,
Listing Department,
BSE Limited,
PJ Towers, Dalal Street,
Fort, Mumbai - 400 001

Scrip Code: 544347

Dear Sir/Madam,

Sub.: Annual Report of the Company for the Financial Year 2024-25 along with Notice of the 6th Annual General Meeting (AGM).

Pursuant to the provisions of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) please find enclosed herewith the copy of the Annual Report for the Financial Year 2024-25 along with Notice of 6th Annual General Meeting (“AGM”) scheduled on Thursday, August 07, 2025 at 01:00 P.M. (IST) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”).

Further, the aforesaid Annual Report along with Notice of the AGM has also been uploaded on the website of the Company at <https://www.clnenergy.in/investor-updates.html>

Kindly take the above on record.

Thanking You,

Yours Faithfully,
CLN ENERGY LIMITED

RAHUL JETHWA
COMPANY SECRETARY AND COMPLIANCE OFFICER

Registered Office

CLN ENERGY LIMITED

(Formerly known as CLN Energy Pvt. Ltd. & JLNPhenix Energy Pvt. Ltd.)

Plot No 18, Sector -140, Phase -2, Nezp Post Office, Gautam Budh Nagar, Noida, Uttar Pradesh 201305.

CIN: U33100UP2019PLC121869

Tel No.:0120-6925500 | Email ID: info@clnenergy.in | Website: www.clnenergy.in



ANNUAL REPORT

2024-2025

CLN ENERGY LIMITED
*(Formerly known as “CLN Energy Private Limited &
JLNPhenix Energy Private Limited”)*

CIN:

Registered Office: Plot No 18, Sector 140, phase 2, Nepz Office, Gautam Buddha Nagar, Dadra, Uttar Pradesh, 201305

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CORPORATE INFORMATION

Board of Directors	Executive Directors	Mr. Sunil Gandhi Mr. Manish Shah
	Independent Directors	Ms. Bhawna Hundlani Mr. Rakesh Kakkar
	Non-Executive Directors	Mr. Rajiv Seth
Committee	Nomination and Remuneration Committee	Ms. Bhawna Hundlani (Chairperson) Mr. Rakesh Kakkar (Member) Mr. Rajiv Seth (Member)
	Audit Committee	Ms. Bhawna Hundlani (Chairperson) Mr. Rakesh Kakkar (Member) Mr. Sunil Gandhi (Member)
	Stakeholders Relationship Committee	Mr. Rakesh Kakkar (Chairperson) Ms. Bhawna Hundlani (Member) Mr. Sunil Gandhi (Member)
Key Managerial Personnel	Chief Financial Officer (CFO) Company Secretary (CS)	Mr. Ashish Mahipal (Chief Financial Officer) Ms. Sonal Jhanwar (Company Secretary and Compliance Officer) (upto February 12th, 2025) Mr. Rahul Jethwa (Company Secretary and Compliance Officer w.e.f. February 12th, 2025)
	Statutory Auditor	M/s DGMS & Co., Chartered Accountants (Firm Registration No. 0112187W) Office No. 10, Vihang Vihar, Opp. Gautam Park, Panchpakhadi, Thane (West) – 400602, Maharashtra, India.
	Registrar And Share Transfer Agent	Bigshare Services Private Limited Office No S6-2, 6 th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra, 400093
	Secretarial Auditor	M/s. SARK & Associates LLP Practicing Company Secretary (Certificate of Practice: 9304) Unit No. 217, Gundecha Industrial Estate, Akruli Road, Kandivali East, Mumbai – 400101

Request to Members

Members are requested to send their queries, if any, relating to the annual report, shareholding, etc., to the Company Secretary at the Corporate Office of the Company, on or before **Thursday, August 7, 2025** so that the answers / details can be kept ready at the Annual General Meeting.

Mr. Rahul Jethwa (Company Secretary)

Plot No 18, Sector 140, phase 2,
Nepz Office, Gautam Buddha Nagar,
Dadra, Uttar Pradesh, 201305

Tel: 75799 06940

Mail: compliance@clnenergy.in



6TH ANNUAL REPORT 2024-25

NOTICE

NOTICE is hereby given that the **Sixth Annual General Meeting** of the Members of **CLN Energy Limited (Formerly known as “CLN Energy Private Limited & JLNPhenix Energy Private Limited”)** will be held on **Thursday, August 07, 2025 at 1:00 P.M.** through Video Conference (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1) TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025, TOGETHER WITH THE DIRECTORS’ REPORT AND AUDITORS’ REPORT THEREON AND COMMENTS OF THE STATUTORY AUDITOR OF THE COMPANY, IF ANY.

2) TO APPOINT A DIRECTOR IN PLACE OF MR. MANISH SHAH (DIN: 10343779), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFER HIMSELF FOR RE-APPOINTMENT.

3) TO APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY:

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

“RESOLVED THAT pursuant to Section 139, 142 and all 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) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. DGMS & Co., Chartered Accountants (Firm Registration No. 0112187W), be and are hereby re-appointed as the Statutory Auditors of the Company for term of five consecutive years, who shall hold office from the conclusion of this 6th Annual General Meeting till the conclusion of the 11th Annual General Meeting to be held in the year 2030 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

SPECIAL BUSINESS:

4) TO APPROVE REMUNERATION OF COST AUDITOR FOR 2025-26.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and such 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), the remuneration of Rs. 85,000/- (Rupees Eighty Five Thousands only), as recommended by the Audit Committee and approved by the Board of Directors payable to M/s. SAH & Co., Practicing Cost Accountant (Firm Registration No. 103920) as Cost Auditors to conduct the audit of the relevant Cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, for the financial year ending March 31, 2026 be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

5) TO INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY AND CONSEQUENTIAL AMENDMENT IN MEMORANDUM OF ASSOCIATION OF THE COMPANY.

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

“RESOLVED THAT pursuant to provisions of Section 13, 61 and 64 and any other applicable provisions, if any, of the Companies Act, 2013, including rules notified thereunder, as may be amended from time to time (including any statutory modification or re-enactment thereof for the time being in force); the consent of the members of the Company be and is hereby accorded, to increase Authorised Share Capital of the Company from Rs. 11,00,00,000/- (Rupees Eleven crore Only) divided into 1,10,00,000 (One Crore Ten Lakh Only) Equity Shares of Rs. 10/- (Rupees Ten Only) to Rs. 12,00,00,000/- (Rupees Twelve Crores Only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of Rs. 10/- each by creation of additional 10,00,000 (Ten Lakhs) equity shares of Rs. 10/- each.

RESOLVED FURTHER THAT pursuant to provisions of Section 13, 61 and 64 and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or reenactment thereof for the time being in force) and rules framed thereunder; the consent of the members of the Company be and is hereby accorded, for substituting Clause V of the Memorandum of Association of the Company with the following clause:

V. The Authorised Share Capital of the Company is Rs. 12,00,00,000 (Rupees Twelve Crore Only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of Rupees 10/- (Ten Only) each.

RESOLVED FURTHER THAT approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in

this regard.”

6) TO APPROVE CLN ENERGY LIMITED EMPLOYEE STOCK OPTION PLAN 2025 (“THE ESOP PLAN”)

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

“**RESOLVED THAT** in accordance with the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (**the “Act”**) read with rules framed thereunder and the Securities and Exchange Board of India (“**SEBI**”) (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SBEB Regulations**”) including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and in accordance with circulars / guidelines issued by SEBI, the Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), any rules, guidelines and regulations issued by the Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force, from time to time and subject to any approval(s) of any authorities as may be required, and subject to any such condition(s) or modification(s), if any, as may be prescribed or imposed by such authorities while granting such approval(s) and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall be deemed to include any Committee constituted by the Board under the SBEB Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), the consent of the Shareholders of the Company, be and is hereby accorded to grant, vest and allot, from time to time and in one or more tranches, options up to 20% of the paid-up capital of the Company under the ‘**CLN Energy Limited Employee Stock Option Plan 2025**’ (“**the ESOP Plan**”), to or for the benefit of Employees and Directors of the Company, and to such persons as may, from time to time, be allowed to be eligible for the benefits of the Scheme (as permitted under the applicable) and to such other persons as may be decided by the Board and / or permitted under SBEB Regulations (hereinafter referred to as “**Eligible Employees**”), the salient features of which are set out in the Statement annexed to this Notice, exercisable into not more than as determined by the Board from time to time, the maximum number of shares that may be issued pursuant to exercise of all options granted to the optionees under this scheme shall not exceed 20% of its paid-up capital of face value of Rs. 10/- each, at a given point of time. The Exercise Price will be decided by the Committee at the time of Grant and shall be linked with the Market Price as defined in the Scheme. The Committee has the power to provide a suitable discount on such price as arrived above, in any case the exercise price shall not go below the face value of the Share of the Company, the Company reserves the right to increase or reduce such number of shares as it deems fit, in accordance with the Applicable Laws.

RESOLVED FURTHER THAT the Board be and is hereby authorized to offer, issue and allot Equity Shares upon exercise of Options from time to time in accordance with the **ESOP Plan** and such Equity Shares shall rank pari - passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take requisite steps for listing of the equity shares allotted under the **ESOP Plan** on the Stock Exchanges where the equity shares of the Company are listed in due compliance with SBEB Regulations and other applicable laws.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division and others, if any additional Equity Shares are issued by the Company to the Shareholders, the Ceiling of up to 20% of paid-up capital Options of Equity Shares shall be deemed to be increased in the proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment.

RESOLVED FURTHER THAT in case the Equity Shares are either sub-divided or consolidated, then the number of Equity Shares to be transferred on exercise of Stock Options and the Exercise price of Stock Options shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted Stock Options under the **CLN ESOP 2025**.

RESOLVED FURTHER THAT the Scheme shall be administered by the Nomination and Remuneration Committee of the Company who shall have all necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB & SE) Regulations, 2021.

RESOLVED FURTHER THAT the Scheme shall be implemented through Direct route, for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to **CLN ESOP 2025**.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the Shareholders of the Company to the end and intent that the Shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of **CLN ESOP 2025** and to take all such steps and do all acts as may be incidental or ancillary thereto”.



6th ANNUAL REPORT 2024-25

Registered Office:

Plot-18, sector-140, phase-2, Nepz Post
Office, Gautam Buddha Nagar, Dadri, Uttar
Pradesh, India, 201305

Contact No.: +917579906940

CIN: U33100UP2019PLC121869

Website: <https://www.clnenergy.in>

Email: compliance@clnenergy.in

By order of the Board of Directors
FOR CLN ENERGY LIMITED

Sd/-

RAHUL JETHWA
(Company Secretary)

Noida

Thursday, July 03, 2025

NOTES:

1. The Ministry of Corporate Affairs ("MCA"), via its General Circular dated September 19, 2024 read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, and December 28, 2022 and September 25, 2023 (collectively referred to as "MCA Circulars"), and SEBI, via its circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024, and in line with other circulars issued by the Securities and Exchange Board of India (SEBI) from time to time, has permitted companies whose AGM is due in the calendar year 2025 to conduct the same through Video Conferencing ("VC") and/or Other Audio Visual Means ("OAVM") facilities.

In view of the above circulars issued by the MCA and SEBI from time to time, the Company is convening the 6th AGM through VC/OAVM, without the physical presence of the Members. The deemed venue for the AGM will be the Registered Office of the Company.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH.** Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map for the AGM are not annexed to this Notice.
3. Institutional Investors who are Members of the Company are encouraged to attend and vote at the AGM through e-voting facility. Corporate Members and Institutional Investors intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by email at compliance@sarkcs.in with a copy marked to evoting@nsdl.co.in.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. 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 (Shareholders 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.
6. Members are requested to: (a) intimate to the Company/their Depository Participant (“DP”), changes, if any, in their registered address at an early date; (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence.
7. In accordance with the MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report 2024-25 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same by writing to compliance@clnenergy.in mentioning their Folio No. /DP ID and Client ID. The Notice convening the 6th AGM has been uploaded on the website of the Company at <https://www.clnenergy.in/> and may also be accessed from the relevant section of the websites of the stock exchanges i.e., BSE Limited (BSE) at www.bseindia.com respectively. The Notice is also available on the website of NSDL at www.evoting.nsdl.com.

Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to AFSL, through Form ISR-1/ISR-2, as applicable, along with necessary supporting documents, either by emailing e-signed copies to compliance@clnenergy.in or sending physical copies by post/ delivery to the offices of AFSL. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

Non-resident Indian members are requested to inform the RTA, Bigshare Services Private Limited situated at Office No S6-2, 6th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra, 400093 immediately about:

- a. Change in their residential status on return to India for permanent settlement
 - b. 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.
8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
9. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS2) issued by the Institute of Companies Secretaries of India, Members have been provided with the facility to cast their vote electronically through the e-voting services provided by System Support Services, on all resolutions set forth in this Notice.
10. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
11. Corporate members (other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body resolution/authorisation to attend AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said resolution / authorisation shall be sent to the Scrutinizer by e-mail through its registered e-mail address to compliance@sarkcs.in with a copy marked to evoting@nsdl.co.in .
12. The statutory documents of the Company and/or the documents referred to in this Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM, i.e. August 07, 2025. Members seeking to inspect can send an e-mail to compliance@clnenergy.in
13. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA to receive all communication (including Annual Report) in electronic mode.
14. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Company's RTA.

15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates and self-attested copy of PAN card and Aadhar card for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
16. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.
17. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, July 31, 2025 to Wednesday, August 06, 2025.

A. Voting through electronic means

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
2. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on Sunday, August 03, 2025 (09:00 AM) and ends on Wednesday, August 06, 2025 (05:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, July 31, 2025, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
5. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date Thursday, July 31, 2025.

6. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice electronically and holding shares as of the cut-off date i.e. Thursday, July 31, 2025 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll-free no.: 1800-222-990.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -

The remote e-voting period begins Sunday, August 03, 2025 (09:00 AM) and ends on Wednesday, August 06, 2025 (05:00 P.M.). 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. Thursday, July 31, 2025 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, July 31, 2025.

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 SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email 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.	1. 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.

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select “Register Online for IDeAS Portal” or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number 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.
4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. 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 user your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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.
3. 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.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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>
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 and 022 - 2499 7000</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33</p>

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*****
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 the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

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 compliance@sarkes.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 and 022 - 2499 7000 or send a request to 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 compliance@clnenergy.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID 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 compliance@clnenergy.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/members 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 SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are 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 EGM/AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/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. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at compliance@clnenergy.in. The same will be replied by the company suitably.
6. Shareholders who would like to express their views/ask questions during the AGM may register themselves as an attendee by sending their request in advance at least 2 days prior to meeting mentioning their name, demat account number/folio number, email id, PAN, mobile number at compliance@clnenergy.in
7. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, PAN, mobile number at compliance@clnenergy.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as an attendee will be allowed to express their views/ ask questions during the meeting. The member who has not registered themselves an attendee but have queries during the AGM can use the chat box/ send query button and ask the question.
9. If you have any queries or issues regarding attending AGM & e-Voting from the NSDL e-Voting System, you can write an email to evoting@nsdl.com or call at 022 - 4886 7000 and 022 - 2499 7000.
10. All grievances connected with the facility for voting by electronic means may be addressed to (NSDL) National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013 or send an email to evoting@nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000. For, any other queries regarding Participating in AGM or other matter kindly write to

compliance@clnenergy.in, In case you have any queries or issues regarding attending Annual General Meeting through VC/OAVM write an email to: harshada@bigshareonline.com

11. The Board of Directors of the Company has appointed **Mr. Sumit Khanna, Practising Company Secretary (ACS 22135, CP 9304)**, as Scrutinizer for conducting the voting process of remote e-voting and e-voting during AGM in a fair and transparent manner.
12. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote evoting in the presence of at least two witnesses not in the employment of the company and make, not later than two working days from conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
13. The Results will be declared on receipt of Scrutinizer's Report at the registered office of the Company at Plot No 18, Sector 140, phase 2, Nepz Office, Gautam Buddha Nagar, Dadra, Uttar Pradesh, 201305. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website <https://www.clnenergy.in/investor-updates.html> and on the website of NSDL immediately and communicated to the stock exchange.
14. **All queries relating to Share Transfer and allied subjects should be addressed to:**

Bigshare Services Private Limited

Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai, Maharashtra, 400093

Registered Office:

Plot No 18, Sector 140, phase 2, Nepz Office,
Gautam Buddha Nagar, Dadra, Uttar Pradesh,
201305

Contact No.: 7579906940

CIN: U33100UP2019PLC121869

Website: <https://www.clnenergy.in/>

Email: compliance@clnenergy.in

By Order Of The Board of Directors
FOR CLN ENERGY LIMITED

RAHUL JETHWA
(Company Secretary)

Noida

Thursday, July 03, 2025

ANNEXURES TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014.

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act), given hereunder set out all material facts relating to special business mentioned in Item no. 4 and Item No. 5 of the accompanying notice dated July 03, 2025. As an additional information, the explanatory statement also contained material facts pertaining to ordinary business mentioned at Item no. 3 of the said notice.

Item no. 3:

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**‘SEBI Listing Regulations’**), though statutorily not required in terms of Section 102 of the Act.

The Members at the Sixth Annual General Meeting (‘AGM’) of the Company held on August 07, 2025, had approved Re-appointment of M/s. D.G.M.S & Co. Chartered Accountants (Firm Registration No. 0112187W), as the Statutory Auditors of the Company for First term of Five Consecutive years, to hold office from the conclusion of the Sixth AGM till the conclusion of the Eleventh AGM of the Company to be held in the year 2030.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company (‘**Board**’) has, based on the recommendation of the Audit Committee, proposed the reappointment of M/s. D.G.M.S. & Co, as the Statutory Auditors of the Company, for First term of Five Consecutive years, from the conclusion of Sixth AGM till the conclusion of the Eleventh AGM of the Company to be held in the year 2030, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s. D.G.M.S. & Co. have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder. M/s. D.G.M.S. & Co. is registered in Mumbai.

The Board, in consultation with the Audit Committee shall approve the remuneration of the Statutory Auditors for the remaining part of the tenure. Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non audit services as

required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice. Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.3 of the Notice for approval by the Members.

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice: Item No. 5 and 6:

Item No. 5:

At present the Authorised Share Capital of the Company is Rs. 11,00,00,000/- (Rupees Eleven crore Only) divided into 1,10,00,000 (One Crore Ten Lakh Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each Considering the fund requirements and also the Board of Directors of the Company in its meeting held on July 3, 2025, have recommended the issuance of ESOP in the ratio of 1:1 [i.e. 1 (One) fully paid-up equity shares for every 1 (One) Equity shares held.] if the resolution for issuance of ESOP as recommended by the Board; shall be approved by the members of the Company then additional upto 20% of the paid up equity capital in one or more tranches shall be allotted to the eligible employees by way of ESOPs.. So, the total paid up share capital will exceed the present Authorised Share Capital of the Company. So, in view of the proposed issuance of ESOPs, the present Authorised Share Capital of the Company need to be increased so the company decided to increase from Rs. 11 Crores to Rs. 12 Crores by creation of additional 10,00,000 (Ten Lakhs) equity shares of Rs. 10/- each. Further, in view of increasing the Authorised Share Capital it is also necessary to amend Clause V of the Memorandum of Association to increase the Authorised Share Capital from Rs. 11 Crores to Rs. 12 Crores. As per the provisions of Sections 13 & 61 and any other applicable provisions of the Companies Act, 2013, approval of the shareholders is required to be accorded for alteration in the Memorandum of Association and for increasing the Authorised Share Capital of the Company by way of passing a Special Resolution. Accordingly, the Directors recommend the matter and the resolution set out under Item no. 4 for the approval of the Members by way of passing an Ordinary Resolution. Pursuant to Section 102 of Companies Act, 2013.

The Board of Directors of the Company do hereby confirm that none of its Directors, Key Managerial Personnel and relatives thereof are interested, financially or otherwise in the aforesaid resolution.

Item No. 06:

To approve CLN Energy Limited Employee Stock Option Plan 2025 (“the ESOP Plan”) Equity based remuneration includes alignment of personal goals of the Employees with Organizational objectives by participating in the ownership of the Company. The Board of Directors of your Company understands the need to enhance the employee engagement, to reward the employees for

their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

In order to reward and retain the employees and to create a sense of ownership and participation amongst them, the Board of Directors (hereinafter referred to as the “**Board of Directors**” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee) has in its meeting dated July 03’ 2025, approved CLN Energy Limited Employee Stock Option Scheme-2025 (“Scheme”) to or for the benefit of such Employee as defined in the Scheme and explained in the explanatory statement. The Scheme shall be implemented through Direct route to extend the benefits to the Eligible Employees who meet the eligibility criteria as defined in the ESOP Plan- 2025 by the way of fresh allotment from the Company.

In terms of Regulation 6(1) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI (SBEB & SE) Regulations”) and Section 62 and other applicable provisions of the Companies Act, 2013, issue of Equity Shares under the captioned Scheme requires an approval of the existing Shareholders by way of Special Resolution. The Special Resolution set out at Item No. 5 is seeking your approval for the said purpose.

The salient features and other details of the Scheme as required pursuant to Regulation 6(2) of SEBI (SBEB &SE) Regulations are as under:

1. Brief Description of the Scheme:

The Scheme shall be called CLN Energy Limited Employee Stock Option Plan-2025 (“**Scheme**”).

The Purpose of the Scheme includes the following:

- a) To motivate the Employees to contribute to the growth and profitability of the Company.
- b) To retain the Employees for the growth of the Company.
- c) To provide means to enable the Company to attract and retain appropriate new humantalent in the employment of the Company.
- d) To achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company; and
- e) To create a sense of ownership and participation amongst the Employees to share the value they create for the Company in the years to come.

2. The total number of Options to be offered and granted under the Scheme:

The Company may earmark up to 20% of its paid-up capital to meet its obligations to issue shares under the ESOP from time to time. Any provision of money by the Company for purchase of its shares by the employees under the ESOP shall be as per Rule 16 of Companies (Share Capital and Debentures) Rules, 2014. The Rule 16 of Companies (Share Capital and Debentures) Rules, 2014 provides that ‘the value of shares to be purchased or subscribed in the aggregate together with the money provided by the company shall not exceed 5% of the aggregate of paid up capital and free reserves of the company.

If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be added back to the pool and shall be available for further grant under the Scheme unless otherwise determined by the Board. Further, the maximum number of Options that can be granted and the Shares arise upon exercise of these Options shall stand adjusted in case of Corporate Action.

3. Identification of classes of Employees entitled to participate in the Scheme:

For the purpose of the ESOP, “Employee” means the Permanent employee who has been in service for a continuous period of more than 1 (one) year,

- a) An Employee as designated by the Company, who is exclusively working in India or outside India; or
- b) A Director of the Company, whether a Whole Time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or

but does not include

- a) An Employee who is a Promoter or a person belonging to the Promoter Group; or
- b) A Director who either himself or through his Relative or through any Body Corporate directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

The eligibility of the Employees shall be based on the following criteria:

- a) minimum one year of service though there can be exceptions at the discretion of the Committee for highly skilled staff with critical skill set,
- b) the present and potential contribution of the Employee to the success of the Company,
- c) the criticality of the Employee,
- d) high market value/difficulty in replacing the Employee and
- e) high risk of losing the Employee to competition,
- f) no disciplinary action should have been initiated against the employee during his/her tenure in the Company.

Any other factor as decided by the Board of Directors / Committee.

4. Requirement of Vesting and period of Vesting:

- a) Subject to the terms contained herein, issue of Grant Letter shall conclude a contract between the Employee and the Company, pursuant to which each option shall, be a vested Option as per the Vesting Schedule mentioned hereunder:

Vesting will take place over a period of 3 (three) years. 30% of option will vest at the end of the first year, 30% at the end of 2nd year and 40% at the end of the 3rd year. At the same time, as an exception, for certain employees the management at its discretion may decide to have a different vesting period and

the percentage of the options which will vest at the end of the vesting period. Exercise Price to be paid by the employees.

Year	Vesting As per Schedule	Vesting Due	Performance Grades	Actual Vesting	Lapse
1	30%	30	A (100%)	30	-
2	30%	30	B (80%)	24	6
3	40%	40	C (60%)	24	14

In this situation, 20 options will lapse and be added back to the original pool of options under the ESOP Scheme and will be available for fresh grant by the Company.

- b) Unless the terms and conditions for grant of Options shall otherwise require, an Option vested to an eligible employee shall entitle him/her to apply for the Shares within the Exercise Period **at the Exercise Price**.
- c) Vesting of Options would be a function of achievement of performance criteria, time period or any other criteria as specified by the Board and communicated in the Grant Letter.
- d) Subject to Optionee continued employment with the Company, the options granted under the Scheme shall vest as per the vesting schedule (“**Vesting Schedule**”) determined by the Nomination, Remuneration and Compensation Committee at the time of grant, subject to a minimum period of one year and a maximum period of five years from the date of grant. The Committee may have different vesting schedule for different employees.
- e) In the event of any Participant:
 - i) Resigns
 - ii) Dies whilst in the employment or engagement of the Company; or
 - iii) Becomes totally and permanently disabled.
 - iv) Attains the age of retirement/ superannuation while in service.

the rights and obligations under the Options vested in such Participant shall accrue to his legal heirs or continue in his/her hands, as the case may be, and the Exercise of the vested Options shall be accelerated as per the Scheme. Provided, however that, in any of the above cases, the Board may, in its absolute discretion, modify the Exercise Period of any vested Options, and the other conditions of the grant as it may deem fit, notwithstanding anything to the contrary stated elsewhere in this Scheme.

- f) The Board may, at its discretion accelerate the Vesting Schedule / vesting criteria.
- g) Vesting of Options may be linked to the following conditions:

- i) The Employee shall not have the right to receive any dividend or to vote or in any manner enjoy the benefits of the shareholder in respect of option granted to them, till shares are issued on exercise of option.
- ii) The option granted to employees shall not be transferable to any other person.
- iii) The option granted to employees shall not be pledged, hypothecated, mortgaged or otherwise encumbered or alienated in any other manner.
- iv) No person other than the employees to whom the option is granted shall be entitled to exercise the option.
- v) The Company shall grant the options to the employees that number of times in a year as decided by the Committee from time to time. Similarly, the Employee will be allowed to exercise vested options that number of times in a year as decided by the Committee from time to time.
- vi) the achievement of performance criteria or any additional relevant metric, as set out in the Grant Letter.

5. Maximum period within which the Options shall be vested:

Maximum period within which the Options shall be vested is 5 (five) years from the Date of Grant.

6. Exercise Price or Pricing Formula:

Under this Scheme, the Exercise Price means the price payable by the Participant for exercising the options granted to him and vested in him in pursuance to the ESOP Scheme - 2025.

The Board has the power for the following:

- a) finalization of the Exercise Price and the discount thereupon.
- b) Re-pricing of the Exercise Price for options which are not exercised, whether or not they have been vested if employee stock options rendered unattractive due to fall in the price of the shares in the market.
- c) Downward revision in the Exercise Price, if required.

The Exercise Price, has to be paid by the Employee, to the Company upon the exercise of the vested options by a cheque or demand draft drawn on the name of the Company,

At the time of exercise of options, the Company shall deduct TDS on the perquisite value which shall be reimbursed by the Participant.

7. Exercise period and process of Exercise:

- a) Exercise period in relation to an Option means the time period after vesting within which a Participant should exercise his right to apply for Share(s) against an Option vested in him pursuant to the ESOP Scheme – 2025.
- b) The vested Options shall be exercisable during the Exercise Period. The Exercise Period under the Scheme will be decided by the Board and be informed to the employees accordingly, through **Grant Letter**. Provided however that in case of cessation of employment, the vested Options shall lapse/ be exercised in accordance with the provisions of the Scheme.
- c) The Participant may, at any time during the Exercise Period, and subject to fulfillment of the conditions on which the Options have been granted, Exercise the vested Options by submitting an application along with the Exercise Price and the applicable taxes, to the Board of Directors in the ‘Exercise Form’ to issue and allot him Shares pursuant to the vested Options, at an Exercise Price and such other writing, if any, as the Board may specify to confirm extinguishment of the rights comprising in the Options upon exercise.
- d) No fraction of a vested Option shall be exercisable.
- e) The Exercise Form shall be in the form as may be prescribed in this regard and the Board may determine the procedure for the Exercise from time to time.
- f) Upon completion of a valid Exercise of Options, the Company shall allot shares to the Participant or by any other mechanism permissible under the applicable laws.
- g) Upon allotment of the shares, the Participant shall become member of the Company. The Shares to be allotted shall rank pari-passu in all respects with the then existing Equity Shares of the Company.
- h) Notwithstanding anything contained elsewhere in the Scheme, the Board may not permit the Exercise of any Options (whether vested or not) granted to a Participant, in the event of the Optionee being found to be involved in fraud, misfeasance, gross negligence, breach of trust or like event(s) and in such an event(s) the rights under the Options (whether vested or not) shall lapse, forthwith, without any claim on, or recourse to the Company.
- i) If the Exercise of Options within the Exercise Period, is prevented by any law or regulation in force and the Participant is forbidden to exercise the Options under such law or regulation, then in such an event the Company shall find the way to suitably compensate the Participant in monetary terms as permissible under law in force.

- j) Provided further that the Board shall have the power to cancel all or any of the Options granted under the Scheme, if so required, under any law for the time being in force or the order of any jurisdictional court. In the event of any such cancellation, the Company shall find the way to suitably compensate the Participant in monetary terms as permissible under law in force.
- k) Notwithstanding anything else contained in this Scheme, if the Participant does not exercise his vested Options within the time specified, the Options shall stand lapsed.

8. Appraisal process for determining the eligibility of the Employees to the scheme:

As soon as may be possible after the Scheme comes into effect and at times, thereafter, as deemed fit by the Board of Directors, the Board shall, based on the following criteria, including but not limited to:

- (i) minimum one year of service though there can be exceptions at the discretion of the Board of the Company for highly skilled staff with critical skill set,
- (ii) eligibility of the Employee in the Company,
- (iii) the present and potential contribution of the Employee to the success of the Company,
- (iv) the criticality of the Employee,
- (v) high market value/difficulty in replacing the Employee,
- (vi) high risk of losing the Employee to competition,
- (vii) no disciplinary action should have been initiated against the employee during his tenure in the Company, and
- (viii) Any other factor or consideration as decided by the Board of Directors.

The Board of Directors may in its absolute discretion vary or modify such criteria and/or selection and/or the terms and conditions for granting any Option to any Employee or class of Employees.

The Board at its discretion may extend the benefits of the Scheme to a new entrant also.

Nothing in the Scheme or in any Option granted pursuant to the Scheme shall confer on any individual, any right to continue in the employment of the Company or interfere in any way with the right of the Company to terminate the individual's employment at any time.

Without limitation to the foregoing, the Grant Letter may contain circumstances in which the optionee's performance of his or her duties falls below specified performance criteria set forth in such Grant Letter in such a case the options will not vest for the relevant year.

9. The Maximum number of Options to be granted per Employee and in aggregate:

Subject to availability of Options in the pool under the Scheme, the maximum number of Options that can be granted to any Eligible Employee during any one year shall not be equal to or exceed 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant.

The Committee may decide to Grant such number of Options equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) to any Eligible Employee as the case may be.

10. The Maximum quantum of benefits to be provided per Employee under the scheme:

The maximum quantum of benefits that will be provided to every Eligible Employee under the Scheme will be the difference between the market value of Company's share on the Recognized Stock Exchanges as on the Date of Exercise of Options and the Exercise Price paid by the Employee.

11. Whether the Scheme(s) is to be implemented and administered directly by the Company or through a Trust:

The Scheme shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

The Scheme shall be administered by the Nomination and Remuneration Committee of the Company.

12. Whether the Scheme involves new issue of shares by the company or secondary acquisition by the Trust or both:

The Scheme involves new issue of Equity Shares by the Company.

13. The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

Not applicable, since the Scheme is proposed to be implemented by direct route.

14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:

Not applicable, since the Scheme is proposed to be implemented by direct route

15. Disclosure and accounting policies:

The Company shall comply with the disclosure and accounting policies prescribed by appropriate authority from time to time. The Company shall use intrinsic value method to value its Options.

16. The method which the Company shall use to value its Options:

The Company shall comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

17. Statement with regard to Disclosure in Director's Report:

Since the Company would calculate the employee compensation cost using the intrinsic value of the Option, the difference between the employee's compensation cost so computed and the employee compensation cost that shall have been recognized, if it had used the fair value of the Options, shall be disclosed in the Directors Report and also the impact of this difference on profits and on Earning Per Share of the Company shall also be disclosed in the Directors Report.

18. Period of lock-in:

The Shares allotted to the employees pursuant to Exercise of Options shall be subject to no lock-in period from the date of allotment. The Grantee is free to sell the shares.

Participant can approach a shareholder of the Company to sell his/her shares and take the amount equivalent to the value of shares as on the sale date.

Annexure-A

The relevant details of directors who is proposed to be re-appointed directors of the Company, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 issued by the Company Secretaries of India are as under.

Particulars	Mr. Manish Shah (DIN: 10343779)
Current Position	Whole Time Director (Liable to retire by rotation)
Age	52
Qualification	Bachelor's degree in engineering at North Maharashtra University, Jalgaon
Experience	Two decades of experience in electrical & telecommunication industry. He has worked as with Reliance Group and Indus Tower Limited.
Expertise in specific functional areas	Mr. Manish Shah is an expert in electrical & telecommunication industry
Brief Resume of the Director	Manish Shah, aged 52 years, is the Whole Time Director and Chief Operating Officer of the Company w.e.f June 19, 2024. He holds bachelor's degree in engineering at North Maharashtra University, Jalgaon. He has over two decades of experience in electrical & telecommunication industry. He has worked as with Reliance Group and Indus Tower Limited. He has been associated with Company since 2019. He is responsible for driving sales, service, dealer management, product strategies, marketing, profitability, human resources, brand and media management He primarily handles Operations and now he is instrumental in winning new customers for the company. He is also looking into Banking and handles the entire finance and operation of the Company.
Remuneration last drawn	Rs. 4,12,500/-
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Salary: Up to 1.5 Cr per annum. The Whole Time Director and the Chief Operating Officer shall be entitled to such increment as the Board may by its discretion determine time to time subject to the limits as set out in Schedule V of the Companies Act, 2013. Tenure: 19/06/2024 to 18/06/2027 Perquisites and allowances: It shall be as per the Income Tax rules and in the absence of such rule it should be determined at the actual cost.
Date of first Appointment:	October 09, 2023
Number of Board Meetings attended during the year:	15
Shareholding in the Company:	1
Relationship with Other Directors:	Not Related
Other Directorships:	Nil
Memberships / Chairmanship of Committees:	He is member in Corporate Social Responsibility Committee

BOARD'S REPORT

To,
The Members,
CLN ENERGY LIMITED

Our directors take pleasure in presenting their *Sixth Annual Report* on the Business and Operations of the Company and the Accounts for the Financial Year ended 31st March, 2025 (period under review).

1. FINANCIAL PERFORMANCE OF THE COMPANY

The summary of financial highlights for the financial year ended March 31, 2025, and previous financial year ended March 31, 2024, is given below:

Particulars	(Rs. in lakhs)	
	31-Mar-2025	31-Mar-2024
Total Income	22,038.51	13,285.94
Less: Expenditure	19,526.05	11,419.07
Profit before Depreciation	2,512.46	1,866.87
Less: Depreciation	627.99	642.58
Profit before Tax	1,884.47	1,224.29
Exceptional loss	-	39.01
Provision for Taxation	592.28	245.44
Profit after Tax	1,292.19	939.84
Other Comprehensive Income	-	-
Total Comprehensive Income	1,292.19	939.84
Earnings Per Share (Face Value of ₹10)		
(1) Basic	15.87	12.27
(2) Diluted	15.87	12.27

2. STATEMENT OF COMPANY'S AFFAIR AND FUTURE OUTLOOK

During the year under review your Company has been able to live upon its expectations and has been able to generate strong Revenue and Profit figures as compared to the previous financial year 2023-24. During the year under review, the Total Income of the Company stood at Rs. 22,038.51 lacs for the year ended March 31, 2025, as against Rs 13,285.94 Lacs in the previous year. The Company made a Net Profit of Rs. 1292.19 Lacs for the year ended March 31, 2025, as compared to the Net Profit of Rs. 939.84 Lacs in the previous year registering increase of 37.57%.

The Company has obtained the status of being listed on BSE SME Platform with effect from January 30, 2025. The Company managed to raise ₹ 7,230.00 Lakhs by initial public offer of 28,92,000 equity shares of ₹ 10 each through its prospectus dated January 28, 2025. Further stakeholder may find the Prospectus through link: <https://www.clnenergy.in/ipo.html>

Listing on Stock Exchanges: The Company has obtained the status of being listed on BSE SME Platform with effect from January 30, 2025. The Company managed to raise ₹ 7,230.00 Lakhs by initial public offer of 28,92,000 equity shares of ₹ 10 each through its prospectus dated January 28, 2025. Further 28,92,000 Equity Shares of face value of Rs. 10/- each were available under the Offer, at Issue Price of Rs. 250. The Offer opened for subscription on January 23, 2025, and closed on January 27, 2025. The Equity shares of CLN Energy Limited have been listed on BSE SME Platform on January 30, 2025.

3. PROSPECT FOR 2025-2026

Your Company has secured a tender for **Bharat Sanchar Nigam Limited (BSNL)**, a leading telecom service provider in India valued at approximately ₹107.91 crore to supply Lithium-Ion batteries, this win not only highlights company's technical capabilities but also reinforces its commitment to supporting critical infrastructure with clean and reliable energy solutions.

4. CHANGE IN NATURE OF BUSINESS, IF ANY

During the year, there has been no change in the nature of business of the Company.

5. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

The Company has not transferred any amount to the reserve and surplus. The Reserve and Surplus (including securities premium and retained earnings) as on March 31, 2025, is 8394.01/- Lakh.

6. CASH FLOW STATEMENTS

As required under regulation 34 of the SEBI (LODR) Regulations, 2015, the Cash Flow Statement is included as part of the financial statements in this Annual Report.

7. DIVIDEND

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement to formulate a Dividend Distribution Policy applies to the top 1,000 listed entities based on market capitalization. As our Company falls does not falls within this threshold, the formulation and disclosure of a Dividend Distribution Policy is not applicable to us.

8. TRANSFER OF UNPAID AND UNCLAIMED DIVIDENDS TO INVESTOR EDUCATION AND PROTECTION FUND

The Ministry of Corporate Affairs under Sections 124 and 125 of the Companies Act, 2013 requires dividends that are not encashed/ claimed by the shareholders for a period of seven consecutive years, to

be transferred to the Investor Education and Protection Fund (IEPF). In FY 2024-25, there was no amount due for transfer to IEPF.

9. SHARE CAPITAL

The Authorized Share Capital of the company as on March 31st, 2025, is Rs. 11,00,00,000/- divided into 1,10,00,000 equity shares of Rs. 10/-

The Paid-up Share Capital of the Company as on March 31st, 2025, is Rs 10,55,32,500 divided into 1,05,53,250 Equity shares of Rs. 10/-

Company has appointed Bigshares Services Private Limited as the Registrar and Transfer Agent of the Company.

10. CHANGE IN SHARE CAPITAL:

The Authorised Share Capital of the Company was increased from existing Rs. 5,00,00,000/- (Rupees Five Crore only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 11,00,00,000 (Rupees Eleven Crore only) divided into 1,10,00,000 (One Crore Ten Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each and company issue Bonus shares 42,56,250 (Forty-Two Lakhs Fifty-Six Thousand Two Hundred Fifty) Equity Shares of Rs. 10/- (Rupees Ten only) each.

During the period under review and as on the date of this report following changes took place in the Share Capital of the Company that CLN Energy Limited issue 3,60,000 (Three Lakhs Sixty Thousand) Preference Shares of Rs. 10/-(Rupees Ten only) each/- pursuant to passed through Postal Ballot dated May 30, 2025.

11. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued Equity Shares with Differential Rights as stated in Rule 4(4) of Companies (Share Capital and Debenture Rules, 2014) for the Financial Year.

12. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not provided any Stock Option Scheme to the employees as stated in Rule 12(9) of Companies (Share Capital and Debenture Rules, 2014).

13. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company has not issued any Sweat Equity Shares during the year under review as specified in Rule 8(13) of Companies (Share Capital and Debenture Rules, 2014).

14. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (the "Amended Listing Regulations"), is presented in a separate section forming part of the Annual Report as "*Annexure III*".

15. DISCLOSURES BY DIRECTORS

The Board of Directors has submitted notice of interest in Form MBP 1 under Section 184(1) as well as intimation by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Code of Conduct of the Company.

Certificate of Non-Disqualification of Directors received from SARK & Associates LLP., Practicing Company Secretary is annexed to the Board's Report as "*Annexure IV*".

16. SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY

The Company does not have any Subsidiary, Joint venture or an Associate Company.

17. MATERIAL CHANGES AND COMMITMENTS

The Company has obtained the status of being listed on BSE SME Platform with effect from January 30, 2025. The Company managed to raise ₹ 7,230.00 Lakhs by initial public offer of 28,92,000 equity shares of ₹ 10 each through its prospectus dated January 28, 2025. Further 28,92,000 Equity Shares of face value of Rs. 10/- each were available under the Offer, at Issue Price of Rs. 250. The Offer opened for subscription on January 23, 2025, and closed on January 27, 2025. The Equity shares of CLN Energy Limited have been listed on BSE SME Platform on January 30, 2025.

18. EXTRACT OF ANNUAL RETURN:

The Annual Return of the Company as on March 31, 2025 is available on the website of the Company at <https://www.clnenergy.in/investor-updates.html>

19. REMUNERATION POLICY

The Company has framed a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013, and SEBI (LODR) Regulations, 2015. The Policy is provided in Annexed to this Report as “Annexure I”.

20. STATEMENT OF DEVIATION / VARIATION IN UTILIZATION OF FUNDS RAISED:

During the year under review the Company came up with an Initial Public Issue of 28,92,000 equity shares of ₹ 10.00 each at an issue price of ₹ 250.00 per equity shares and thereby raised ₹ 7,230 Lakhs. Pursuant to the Regulation 32 of the Listing Regulations, there was deviation(s) in the use of proceeds of IPO till 31st March, 2025. The proceeds of IPO were utilised for the objects as disclosed in the Prospectus. Details as on 31st March, 2025 are as follows:

Sr No.	Name of the Object	Amount as proposed in Offer Document (In Lakhs)	Amount utilised (in Lakhs)	Amount of Deviation/ Variation for the quarter according to applicable object	Remarks if any
1	Purchase of machinery and equipment	Rs. 971.00 lakhs	Rs. 1,000.00 Lakhs	Rs. 29.00 Lakhs (Excess)	The Company has utilised only Rs. 410 lakhs in issue exp and the difference of Rs. 43 lakhs were utilised for working capital and capex purpose.
2	Funding Working capital requirements	Rs. 4,022.00 lakhs	Rs. 4,036.00 Lakhs	Rs. 14.00 Lakhs (Excess)	
3	Issue Expenses	Rs. 453.00 Lakhs	Fully Utilized as on March 31, 2025	Rs. 43.00 Lakhs (Deficit)	
4	General Corporate Purpose	Rs. 1,784.00 lakhs	Fully Utilized as on March 31, 2025	Not Applicable	
TOTAL		Rs. 7230.00 Lakhs	Rs. 7230.00 lakhs	Nil	

21. FAMILIARISATION PROGRAMME FOR DIRECTORS

The Company through its Executive Directors / Senior Managerial Personnel conduct programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company. Such programs / presentations will provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company’s strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.

The programs / presentations shall also familiarize the Independent Directors with their roles, rights and responsibilities. The Company circulate news and articles related to the industry on a regular basis and may provide specific regulatory updates from time to time and the Company conduct an introductory familiarization program / presentation, when a new Independent Director comes on the Board of the Company.

During the year under review, two (2) new Independent Directors viz. Bhawna Hundlani and Rakesh Kakkar were inducted to the Board.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

i. Change in Directors

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. All changes in the composition of the Board during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

*During the period under review, and as of the date of this report, the following changes occurred in the composition of the Board of Directors:

S No.	Name of Director	Category of Director	Date of Appointment/ Cessation	Reason of change
1	Ms. Bhawna Hundlani	Non-Executive - Independent Director	June 18, 2024	Appointment
2	Mr. Rakesh Kakkar	Non-Executive - Independent Director	June 18, 2024	Appointment

During the year under review, and as of the date of this report, the following directors were re-appointed/re-designation:

1. Mr. Sunil Gandhi (DIN: 08433754) has been Re-designated as Whole Time Director of the Company, for a period of 5 (five) years i.e. with effect from June 19, 2024 to June 18, 2029.
2. Mr. Manish Shah (DIN: 10343779) has been Re-designated as Whole Time Director and Chief Operating Officer of the Company, for a period of 5 (five) years i.e. with effect June 19, 2024 to June 18, 2029.

ii. Independent Directors

Our Company has received annual declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence provided in Section 149(6) of the Companies Act, 2013 and Regulations 16(1) (b) & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances, which may affect their status as Independent Director during the year.

iii. Retirement by Rotation of the Directors

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr.

Manish Shah, whole-time Director of the Company, retires by rotation and offers himself for re-appointment.

The brief resume of Mr. Manish Shah, the nature of his expertise in specific functional areas, names of the companies in which he has held directorships, her shareholding etc. are furnished in the *Annexure - A* to the notice of the ensuing AGM.

iv. Key Managerial Personnel

During the period under review and as on the date of Report, the Key Managerial Personnel (KMP) of the Company, appointed under the provisions of Section 203 of the Companies Act, 2013, are as follows:

- (a) Mr. Sunil Gandhi (Chief Executive Officer & Whole Time Director)
- (b) Mr. Manish Shah (Chief Operating Officer & Whole Time Director)
- (c) Mr. Ashish Kumar (Chief Financial Officer) (w.e.f June 19, 2024)
- (d) Mr. Rahul Jethwa (Company Secretary & Compliance Officer) (w.e.f February 12, 2025)

During the period under review, the following changes in Key Managerial Personnel occurred:

(a) Mr. Sunil Gandhi (DIN: 08433754) was re-designated as whole-time director & Chief Executive Director w.e.f June 19, 2024

(b) Mr. Manish Shah (DIN: 10343779) was re-designated Whole Time Director & Chief Operating Officer w.e.f June 19, 2024.

(c) Mr. Ashish Kumar appointed as Chief Financial Officer w.e.f June 19, 2024

(d) Ms. Sonal Jhanwar served as the Company Secretary & Compliance Officer until February 12, 2025.

(e) Mr. Rahul Jethwa was appointed as the Company Secretary & Compliance Officer effective February 12, 2025.

23. BOARD MEETINGS:

Company held Sixteen meeting of its Board of Directors during the year on April 01, 2024, April 18, 2024, June 03, 2024, June 07, 2024, June 18, 2024, June 20, 2024, June 24, 2024, July 27, 2024, September 02, 2024, September 09, 2024, November 21, 2024, December 12, 2024, January 22, 2025, January 28, 2025, February 12, 2025 and March 27, 2025

Sr. No.	Name of the director	Board Meeting			Whether attended AGM held on 30/09/2024 (Y/N/NA)
		Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	
1.	Sunil Gandhi	15	15	100%	Y
2.	Rajiv Seth	15	15	100%	N
3.	Manish Shah	15	15	100%	Y
4.	Rakesh Kakkar	10	10	100%	Y
5.	Bhawna Hundlani	10	10	100%	Y

COMMITTEES OF THE BOARD

(A) Audit Committee

The Audit Committee, as per Section 177 of Companies Act, 2013, was constituted on June 18, 2024 under the Chairmanship of Ms. Bhawna Hundlani. After constitution the committee met One (1) time with full attendance of all the members. The composition of the Audit Committee as at March 31, 2025 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	Attendance at the Audit Committee Meetings held on
			27.03.2025
Ms. Bhawna Hundlani	Non-Executive - Independent Director	Chairperson	Yes
Mr. Rakesh Kakkar	Non-Executive - Independent Director	Member	Yes
Mr. Sunil Gandhi	Whole Time Director & CEO	Member	Yes

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013. Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes:

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management, the Half Yearly Unaudited Financial Statements and the Auditor's Limited Review Report thereon / Audited Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the Financial Statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.

- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Accounting Standard Policy.
- Review the investments made by the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Auditors, Internal Auditors, Chief Financial Officer are invited to attend the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee.

(b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee, as per Section 178(1) of Companies Act, 2013, was constituted on June 18, 2024 under the Chairmanship of Ms. Bhawna Hundlani. The composition of the Nomination and Remuneration Committee as at March 31, 2025 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	Attendance at the Nomination and Remuneration Committee Meetings held on	
			18.06.2024	27.03.2025
Ms. Bhawna Hundlani	Non-Executive - Independent Director	Chairperson	Yes	Yes
Mr. Rakesh Kakkar	Non-Executive - Independent Director	Member	Yes	Yes
Mr. Rajiv Seth	Non-Executive Director	Member	Yes	Yes

The terms of reference of the Committee as per Companies Act 2013 and SEBI (LODR) 2015, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a) Use the services of an external agencies, if required;
 - b) Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) Consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
 - Devising a policy on diversity of board of directors;
 - Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
 - Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
 - Recommend to the board, all remuneration, in whatever form, payable to senior management.

The Company has formulated a Remuneration Policy which is annexed to the Board’s Report in “*Annexure I*”.

(c) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee, as per Section 178 (5) of Companies Act, 2013, continued working under Chairmanship of Mr. Rakesh Kakkar. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Companies Act, 2013. During the year, the committee met one time with full attendance of all the members. The composition of the Stakeholders Relationship Committee as at March 31, 2025 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	Attendance at the Stakeholders’ Relationship Committee held on 27.03.2025
Mr. Rakesh Kakkar	Non- Executive Independent Director	Chairperson	Yes
Ms. Bhawna Hundlani	Non-Executive Independent Director	Member	Yes
Mr. Sunil Gandhi	Whole Time Director & CEO	Member	Yes

The terms of reference of the Committee are:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the year, no complaints were received from shareholders. There are no balance complaints. The Company had no share transfers pending as on March 31, 2025.

Mr. Rahul Jethwa, Company Secretary and Compliance Officer of the Company, w.e.f. 12th February, 2025.

(D) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee, as per Section 135 of Companies Act, 2013, was constituted on June 18, 2024 under the Chairmanship of Mr. Sunil Gandhi. The composition of the Corporate Social Responsibility Committee as at March 31, 2025 and details of the Members participation at the Meetings of the Committee are as under:

S No.	Name of Committee members	Category	Position in the committee	Attendance at the Corporate Social Responsibility Committee held on 27.03.2025
1	Mr. Sunil Gandhi	Whole Time Director & CEO	Chairperson	Yes
2	Ms. Rakesh Kakkar	Non-Executive - Independent Director	Member	Yes
3	Mr. Manish Shah	Whole Time Director & COO	Member	Yes

24. BOARD EVALUATION:

Our Board has devised an Evaluation Policy for evaluating the performance of the Board, its Committees, Executive Directors, and Independent Directors. Based on the same, the performance was evaluated for the financial year ended March 31, 2025. As part of the evaluation process, the performance of Non- Independent Directors, the Chairman and the Board was conducted by the Independent Directors. The performance evaluation of the respective Committees and that of Independent and Non- Independent Directors was done by the Board excluding the Director being evaluated.

The policy inter alia provides the criteria for performance evaluation such as Board effectiveness, quality of discussion, contribution at the meetings, business acumen, strategic thinking, time commitment, and relationship with the stakeholders, corporate governance practices, contribution of the committees to the Board in discharging its functions etc.

The Board carried out formal annual evaluation of its own performance and that of its committees viz., the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee (NRC). The Board also carried out the performance evaluation of all the individual directors including the Chairman of the Company. Additionally, NRC also carried out the evaluation of the performance of all the individual directors and Chairman of the Company. The performance evaluation was carried out by way of obtaining feedback from the Directors through a structured questionnaire prepared in accordance with the policy adopted by the Board and after taking into consideration the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India.

The feedback received from the Directors through the above questionnaire was reviewed by the Chairman of the Board and the Chairman of the NRC and then discussed the same at the meetings of the Board and NRC respectively. The performance evaluation of the Chairman, Whole Time Director and the Board as a whole was carried out by the Independent Directors at their separate meeting.

25. CORPORATE SOCIAL RESPONSIBILITY-

The Company does fall under the criteria laid under the provisions of Section 135 of the Companies Act 2013 and rules framed there under for the year ended 31st March 2025. During the period 2024-2025 the company has spent Rs. 17,00,000/- on CSR activity to Suraj Charitable Trust on 27th March, 2025

Further, for the year ended March 31, 2025, the company has a net profit of ₹ 12.92 Crores (Twelve Crore and Ninety-Two Lakhs), which exceeds the criteria laid down under Section 135, i.e., ₹5 crore. Therefore, according to the provisions of Section 135 of the Companies Act 2013, the company will spend at least two percent of the average net profits of the company made during the three immediately preceding financial years during the financial year 2025-26.

26. AUDITORS:

i. Statutory Auditors:

During the Period 2024-2025 the company had M/s. Suraj Mishra & Associates as Statutory Auditor of the company on November 21, 2024 the Statutory auditor resigned and casual vacancy arise and The Board has appointed M/s DGMS & Co., Chartered Accountants as the statutory auditors of the Company in casual vacancy for doing audit for the period 2024-25.

Further appointed for 5 years in ensuing Annual General Meeting till the conclusion of the 11th Annual General Meeting to be held in the year 2030 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

ii. Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed SARK & Associates LLP firm of Company Secretaries in Practice (CP No.9304), to undertake the Secretarial Audit of the Company for the F.Y. 2024-25. The Secretarial Audit Report for F.Y. 2024-25 is annexed herewith as “*Annexure II*”.

iii. Cost Auditor:

The Company does fall within the provisions of Section 148 of the Companies Act, 2013, as read with the Companies (Cost Records and Audit) Rules, 2014. Therefore, the maintenance of cost records and the applicability of cost audits, as specified by the Central Government under Section 148 of the Companies Act, 2013, are applicable to the Company. The company appointed SAH & Co. (Firm Registration No. 103920) as cost Auditor of the company for the FY 2025-2026.

iv. Internal Auditor:

The Board of Directors, based on the recommendation of the Audit Committee and pursuant to the provisions of section 138 of the Act read with the Companies (Accounts) Rules, 2014, has reappointed M/s PMRY & Co Chartered Accountants, Mumbai as the Internal Auditors of your Company for the financial year 2024-25 and 2025-26. The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board.

27. AUDITOR’S REPORT:

The Auditor's Report and Secretarial Auditor's Report does not contain any qualifications, reservations or adverse remarks. Report of the Statutory and Secretarial Auditor is given as an Annexure, which forms part of this report.

28. VIGIL MECHANISM:

In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <https://www.clnenergy.in/policies.html>

29. INTERNAL AUDIT & CONTROLS:

Pursuant to provisions of Section 138 read with rules made there under, the Board has appointed M/s PMRY & Co., Chartered Accountants, as an Internal Auditors of the Company for the year under review, to check the internal controls and functioning of the activities and recommend ways of improvement. The Internal Audit is carried out on half yearly basis; the report is placed in the Audit Committee Meeting and the Board Meeting for their consideration and direction.

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2024-25.

30. RISK ASSESSMENT AND MANAGEMENT:

Your Company has been on a continuous basis reviewing and streamlining its various operational and business risks involved in its business as part of its risk management policy. Your Company also takes all efforts to train its employees from time to time to handle and minimize these risks.

31. LISTING WITH STOCK EXCHANGES:

During the period under review, CLN Energy Limited was listed on the SME Platform of the BSE Limited dated January 30, 2025. It has paid the annual Listing Fees for the year 2025-26 to BSE Limited.

32. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively.

33. PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required under Section 197 & Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below.

- a) The median remuneration of employees of the Company during the financial year is Rs. 60470/-
- b) Percentage increase/decrease in the median remuneration of employees in the financial year 2024-25: 17%
- c) Number of permanent employees on the rolls of the Company as on March 31, 2025: 150
- d) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy of the Company.
- e) There is no employee covered under the provisions of section 197(14) of the Companies Act, 2013.

There was no employee in the Company who drew remuneration of 1,00,00,000 / - per annum during the period under review. Hence, the Company is not required to disclose any information as per Rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014.

34. POLICIES AND DISCLOSURE REQUIREMENTS:

In terms of provisions of the Companies Act, 2013 the Company has adopted policies which are available on its website <https://www.clnenergy.in/policies.html>

35. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

i. Conservation of Energy

- a) **The steps taken or impact on conservation of energy** – We installed BESS of 100KW/120kWh in FY24-25 to replace DG and further planning to install additional 500KW/600kWh in FY25-26. We installed solar panel of 10KW to backup utility load and further planned to install 150 KW in FY25-26. Added Regenerative machine which can save upto 75% energy as compared to regular machine which saves around 400 MWh energy last year.
- b) **The steps taken by the Company for utilizing alternate source of energy** – Company shall consider on adoption of alternate source of energy as and when necessities.

- c) **The Capital Investment on energy conversation equipment** – BESS (Battery & PCS) having cost of 30 Lacs. Added New Machine having cost of 200 Lacs around (Battery ageing machine regen. based - 4 Nos. + Cell ageing Machine regen. based -8 Nos.)

ii. **Technology absorption**

- a) **The efforts made towards technology absorption.** – Successfully developed telecom batteries (48V 100Ah) for BSNL and other telecom player as a Class-1 Supplier, with less than 50% imported content and same is validated and approved by TSEC (BNSL).
- b) **The benefits derived like product improvement, cost reduction, product development or import substitution** – Reduced product cost by 20% while improving quality, resulting in lower complaint rates.
- c) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)** – Transitioned to Indian-manufactured BMS, reducing import dependency. Planning to develop our own BMS by next fiscal year.

- iii. **The expenditure incurred on Research and Development** – Expenditure on software: Around 10 Lacs (Need to verify with accounts) Expenditure on Certification and testing – Around 40 lacs (Need to verify with accounts) Technology Absorption (Miss.): Around 30 Lacs (NPD, Testing).

- iv. **Foreign exchange earnings and Outgo (In lakhs)** – Earnings – Rs. 5,661.60 /- and Outgo Rs. 4530.70/-

36. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES:

Particulars of Loans given, Investments made, Guarantees given and Securities provided are provided in the financial statements.

37. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Thus, Disclosure in form AOC-2 is not required. Further, during the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. All related party transactions are placed before the Audit Committee and Board for review and approval, if required. The details of the related party transactions as required under Indian Accounting Standard (Ind AS) 110 are set out in Note to the financial statements forming part of this Annual Report.

38. DEPOSITS:

Your Company did not accept / hold any deposits from public / shareholders during the year under review.

39. PREVENTION OF INSIDER TRADING

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated and adopted the revised “Code of Conduct for Prevention of Insider Trading” (“the Insider Trading Code”). The object of the Insider Trading Code is to set framework, rules and procedures which all concerned persons should follow, while trading in listed or proposed to be listed securities of the Company. During the year, the Company has also adopted the Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“the Code”) in line with the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018. The Code is available on the Company’s website <https://www.clnenergy.in/policies.html>

40. RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Act during the FY were in the ordinary course of business and on an arm’s length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the FY which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

41. SIGNIFICANT AND MATERIAL ORDERS:

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.

42. FRAUD REPORTING

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

43. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the Requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and an

Internal Complaints Committee has been set up to redress complaints received regarding Sexual Harassment at workplace, with a mechanism of lodging & redress the complaints. All employees (permanent, contractual, temporary, trainees, etc.) are covered under this policy.

Your Directors further state that pursuant to the requirements of Section 22 of Sexual Harassment of Women at Work place (Prevention, Prohibition & Redressal) Act, 2013 read with Rules there under. The Company provide the following details:

- a. The number of sexual harassment complaints received during the year: - Nil
- b. The number of such complaints disposed of during the year: - NA
- c. The number of cases pending for a period exceeding ninety days: - Nil

44. STATEMENT ON MATERNITY BENEFIT COMPLIANCE:

The Company declares that it has duly complied with the provisions of the Maternity Benefit Act, 1961. All eligible women employees have been extended the statutory benefits prescribed under the Act, including paid maternity leave, continuity of salary and service during the leave period, and post-maternity support such as nursing breaks and flexible return-to-work options, as applicable. The Company remains committed to fostering an inclusive and supportive work environment that upholds the rights and welfare of its women employees in accordance with applicable laws.

45. AUDIT TRAIL APPLICABILITY (AUDIT AND AUDITORS) RULES 2014 - RULE 11 OF THE COMPANIES ACT 2013.

The Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

46. APPOINTMENT OF DESIGNATED PERSON (MANAGEMENT AND ADMINISTRATION) RULES 2014 - RULE 9 OF THE COMPANIES ACT 2013.

In accordance with Rule 9 of the Appointment of Designated Person (Management and Administration) Rules 2014, it is essential for the company to designate a responsible individual for ensuring compliance with statutory obligations.

47. HUMAN RESOURCES:

Your Company considers people as its biggest assets and 'Believing in People' is at the heart of its human resource strategy. It has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership.

Your Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts it is ensuring that employees are aligned on common objectives and have the right information on business evolution. Your Company strongly believes in fostering a culture of trust and mutual respect in all its employees seek to ensure that business world values and principles are understood by all and are the reference point in all people matters.

The current workforce breakdown structure has a good mix of employees at all levels. Your Board confirms that the remuneration is as per the remuneration policy of the Company.

48. CORPORATE GOVERNANCE:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 exempts companies which have listed their specified securities on SME Exchange from compliance with corporate governance provisions.

Since the equity share capital of your Company is listed exclusively on the SME Platform of BSE, the Company is exempted from compliance with Corporate Governance requirements, and accordingly the reporting requirements like Corporate Governance Report, Business Responsibility Report etc. are not applicable to the Company.

49. DISCLOSURES:

The following disclosures are not applicable to the company:

1. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year.
2. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

50. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared the annual accounts on a going concern basis.
- v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2024-25.

51. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Board of Directors confirm that all the systems, policies, procedures and frameworks which are currently operational within the Company are adequate for ensuring the orderly and efficient conduct of its business and adherence to the laws. They are in line with the best practices to the extent applicable to the company. The Audit Committee and the Board reviews internal control systems to ensure they remain effective and are achieving their intended purpose. Weaknesses, if any, are identified and new procedures are put in place to strengthen controls.

The Company has also appointed an Internal Auditor as per the provisions of the Companies Act, 2013. The Company's internal audit process covers all significant operational areas and reviews the Process and Control. The Internal Auditor has authority to verify whether the policies and procedures, including financial transactions, are carried out in accordance with defined processes and variations and exceptions (if any) are justified and reported properly

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2024-25.

52. CAUTIONARY STATEMENTS:

Statements in this Annual Report, particularly those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances

53. ACKNOWLEDGEMENTS:

Your Directors would like to express deep sense of appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders and for the devoted service by the Executives, staff and workers of the Company. The Directors express their gratitude towards each one of them.

Registered Office:

Plot-18, sector-140, phase-2, Nepz Post
Office, Gautam Buddha Nagar, Dadri, Uttar
Pradesh, India, 201305

Contact No.: +917579906940

CIN: U33100UP2019PLC121869

Website: <https://www.clnenergy.in>

Email: compliance@clnenergy.in

By order of the Board of Directors
FOR CLN ENERGY LIMITED

Sd/-
RAHUL JETHWA
(Company Secretary)

Noida
Thursday, July 03, 2025

Annexures to Board's Report (Contd).
Annexure – I

Remuneration Policy

This Remuneration Policy relating to remuneration for the directors, key managerial personnel and other employees, has been formulated by the Nomination and Remuneration Committee (hereinafter “Committee”) and approved by the Board of Directors.

Objectives: The objectives of this policy are to stipulate criteria for:

- Appointment, reappointment, removal of Directors, KMPs and Senior Management
- Determining qualifications, positive attributes and independence of a director and recommend to the Board
- Retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage to run the operations of the Company successfully
- Consider and determine the remuneration, based on the fundamental principles of payment for performance, for potential, and for growth.

Criteria for Appointment:

- Ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment
- Age, number of years of service, specialized expertise and period of employment or association with the Company.
- Special achievements and operational efficiency which contributed to growth in business in the relevant functional area
- Constructive and active participation in the affairs of the Company
- Exercising the responsibilities in a Bonafide manner in the interest of the Company
- Sufficient devotion of time to the assigned tasks
- Diversity of the Board
- Demonstrable leadership qualities and interpersonal communication skills, devote to the role, compliant with the rules, policies and values of the Company and does not have any conflicts of interest
- Transparent, unbiased and impartial and in accordance with appropriate levels of confidentiality.
- Appointment of Directors and KMPs in compliance with the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder or any other enactment for the time being in force

Criteria for Remuneration:

The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer-term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance, and emphasizing on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and encourages a focus on achieving superior operational results.

The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

The remuneration of the Non-Executive Directors shall be based on their contributions and current trends, subject to regulatory limits. Sitting fees is paid for attending each meeting(s) of the Board and Committees thereof. Additionally equal amount of commission may be paid to non-executive directors on a pro-rata basis, within limits approved by shareholders.

FORM No. 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)

To,
The Members,
CLN ENERGY LIMITED
(Formerly known as CLN Energy Private Limited and
Formerly known as Jlnphenix Energy Private Limited)
Plot-18, Sector-140, Phase-2,
Nepz Post Office, Gautam Buddha Nagar,
Dadri, Uttar Pradesh, India, 201305

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CLN Energy Limited** (hereinafter called “the Company”). 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 the Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has generally, during the audit period covering the financial year ended on March 31, 2025:

- Complied with the statutory provisions listed hereunder, and
- Proper Board processes and compliance mechanism are in place,

to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms, and returns filed, and other records made available to us and 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 Contract (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, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines as prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and any amendments made from time to time:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the Audit Period)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and amendments from time to time; **(Not applicable to the Company during the Audit Period)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other laws applicable specifically to the Company namely:
 - a. Employees Provident Fund and Miscellaneous Provisions Act, 1952;
 - b. The Minimum Wages Act, 1948;

- c. The Income Tax Act, 1961;
- d. Prevention of Sexual Harassment Act, 2013.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General meetings.
2. Listing Agreements entered into by the Company with Stock Exchange;

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices were given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, other than those held at shorter notice.
- 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.
- Majority decisions are carried through, while the views of the dissenting members are captured and recorded as part of the minutes.

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

Sr. No	Action taken by	Details of violation	Details of action taken	Observation/remark by Practicing Company Secretaries
1	Nil	Nil	Nil	Nil



6th ANNUAL REPORT 2024-25

Date: 14.07.2025
Place: Mumbai
UDIN: A022135G000775118

For and behalf of
SARK & Associates LLP
Company Secretaries

Sd/-

Sumit Khanna
(Partner)
CP No. 9304
Membership No. 22135

Note:

1. This report is to be read with my letter of even date which is annexed as “Annexure - A” and forms an integral part of this report.
2. The history of the company since its incorporation is annexed hereto as “Annexure B.”

**The Members,
CLN ENERGY LIMITED
(Formerly known as CLN Energy Private Limited and
Formerly known as Jlnphenix Energy Private Limited)
Plot-18, Sector-140, Phase-2,
Nepz Post Office, Gautam Buddha Nagar,
Dadri, Uttar Pradesh, India, 201305**

1. Maintenance of secretarial record 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 the 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 the 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

**Date: 14.07.2025
Place: Mumbai
UDIN: A022135G000775118**

**For and behalf of
SARK & Associates LLP
Company Secretaries**

Sd/-

**Sumit Khanna
(Partner)
CP No. 9304
Membership No. 22135**



6th ANNUAL REPORT 2024-25

ANNEXURE - B

**The Members,
CLN ENERGY LIMITED
(Formerly known as CLN Energy Private Limited and
Formerly known as Jlnphenix Energy Private Limited)
Plot-18, Sector-140, Phase-2,
Nepz Post Office, Gautam Buddha Nagar,
Dadri, Uttar Pradesh, India, 201305**

The history of the company since its incorporation is as under:

Sr. No.	Date of Event	Corporate Identification Number (CIN)	Details of Event
1.	01 st October, 2019	U29309UP2019PTC121869	Incorporation of the Company.
2.	08 th May, 2023	U33100UP2019PTC121869	Change the Name of the Company from JLNPHENIX Energy Private Limited to CLN Energy Private Limited.
3.	18 th June, 2024	U29309UP2019PTC121869	Conversion of the Company from CLN Energy Private Limited to CLN Energy Limited.
4.	30 th January, 2025	U33100UP2019PLC121869	Equity shares of the company listed on SME Platform.

**Date: 14.07.2025
Place: Mumbai
UDIN: A022135G000775118**

**For and behalf of
SARK & Associates LLP
Company Secretaries**

Sd/-

**Sumit Khanna
(Partner)
CP No. 9304
Membership No. 22135**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**GLOBAL ECONOMY**

Following an unprecedented series of shocks in the preceding years, global growth was stable yet underwhelming through 2024 and was projected to remain so in the January 2025 World Economic Outlook (WEO) Update. However, the landscape has changed as governments around the world reorder policy priorities. Since the release of the January 2025 WEO Update, a series of new tariff measures by the United States and countermeasures by its trading partners have been announced and implemented, ending up in near-universal US tariffs on April 2 and bringing effective tariff rates to levels not seen in a century (Figure ES.1). This on its own is a major negative shock to growth. The unpredictability with which these measures have been unfolding also has a negative impact on economic activity and the outlook and, at the same time, makes it more difficult than usual to make assumptions that would constitute a basis for an internally consistent and timely set of projections.

In the reference forecast, growth in advanced economies is projected to be 1.4 percent in 2025. Growth in the United States is expected to slow to 1.8 percent, a pace that is 0.9 percentage point lower relative to the projection in the January 2025 WEO Update, on account of greater policy uncertainty, trade tensions, and softer demand momentum, whereas growth in the euro area at 0.8 percent is expected to slow by 0.2 percentage point. In emerging market and developing economies, growth is expected to slow down to 3.7 percent in 2025 and 3.9 percent in 2026, with significant downgrades for countries affected most by recent trade measures, such as China. Global headline inflation is expected to decline at a pace that is slightly slower than what was expected in January, reaching 4.3 percent in 2025 and 3.6 percent in 2026, with notable upward revisions for advanced economies and slight economies in 2025.

World Economic Outlook Growth Projections

(Real GDP, annual percent change)	PROJECTIONS		
	2024	2025	2026
World Output	3.3	2.8	3.0
Advanced Economies	1.8	1.4	1.5
United States	2.8	1.8	1.7
Euro Area	0.9	0.8	1.2
Germany	-0.2	0.0	0.9
France	1.1	0.6	1.0
Italy	0.7	0.4	0.8
Spain	3.2	2.5	1.8
Japan	0.1	0.6	0.6
United Kingdom	1.1	1.1	1.4
Canada	1.5	1.4	1.6
Other Advanced Economies	2.2	1.8	2.0
Emerging Market and Developing Economies	4.3	3.7	3.9
Emerging and Developing Asia	5.3	4.5	4.6
China	5.0	4.0	4.0
India	6.5	6.2	6.3
Emerging and Developing Europe	3.4	2.1	2.1
Russia	4.1	1.5	0.9
Latin America and the Caribbean	2.4	2.0	2.4
Brazil	3.4	2.0	2.0
Mexico	1.5	-0.3	1.4
Middle East and Central Asia	2.4	3.0	3.5
Saudi Arabia	1.3	3.0	3.7
Sub-Saharan Africa	4.0	3.8	4.2
Nigeria	3.4	3.0	2.7
South Africa	0.6	1.0	1.3
Memorandum			
Emerging Market and Middle-Income Economies	4.3	3.7	3.8
Low-Income Developing Countries	4.0	4.2	5.2

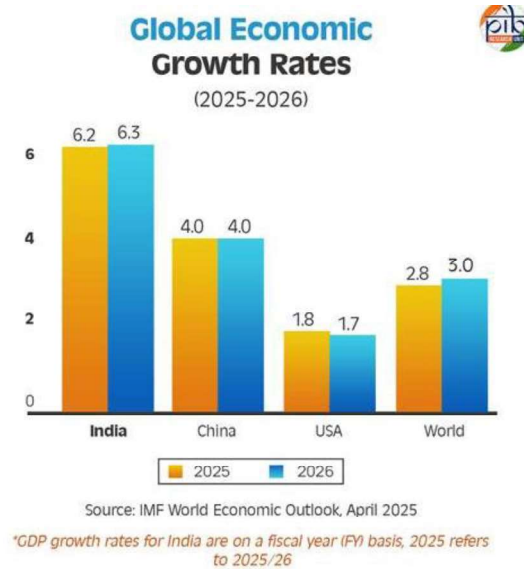
Source: IMF, World Economic Outlook, July 2024

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2024/25 (starting in April 2024) shown in the 2024 column. India's growth projections are 6.5 percent in 2025 and 6.2 percent in 2026 based

INDIAN ECONOMY

India is poised to lead the global economy once again, with the International Monetary Fund (IMF) projecting it to remain the **fastest growing major economy** over the next two years. According to the April 2025 edition of the World Economic Outlook, India's is expected to grow by **6.2 per cent in 2025** and **6.3 per cent in 2026**, maintaining a solid lead over global and peers.

The April 2025 edition of the WEO shows downward revision in the 2025 forecast compared to the January 2025 update, reflecting the impact of heightened global tensions and growing uncertainty. Despite slight moderation, the overall outlook strong. This consistency signals not only strength of India's macroeconomic fundamentals but also its capacity to sustain momentum in a complex international environment. As the IMF reaffirms India's economic resilience, the country's role as a key driver of global growth continues to gain prominence.



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India is projected to remain the fastest-growing large economy for 2025 and 2026, reaffirming its dominance in the global economic landscape. The country's economy is expected to expand by 6.2 per cent in 2025 and 6.3 per cent in 2026, outpacing many of its global counterparts. In contrast, the IMF projects global economic growth to be much lower, at 2.8 per cent in 2025 and 3.0 per cent in 2026, highlighting India's exceptional outperformance.

<https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

<https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2123826>

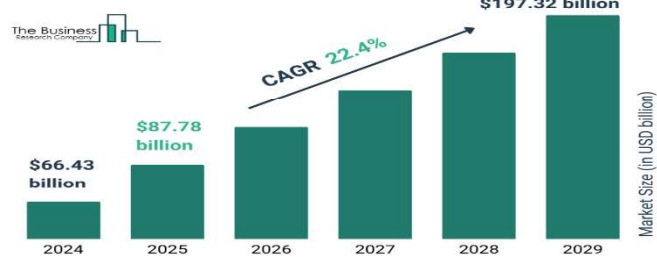
INDUSTRY STRUCTURE & DEVELOPMENT

EV Batteries Industry Developments

The global shift towards clean and sustainable energy solutions has significantly reshaped the energy storage and electric vehicle (EV) industries. In India, this transition is further propelled by strong government initiatives, increasing environmental awareness, and rising fuel costs. The lithium-ion battery sector, in particular, has witnessed rapid growth due to its critical role in enabling both stationary energy storage and e-mobility solutions. Simultaneously, the electric vehicle ecosystem is expanding, creating robust demand for essential components such as motors, controllers, Battery Management Systems (BMS), and DC-DC converters. As the industry matures, it is moving towards integrated, high-efficiency, and cost-effective solutions that comply with stringent national and international standards. CLN Energy is strategically positioned in this evolving landscape, with in-house R&D, manufacturing capabilities, and a strong focus on innovation, to capitalize on the immense opportunities emerging in the clean energy and EV sectors.

An electric vehicle battery is a rechargeable energy storage device specifically designed for electric vehicles (EVs). It serves as the primary source of power to propel the vehicle and operate various electrical systems. The battery technology used in electric vehicles is lithium-ion (Li-ion), although other types, such as solid-state and lithium-polymer batteries, are also being researched and developed. Electric vehicle batteries consist of multiple individual battery cells that are interconnected to form a battery pack. These cells store electrical energy in chemical form and convert it into electrical power when needed. The pack is usually located within the chassis of the electric vehicle and provides a voltage power supply to the electric motor, enabling the vehicle to move. The range of an electric vehicle largely depends on the capacity of its battery pack. Higher-capacity batteries allow for longer driving ranges before recharging is required.

Electric Vehicle (EV) Batteries Global Market Report 2025



About BESS:

CLN-Energy offers a comprehensive Battery Energy Storage Solution (BESS) tailored for seamless integration and performance across diverse applications. Our modular system combines high-performance lithium battery packs, advanced Power Conditioning Units and intelligent Energy Management Systems to ensure reliable, efficient, and scalable energy storage.

Ideal for **data centers, industrial facilities, and high-rise residential buildings**, our BESS is a flexible and robust solution designed to meet the dynamic energy demands of today and tomorrow.

Key Highlights:

- **Fully Integrated Solution:** Includes modular batteries, PCU, and EMS for smooth and intelligent operation.
- **Flexible Architecture:** Scalable from **100 kW to 5 MWh**, covering a wide range of commercial and industrial (C&I) and grid-scale applications.
- **Proven Performance:** Successfully deployed across **500+ sites** in the C&I segment since 2021.
- **Future-Focused Growth:** In the upcoming financial year, CLN-Energy is targeting significant expansion in the **C&I and Grid BESS** market segments.

Our BESS is designed to support energy reliability, peak load management, and renewable integration, helping clients reduce costs and improve energy resilience.

CLN Energy Limited has emerged as a capable provider of Battery Energy Storage Systems (BESS), delivering custom lithium-ion storage solutions across grid, industrial, and residential segments. Its grid-scale systems support peak-shaving and precise voltage/frequency regulation through advanced control algorithms, ensuring rapid load response and seamless integration into existing infrastructure. For industrial clients, CLN's modular, maintenance-free ESS (ranging from 20–500 kW at 96–1000 V) combines remote monitoring and predictive analytics to ensure reliable power during outages and maximize operational uptime. Meanwhile, its residential BESS offerings—ranging from 20 to 500 kW—boast long life cycles, solar integration, user-friendly interfaces, and high safety standards. With its in-house R&D and manufacturing facilities in Noida and Pune, CLN is well-positioned to support India's accelerating energy storage demand, offering scalable, sophisticated, and resilient BESS solutions.

India faces significant air pollution and environmental challenges, especially in densely populated cities. Due to this, the rising adoption of electric vehicles (EVs) with clean energy sources is seen as a crucial solution to mitigate air pollution and reduce greenhouse gas emissions. Additionally, the cost of EV batteries has been declining steadily due to advancements in battery technology, economies of scale, and increased manufacturing efficiency. This reduction in battery costs has made electric vehicles more affordable and attractive to consumers, driving the demand for EVs in India. Other than this, the development of a robust charging infrastructure is vital for the widespread adoption of electric vehicles. In recent years, India has witnessed significant progress in the deployment of public charging stations, fast-charging networks, and home-charging solutions. This infrastructure development is encouraging consumers to switch to electric vehicles by alleviating concerns about charging availability and accessibility. Besides this, continuous advancements in electric vehicle battery technology, such as improved energy density, longer range, and faster charging capabilities, are making electric vehicles more practical and convenient for Indian consumers. These technological innovations are boosting consumer confidence in electric vehicles and escalating the demand for EV batteries. Furthermore, the Government of India has implemented various policies and initiatives to promote electric mobility. These include financial incentives, tax benefits, and subsidies for EV buyers, as well as the Faster Adoption and Manufacturing of Electric Vehicles

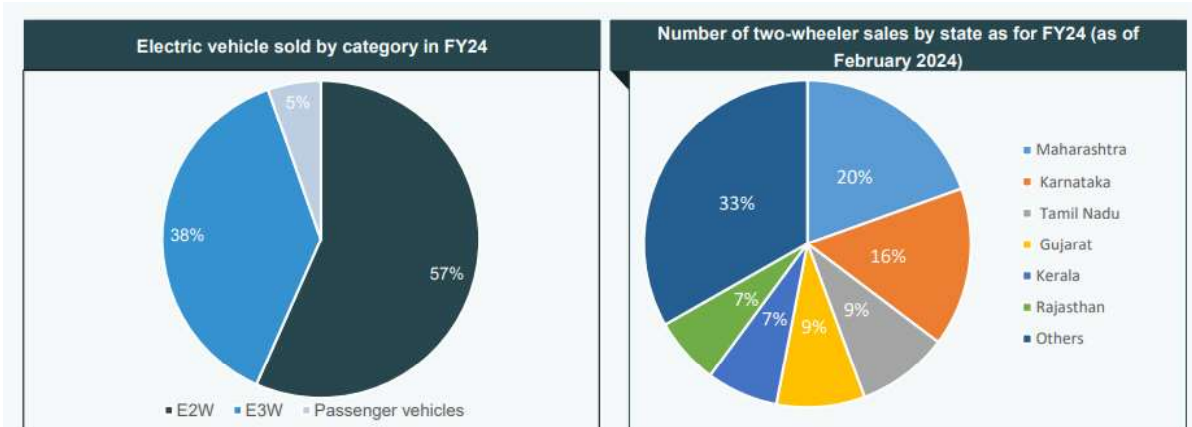
(FAME) scheme. These initiatives aim to reduce pollution, dependence on fossil fuels, and promote a sustainable transportation ecosystem.

Factors Driving the Demand for Batteries in India

The increasing demand for electric vehicles across passenger and commercial segments is one of the primary factors that is responsible for driving demand for batteries in India. Homes are also becoming smarter and using different types of electronic devices to complete routine tasks. The usage of electronic devices at home has increased the demand for the required power supply and the existing capacity of grid supply is not enough to meet this demand. Shortage of the required grid supply also proves an important driving factor for increasing demand for batteries. Besides, Central and State Govts. are continuously taking big initiatives to accelerate rapid urbanization and industrialization to contribute to the economy which leads to increased demand for electricity. Batteries, especially in the form of backup power solutions, in rural areas with limited or unreliable access to the electricity grid, and urban, and industrial settings, are essential to ensure uninterrupted power supply. Batteries prove good off-grid solutions when grid supply is not available. The telecommunication infrastructure is another domain that essentially requires high-capacity batteries to ensure smooth connectivity in remote areas. The power sector currently produces insufficient energy and it requires huge improvement to successfully overcome the considerable issues of unstable power infrastructure. High-capacity Energy Storage Solutions appear to be a feasible amenity to bring positive change in the energy sector but they also need batteries to keep ESS functioning and deliver expected results. Above-listed factors are significantly driving the demand for batteries in India.

Electric Vehicle Industry Structure

India's Electric Vehicle (EV) sector is experiencing rapid growth, fuelled by government incentives, rising environmental concerns, and technological advancements. With initiatives like the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) scheme, India aims to significantly increase EV adoption, revolutionizing its transportation landscape towards sustainability and innovation.



India has established an objective to elevate the proportion of Electric Vehicle (EV) sales to 30% in private cars, 70% in commercial vehicles, 40% in buses, and 80% in two-wheelers and three-wheelers by the year 2030. This

equates to an ambitious objective of 80 million EVs on Indian roads by 2030. Additionally, India strives for complete domestic EV production through the 'Make in India' initiative.

Renewable Energy Industry Developments

India's energy demand is expected to increase more than that of any other country in the coming decades due to its sheer size and enormous potential for growth and development. Therefore, most of this new energy demand must be met by low-carbon, renewable sources. India's announcement that it intends to achieve net zero carbon emissions by 2070 and to meet 50% of its electricity needs from renewable sources by 2030 marks a historic point in the global effort to combat climate change.

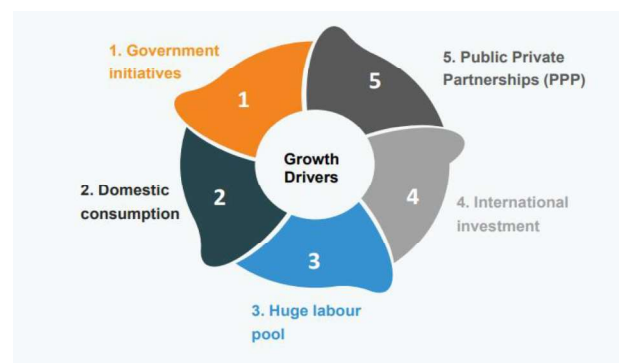
India was ranked fourth in wind power capacity and solar power capacity, and fourth in renewable energy installed capacity, as of 2023. Installed renewable power generation capacity has increased at a fast pace over the past few years, posting a CAGR of 15.4% between FY16 and FY23. India has 125.15 GW of renewable energy capacity in FY23. India is the market with the fastest growth in renewable electricity, and by 2026, new capacity additions are expected to double.

OPPORTUNITIES

The adoption of EVs is continuously increasing and electric vehicles are penetrating the market with higher sales. They require lithium-ion batteries in huge amounts. Consistently growing sales of EVs also increase the demand for lithium-ion batteries because they are the main components in electric vehicles. These numbers will increase more in the coming years to touch new limits. **Lithium-ion batteries** also help as an emergency power backup system at home, workplace, and C&I. These batteries additionally play a key role in increasing the capacity of the power backup system and provide enlarged backup time. These consistently growing demands provide huge opportunities for all [lithium-ion battery manufacturers](#).

- 'Make in India' is an initiative which was launched on September 25, 2014, to facilitate investment, foster innovation, build best-in-class infrastructure, and make India a hub for manufacturing, design, and innovation. It is one of the unique 'Vocal for Local' initiatives that promoted India's manufacturing domain to the world.

- On the 10th anniversary of the 'Make in India' initiative, Union Commerce and Industry Minister Mr. Piyush Goyal reported significant achievements, including an 85% reduction in mobile imports and a 200% increase in manufacturing jobs from 2022 to 2024. He emphasized that 99% of mobile phones in India are now produced domestically, reflecting the initiative's success in transforming India's manufacturing landscape and attracting substantial Foreign Direct Investment (FDI). He highlighted ongoing efforts to improve the ease of doing business and support the startup ecosystem, aiming to position India as a global manufacturing hub and a developed nation by 2047.



- Make in India' initiative has significant achievements and presently focuses on 27 sectors* under Make in India 2.0. Department for Promotion of Industry and Internal Trade (DPIIT) is working closely with 24 sub-sectors which have been chosen keeping in mind the Indian industries strengths and competitive edge, need for import substitution, potential for export and increased employability. These 24 sub-sectors are: Furniture, air-conditioners, leather and footwear, ready to eat, fisheries, agri-produce, auto components, aluminium, electronics, agrochemicals, steel, textiles, EV components and integrated circuits, ethanol, ceramics, set top boxes, robotics, televisions, close circuit cameras, toys, drones, medical devices, sporting goods, gym equipment.
- Maruti Suzuki has begun exporting the Made-in-India Fronx compact SUV to Japan, marking its first SUV launch in the Japanese market. Manufactured at its Gujarat plant, the first shipment of over 1,600 vehicles has already left for Japan, with the official launch planned for autumn 2024.
- India's first 'Made in India' chip will be launched ahead of schedule, supported by the Rs. 76,000 crore (US\$ 8.79 billion) Semicon India program. Foreign investments are also flowing in, with NXP Semiconductors planning to invest Rs. 8,644 crore (US\$ 1 billion) in R&D and Micron Technology setting up a Rs. 23,771 crore (US\$ 2.75 billion) plant in Gujarat. India's semiconductor market is projected to reach Rs. 5,44,572 crore (US\$ 63 billion) by 2026.

By 2030, the Indian government expects the electronics manufacturing sector to be worth Rs. 26 ,06 ,100 crore (US \$ 300 billion). • Initiatives like Make in India, Digital India and Startup India have given the much - needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India. • India's electronic manufacturing sector is projected to reach around Rs. 21 ,71 ,750 crore (US \$ 250 billion) in the next five years, driven by technological advancements like 5 G and the Internet of Things (IoT). Currently, electronic exports stand at Rs. 10 ,85 ,875 crore (US \$ 125 billion) to Rs. 11 ,29 ,310 crore (US \$ 130 billion), with the government aiming to double employment in the sector from 2.5 million jobs.

THREATS

Major Threat that Company may face:

1. Battery Safety Concerns and Liability Risks:

Lithium-ion batteries, while widely used, pose inherent safety risks such as overheating, short-circuiting, and thermal runaway. Manufacturing defects, improper handling, or design flaws can lead to battery fires or explosions. Such incidents can trigger product recalls, regulatory investigations, and significant financial liabilities. Additionally, a single safety failure can cause severe reputational damage, impacting trust among customers and OEM partners.

2. Capital-Intensive Nature of Business

Establishing gigafactories, advanced testing facilities, and automation lines requires substantial capital investment. Battery manufacturing also demands precision equipment and cleanroom infrastructure. The long

gestation period for return on these investments, especially in a rapidly evolving technological landscape, increases financial risk and pressure on working capital.

3. Volatility in Raw Material Prices and Supply Chain Bottlenecks

Critical minerals like lithium, cobalt, nickel, and graphite are essential for EV batteries. These resources are geographically concentrated and subject to geopolitical tensions, environmental concerns, and export restrictions. Price volatility in these materials can drastically affect profit margins. Any disruption in logistics, mining operations, or trade policies may hinder the timely availability of essential inputs, leading to production delays and cost escalations.

4. Environmental and Regulatory Compliance Risks

Battery manufacturing generates emissions, hazardous waste, and wastewater that are tightly regulated. As environmental norms become more stringent in India and abroad, compliance costs are expected to rise. Non-compliance may result in penalties, closure of operations, or loss of environmental clearances. Moreover, increased pressure to ensure sustainable sourcing and recycling of batteries imposes additional operational burdens.

5. Emerging Competitive Technologies

The lithium-ion battery market faces disruption from emerging technologies such as **solid-state batteries**, **sodium-ion batteries**, and **hydrogen fuel cells**. These alternatives may offer superior performance, cost efficiency, or safety. Failure to keep pace with such innovations can make existing products obsolete, requiring substantial R&D investments and retooling of production lines.

6. Shortage of Skilled Manpower and Technical Talent

The industry requires a specialized workforce skilled in electrochemistry, embedded systems, battery diagnostics, and automation. The availability of such talent in India remains limited, making recruitment and retention a challenge. Skill shortages can lead to quality lapses, R&D stagnation, and slower innovation cycles.

7. Cybersecurity and Data Protection Risks

Battery Management Systems (BMS) and connected EV components collect and process sensitive data. As digital integration increases, so does the risk of cyber-attacks, data theft, and operational disruptions. A cybersecurity breach could not only lead to data loss but also compromise the safety and performance of products in the field.

8. Dependence on Charging Infrastructure and Grid Stability

The adoption of EVs and stationary battery solutions depends on the simultaneous development of a robust charging network and stable electricity grids. Any delay in infrastructure development can restrict market expansion and reduce the pace of demand growth for battery products.

9. Customer Concentration and Contractual Dependency

Many battery manufacturers rely heavily on a small number of OEM clients or large contracts. Loss of a key customer due to price competition, product performance, or strategic shifts could significantly impact revenue. Additionally, long-term supply agreements with fixed pricing can expose the company to margin pressures if input costs rise.

10. IP Infringement and Technological Litigation

The battery domain is highly patent-intensive. Infringement, whether deliberate or accidental, can result in legal disputes, licensing fees, and injunctions. Smaller players are especially vulnerable to litigation from large multinational corporations defending their IP. At the same time, protecting CLN Energy's proprietary technologies from unauthorized use or duplication also remains a significant challenge.

11. Policy Uncertainty and Regulatory Delays

While the Indian government currently offers incentives under schemes like FAME II and PLI, future policy changes remain unpredictable. Any rollback or delay in incentive disbursement, import duty revisions, or compliance certifications can alter business projections. Regulatory approvals for new chemistries or safety standards also tend to be slow, impacting time-to-market for new products.

12. Foreign Exchange and Import Risks

A significant portion of battery raw materials and electronic components are imported. Fluctuations in foreign exchange rates can impact the landed cost of materials. Additionally, global shipping disruptions, customs delays, or political restrictions can affect inventory cycles and order fulfillment capabilities.

13. Waste Management and End-of-Life (EoL) Responsibility

As battery volumes increase, manufacturers may face growing responsibilities for waste collection, recycling, and disposal under extended producer responsibility (EPR) norms. Currently, battery recycling infrastructure in India is nascent, and setting up internal recycling operations may entail large capital and operational costs.

14. Macroeconomic Uncertainty and Financing Constraints

Economic slowdowns, rising interest rates, or inflation can reduce consumer spending on electric vehicles and increase the cost of capital for manufacturers. Moreover, securing long-term financing for capacity expansion or R&D can be challenging in volatile financial markets.

OUTLOOK

The outlook for the EV battery manufacturing industry remains highly optimistic, driven by the accelerating global shift toward clean mobility and renewable energy storage. India is rapidly emerging as a strategic hub for

lithium-ion battery production, bolstered by supportive government initiatives such as the FAME-II scheme, PLI for Advanced Chemistry Cells (ACC), and rising domestic EV demand.

Demand for lithium-ion batteries is expected to grow exponentially, not only from the electric vehicle (EV) segment but also from grid storage, telecom, industrial backup, and consumer electronics. By 2030, India's battery market is projected to reach over 300 GWh annually, representing a significant opportunity for domestic manufacturers.

CLN Energy is well-positioned to capitalize on this momentum with its vertically integrated capabilities across battery packs and EV components such as motors, controllers, BMS, and DC-DC converters. Our focus on R&D, adherence to international quality standards, and expanding production capacity will enable us to meet the evolving needs of automotive OEMs and energy solution providers.

However, to sustain this growth, strategic challenges including raw material security, supply chain resilience, and technology upgrades will need to be addressed proactively. The transition to new battery chemistries (such as LFP, NMC, and future solid-state technologies) will require ongoing innovation and capital investment.

With the expected rollout of EV-friendly infrastructure and tightening emission regulations, CLN Energy anticipates strong demand over the next 5–10 years. The company aims to scale its capacity, explore export markets, and develop partnerships with key players in the mobility and energy storage ecosystems.

BUSINESS PERFORMANCE:

1) REVIEW OF OPERATIONS:

The Total Income of the Company stood at ₹ 22,038.51 lacs for the year ended March 31, 2025 as against ₹ 13,285.94 lacs in the previous year. The Company made a net profit of ₹ 1292.19 lacs for the year ended March 31, 2025 as compared to the net profit of ₹ 939.84 lacs in the previous year.

2) HUMAN RESOURCES:

The Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

3) DETAILS ON SIGNIFICANT CHANGES:

Sr. No.	Ratio Analysis	Ratio		Difference (in %)	Reasons for Differences, if Difference is More than 25%.
		31-Mar-25	31-Mar-24		

1	Current Ratio	1.63	1.26	30%	Due to increase in Inventory and Trade receivable during the year
2	Debt Equity Ratio	0.17	NA	NA	Due to increase in short term borrowing taken from bank for working capital
3	Debt Service Coverage ratio	1.24	NA	NA	Due to increase in short term borrowing taken from bank for working capital
4	Return on Equity Ratio	14	70	-81%	New issue of equity share capital through IPO and has resulted in decrease in EPS due to dilution
5	Inventory Turnover	3.13	3.25	-4%	NA
6	Trade Receivable Turnover Ratio	4.38	5.31	-17%	NA
7	Trade Payable Turnover Ratio	3.89	1.83	112%	Due to significant increase in revenue from operations.
8	Net Profit ratio	6	7	-17%	NA
9	Return on Capital Employed	21	89	-77%	New issue of equity share capital through IPO and has resulted in decrease return on capital employed

4) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has an Internal Control System commensurate with its requirement and size of business to ensure that the assets and interest of the company assets are safeguarded. The adequacy and effectiveness of the internal control across various activities, as well as compliance with laid down system and policies are comprehensively and frequently monitored by your company's management at all the levels of the organization. The company has established well defined policies and processes across the organization covering all major activities including

authority for approvals. In all cases where monetary decisions are involved, various limits and authorities are in place.

The Company's internal controls are structured in a manner that ensure reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies, laws and accounting standards.

With a strong monitoring system in place, the Company has an Audit Committee. The Audit Committee of the Board of Directors review the existing audit procedures and internal systems of control on an ongoing basis keeping in mind the organization's requirements, growth prospects and ever evolving business environment. They also review the internal audit findings and recommendations and ensure that corrective measures are implemented. Suggestions for improvement are considered and the Audit Committee follows up on the implementation of corrective actions.

5) RISK MANGEMENT:

For CLN Energy Limited, an effective risk management policy lies at the core of our business philosophy, which is centered on delivering higher and better returns to all our stakeholders. With ups and downs, volatility and fluctuations in the financial business in which the Company operates, CLN Energy Limited is exposed to various risks and uncertainties in the normal course of our business. Since such variations can cause deviations in the results from operations and affect our financial state, the focus on risk management continues to be high.

6) SAFE HARBOUR:

This document contains statements about expected future events, financial and operating results of the businesses, which are forward-looking. By their nature, forward-looking statements require the businesses to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of CLN Energy Limited's Annual Report, FY2024-25.

**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
CLN Energy Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CLN Energy Limited having CIN : U33100UP2019PLC121869 and having registered office at Plot-18, Sector-140, Phase-2, Nepz Post Office, Gautam Buddha Nagar, Dadri, Uttar Pradesh, India, 201305 (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 my 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 & 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 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Ministry of Corporate Affairs or Securities Exchange Board of India or any such other Statutory Authority

Sr No	Name of Director	DIN	Date of Appointment
1	Mr. Sunil Gandhi	08433754	18/08/2020
2	Mr. Rajiv Seth	02156211	14/02/2024
3	Mr. Rakesh Kakkar	05190517	19/06/2024
4	Mr. Bhawna Hundlani	10459772	19/06/2024
5	Mr. Manish Shah	10343779	09/10/2023



6th ANNUAL REPORT 2024-25

Ensuring the eligibility for 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.

Date: 14.07.2025

Place: Mumbai

UDIN: A022135G000775349

**For & on behalf of
SARK & Associates LLP**

Sd/-

**Sumit Khanna
(Partner)
Company Secretaries
CP No. 9304 / Membership No. 22135**

**INDEPENDENT AUDITOR'S REPORT****TO MEMBERS OF****CLN ENERGY LIMITED (Formerly CLN ENERGY PRIVATE LIMITED AND JLNPHENIX ENERGY PRIVATE LIMITED)****Report on the Financial Statements****Opinion**

We have audited the accompanying financial statements of **CLN Energy Limited (Formerly CLN ENERGY PRIVATE LIMITED AND JLNPHENIX ENERGY PRIVATE LIMITED)** which comprise the Balance Sheet as at **31st March, 2025**, and the Statement of Profit and Loss and Cash Flow Statement for the period then ended, and notes to the financial statements, including a summary of significant 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 Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and Loss account and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.



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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the AS 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material



misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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", a statement on the matter specified in the paragraph 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Companies Act, 2013, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet and Statement of Profit and Loss and Statement of Cash Flow dealt with this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the AS specified in section 133 of the Act, read with relevant rule issued thereunder.
 - e. On the basis of written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, referred to our separate report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



In our opinion and to the best of our information and according to the explanations given to us, the 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 other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its standalone financial statements - Refer Note (vii) of Annexure - A to the standalone financial statements
 - (b) The Company did not have any long-term and derivative contracts as at March 31, 2025.
 - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
 - (d) The management has;
 - (i) represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or



- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material mis-statement.
- (e) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123, as applicable.
- (f) In our opinion, according to the information and explanations given to us, the Company has not declared and paid any interim dividend during the year.
- (g) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2024 to the Company and its subsidiaries, which are companies incorporated in India, and accordingly, The Company has used accounting software 'Tally Prime System' for maintaining its books of account which has a feature of recording audit trail facility and the same has been operated throughout the period for all transactions recorded in the software.

Place: Mumbai
Date: 29th May 2025

**FOR D G M S & Co.,
Chartered Accountants**



**Hiren J. Maru
Partner
M. No. 115279
FRN: 0112187W
UDIN: 25115279BMIQBN8983**

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENT OF CLN ENERGY LIMITED FOR THE YEAR ENDED 31ST MARCH 2025

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

(i) Property, Plant & Equipment and Intangible Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of 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.
- c) Property, Plant and Equipment have been physically verified by the management at reasonable intervals; any material discrepancies were noticed on such verification and if so, the same have been properly dealt with in the books of account.
- d) According to the information and explanation given to us the title deeds of all the immovable properties. (Other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- e) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- f) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) Inventory and working capital:

- a) The stock of inventory has been physically verified during the year by the Management at reasonable intervals, except stock lying with third parties. Confirmations of such stocks with third parties have been obtained by the Company in most of the cases. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets.



(iii) Investments, any guarantee or security or advances or loans given:

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

1. The Company has provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year.
- a. Based on audit procedure carried on by us and as per the information and explanation given to us, the company have not granted loans to subsidiary,
2. In our opinion, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;
3. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation.
4. In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
5. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
6. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(6) is not applicable.

(iv) Loan to directors:

a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.



(v) Deposits:

- a) The company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any relevant provisions of the 2013 act and the rules framed there under to the extent notified.

(vi) Maintenance of Cost Records:

- a) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

(vii) Statutory Dues:

- a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, GST, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31/03/25 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, GST, excise duty and cess which have not been deposited on account of any dispute.

(viii) Disclosure of Undisclosed Transactions:

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

(ix) Loans or Other Borrowings:

- a) Based on our audit procedures and according to the information and explanations given to us, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.



- d) On an overall examination of the 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 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) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) Money Raised by IPOs, FPOs:

- a) The Company has raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order. Refer Note no. 38 of financial statements.
- b) During the year, the Company has not made preferential allotment or private placement of shares.

(xi) Fraud:

- a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or no fraud by the Company and no material fraud on the Company 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 upto the date of this report.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

(xii) Nidhi Company:

- a) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) Related Party Transactions:

- a) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the



standalone financial statements as required by the applicable accounting standards.

(xiv) Internal Audit System:

- 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 report for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) Non-cash Transactions:

- a) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) Registration under section 45-IA of RBI Act, 1934:

- 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 clause 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 clause 3(xvi)(d) of the Order is not applicable.

(xvii) Cash losses:

- a) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) Resignation of statutory auditors:

- a) There has been resignation of the previous statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(xix) Material uncertainty on meeting liabilities:

- a) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from



the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) Compliance of CSR:

- a) According to the information and explanations given to us and based on our examination of the records of the company, the company is required to spent amount towards Corporate Social Responsibility (CSR) as per the section 135 of companies' act, 2013, reporting under clause 3(xx)(a) of the Order is applicable for the year Refer Note No. 34 of financial statements.

Place: Mumbai
Date: 29th May 2025

**FOR D G M S & Co.,
Chartered Accountants**



Hiren J. Maru
Partner
M. No. 115279
FRN: 0112187W
UDIN: 25115279BMIQBN8983

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENT OF CLN ENERGY LIMITED FOR THE YEAR ENDED 31ST MARCH 2025

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

We have audited the internal financial controls over financial reporting of CLN Energy Limited (Formerly CLN ENERGY PRIVATE LIMITED AND JLNPHENIX ENERGY PRIVATE LIMITED) ('the Company') as of 31st March, 2025 in conjunction with our audit of the AS financial statements of the Company for the year ended on that date.

Opinion

We have audited the internal financial control with reference to financial statement of CLN Energy Limited (Formerly CLN ENERGY PRIVATE LIMITED AND JLNPHENIX ENERGY PRIVATE LIMITED) Limited ("The Company") as of 31st March 2025 in conjunction with our audit of the financial statement of the company at and for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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



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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Place: Mumbai
Date: 29th May, 2025

**FOR D.G.M.S. & Co.,
Chartered Accountants**



Hiren J. Maru
Partner
M. No. 115279
FRN: 0112187W
UDIN: 25115279BMIQBN8983



CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhenix Energy Private Limited)
(CIN No. U33100UP2019PLC121869)
Balance Sheet as at 31 March 2025
(figures are in lacs ₹, unless stated otherwise)

	Notes	As at 31 March 2025	As at 31 March 2024
Equity and liabilities			
Shareholders' funds			
Share capital			
Reserves and surplus	3	1,055.33	340.50
	4	8,394.01	996.84
		<u>9,449.34</u>	<u>1,337.34</u>
Non-current liabilities			
Other long term liabilities	8	57.69	2,643.17
Long-term provisions	5	43.17	26.77
		<u>100.86</u>	<u>2,669.94</u>
Current liabilities			
Short-term Borrowings			
Trade payables	6	1,581.73	
	7		
- total outstanding dues of micro enterprises and small enterprises		223.75	76.45
- total outstanding dues of creditors other than micro enterprises and small enterprises			
Other current liabilities	8	5,417.55	5,552.84
Short-term provisions	5	2,522.52	1,054.50
		<u>647.41</u>	<u>636.31</u>
		<u>10,392.96</u>	<u>7,320.10</u>
Total equity and liabilities		<u>19,943.16</u>	<u>11,327.38</u>
Assets			
Non-current assets			
Property, plant and equipment and Intangible assets			
- Property, plant and equipment			
- Intangible assets	9	1,779.86	1,600.81
Capital work-in-progress	10	53.07	153.70
Long-term loans and advances	9		
Deferred tax assets (net)	11	254.00	
Other non-current assets	29	293.68	268.81
	15	622.40	103.65
		<u>3,003.01</u>	<u>2,126.97</u>
Current assets			
Inventories			
Trade receivables	12	6,422.50	3,548.56
Cash and bank balances	13	7,520.88	2,477.82
Short-term loans and advances	14	780.36	378.96
Other current assets	11	1,942.48	938.57
	15	273.93	1,856.50
		<u>16,940.15</u>	<u>9,200.41</u>
Total assets		<u>19,943.16</u>	<u>11,327.38</u>
Summary of significant accounting policies and other explanatory information. This is the balance sheet referred to in our report of even date.	1-39		

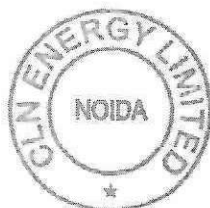
For M/s. D G M S & CO.
Chartered Accountants
Firm's Registration No.: 0112187W

Hiren Jayantilal Maru



Hiren Jayantilal Maru
Partner
Membership No. 115279
Place: Mumbai
Date: 29 May 2025

UDIN: 25115279BM1QB8983



For and on behalf of the Board of Directors of
CLN Energy Limited

Sunil Gandhi
Sunil Gandhi
Director
DIN: 08433754
Place: Noida

Manish Shah
Manish Shah
Director
DIN: 10343770
Place: Noida

Ashish Kumar
Ashish Kumar
Chief Financial Officer
PAN: BOHPK7918D
Date: 29 May 2025
Place: Noida

Rahul Rasikbhai Jethw.
Rahul Rasikbhai Jethw.
Company Secretary
PAN: BSJFJ84761J
Date: 29 May 2025
Place: Noida

CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhenix Energy Private Limited)
(CIN No. U33100UP2019PLC121869)

Statement of Profit and loss for the year ended 31 March 2025

(Figures are in lacs ₹, unless stated otherwise)

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue			
Revenue from operations	16	21,917.96	13,270.87
Other income	17	120.55	15.07
Total Income		22,038.51	13,285.94
Expenses			
Purchase of Stock-in-Trade		4,369.18	1,816.76
Raw Material Consumed	18	14,209.83	7,483.10
Change in Inventories	19	(1,896.52)	(335.27)
Employee benefit expense	20	1,136.16	1,289.13
Finance costs	21	81.38	16.95
Depreciation and amortisation expense	22	627.99	642.58
Other expenses	23	1,626.01	1,148.40
Total expenses		20,154.04	12,061.65
(Loss)/Profit before exceptional loss		1,884.47	1,224.29
Exceptional loss	24	-	39.01
(Loss)/Profit before tax		1,884.47	1,185.28
Tax expense			
Tax related to previous year		42.51	-
Current tax		574.65	389.56
Deferred tax (credit)/charge		(24.88)	(144.12)
Total tax expense		592.28	245.44
Profit/(Loss) for the year		1,292.19	939.84
Earnings per equity share			
Basic and diluted earnings/(loss) per share	25	15.87	12.27
Summary of significant accounting policies and other explanatory information.	1-39		

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

For M/s. D G M S & CO.

Chartered Accountants

Firm's Registration No.: 0112187W



Hiren Jayantilal Maru

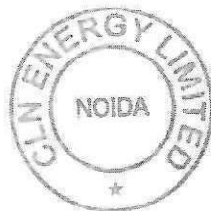
Partner

Membership No. 115279

Place: Noida

Date: 29 May 2025

UDIN: 25115279BMIQBME983



For and on behalf of the Board of Directors of
CLN Energy Limited



Sunil Gandhi
Director

DIN: 08433754

Place: Noida



Manish Shah
Director

DIN: 10343779

Place: Noida



Ashish Kumar
Chief Financial Officer

PAN: BOIIPK7918D

Date: 29 May 2025

Place: Noida



Rahul Rasikbhai Jethwa
Company Secretary

PAN: BSIIPJ8476H

Date: 29 May 2025

Place: Noida

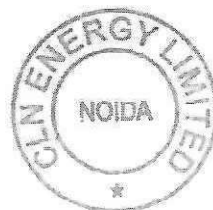
CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhenix Energy Private Limited)
(CIN No. U33100UP2019PLC121869)
Cash Flow Statement for the year ended 31 March 2025
(Figures are in lacs ₹, unless stated otherwise)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flow from operating activities:		
Profit/(loss) before tax		
Adjustments for:	1,884.47	1,185.28
Depreciation and amortisation		
Loss on sale or disposal of property, plant & equipment	627.99	642.58
Unrealised foreign exchange gain	49.91	
Interest income on fixed deposits	(56.33)	197.52
Finance Cost	(29.39)	(13.59)
Interest on delayed payment of advance income-tax	59.49	
Provision for warranty claims	21.89	16.95
Operating profit/(loss) before working capital changes	177.28	45.92
	2,735.31	2,074.66
Adjustments for changes in working capital:		
Movement in trade receivables		
Movement in loans and advances	(5,043.06)	42.88
Movement in short term provisions	(1,257.91)	(100.52)
Movement in long term provisions	(1,005.24)	(127.18)
Movement in other current assets	16.40	(20.20)
Movement in inventories balance	1,595.66	260.09
Movement in other long term liabilities	(2,873.94)	(355.84)
Movement in trade payables	(2,585.48)	2,599.74
Movement in other current liabilities	68.34	(3,640.11)
	1,468.02	(283.14)
Cash generated from operations	(6,881.90)	450.38
Income taxes paid (net of refunds)	200.01	
Net cash generated from operating activities (A)	(6,681.89)	450.38
Cash flow from investing activities:		
Purchase/Sale of property, plant and equipment		
Purchase of intangible assets	(756.30)	(260.19)
Fixed deposits made during the year		(21.39)
Interest received on fixed deposits	(531.86)	130.67
	29.39	13.59
Net cash used in investing activities (B)	(1,258.77)	(137.32)
Cash flow from financing activities:		
Proceeds from issue of share capital	6,819.81	
Proceeds from short term borrowings	1,581.73	
Finance cost	(59.49)	
Net cash generated/(used in) from financing activities (C)	8,342.05	-
Net increase in cash and cash equivalents (A+B+C)	401.39	313.06
Opening cash and cash equivalents (refer note 13)		
Cash in hand		
Balances with banks	2.19	2.01
- on current accounts		
Fixed deposit less than 12 months	149.20	63.89
	227.57	-
Closing cash and cash equivalents (refer note 13)	378.96	65.90
Cash on hand		
Balances with banks	1.54	2.19
- in current accounts		
Fixed deposit less than 12 months	47.71	149.20
	731.10	227.57
	780.35	378.96

Summary of significant accounting policies and other explanatory information

1-39

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



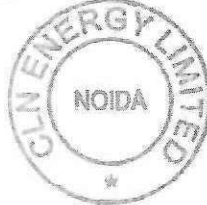
CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhoenix Energy Private Limited)
(CIN No. U33100UP2019PLC121869)
Cash Flow Statement for the year ended 31 March 2025
(Figures are in lacs ₹, unless stated otherwise)

For M/s. D G M S & CO.
Chartered Accountants
Firm's Registration No.: 0112187W

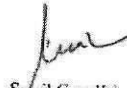



Hiren Jayantilal Maru
Partner
Membership No. 115279
Place: Noida
Date: 29 May 2025

UDIN : 25115279BM19BMA8983



For and on behalf of the Board of Directors of
CLN Energy Limited


Sunil Gandhi
Director
DIN: 08433754
Place: Noida


Ashish Kumar
Chief Financial Officer
PAN: BOHPK7918D
Date : 29 May 2025
Place: Noida


Manish Shah
Director
DIN: 10313779
Place: Noida


Rahul Rasikbhai Jethwa
Company Secretary
PAN : BSFPJ8476H
Date :29 May 2025
Place: Noida

1 Background

CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhenix Energy Private Limited) (the Company) was incorporated in India on 1 October 2019 under the Companies Act, 2013. The Company is a wholly owned subsidiary of CLN Energy Pte. Limited, Singapore. The Company is primarily involved in assembling and trading of Lithium Ion battery and its ancillary products.

The financial statements were approved for issue in accordance with a resolution of the directors on 29 May 2025.

2 Basis of preparation and significant accounting policies

The accounting policies set out below have been applied consistently to the year presented in these financial statements.

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "Act"), read with Rule 7 of the Companies (Accounting Standards) Rules, 2021 and the relevant provisions of the Companies Act, 2013. Further, the guidance notes and announcements issued by the Institute of Chartered Accountants of India are also considered, wherever applicable. The financial statements are prepared on the basis of historical cost convention, and on the accounting principle of a going concern.

All assets and liabilities have been classified a current or non-current, wherever applicable as per the operating cycle of the Company and as per the guidance as set out in Schedule III to the Companies Act, 2013.

2.2 Significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP (Generally accepted accounting principles) requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon Management's best knowledge of current events and actions, uncertainty about these assumption and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

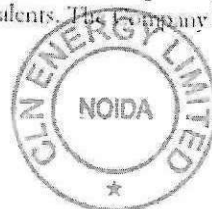
Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Current liabilities includes the current portion of long term financial liabilities. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.



c) Property, plant and equipment

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its acquisition price, including import duties and other non-refundable taxes or levies, any directly attributable cost of bringing the asset to its working condition for its intended use, pre-operative expenses including financial charges and adjustments on account of foreign exchange fluctuations, wherever applicable; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of fixed asset should be capitalised only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance otherwise expenditure should be written off.

d) Depreciation and Amortisation

Depreciation on property, plant and equipment is provided on written down value method over the useful lives of assets estimated by the management which are equal to the useful lives prescribed under Schedule II of the Companies Act, 2013. The useful lives estimated by the management are mentioned below:

Furniture and fixtures	: 10 years
Electrical fitting and fixing	: 5 years
Computer and related equipment	: 3 years

Plant & Machineries have been depreciated over a period of 10 years which is the economic useful life of those machineries as per management.

Leasehold improvements is amortised on a straight line basis over the remaining period of the lease or the economic useful life, whichever is lower.

The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life. Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use. Property, Plant and Equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

e) Intangible assets

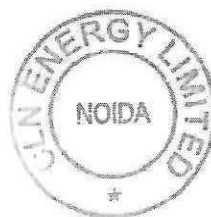
Intangible assets that are acquired by the company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and accumulated impairment loss (if any).

Subsequent expenditure is capitalised only when it increases the future economic benefits to the specific assets to which it relates.

Intangible assets are amortised in Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the assets. Accordingly, at present these are being amortised on written down value method over a period of three years based on the useful economic life.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern. An intangible asset is derecognized on disposal or when no future economic benefit is expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognised in the Statement of Profit and Loss.



d) Impairment of assets

The carrying values of assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the recoverable amount of asset is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

e) Operating leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

h) Employee benefits

Short term employee benefits

It includes salaries, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits (such as medical care) for current employees are estimated and measured on an undiscounted basis.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Gratuity

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

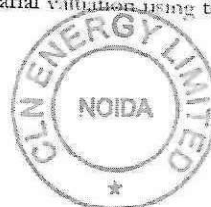
- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Other long term benefits

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.



i) Revenue recognition

Sale of goods

Revenue from sale of goods is recognised as per the terms agreed with customer, which coincides with the transfer of significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of goods & services tax and other taxes.

Sale of Services

Revenue in respect of service income is recognised on an accrual basis in accordance with the terms of specific contracts, provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised as revenue is net of applicable taxes.

j) Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rates prevailing on the date of such transactions. Realized gains and losses on foreign exchange transactions during the year are recognized in the statement of profit and loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognized in the statement of profit and loss.

k) Earnings per share

Basic earnings/(loss) per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are 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).

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

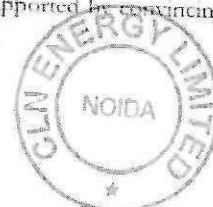
l) Provisions, contingent liabilities and contingent assets

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation on the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made when there is a present obligation that may, but probably will not, require an outflow of resources. Disclosure is also made in respect of a present obligation as a result of past event that probably requires an outflow of resource, where it is not possible to make a reliable estimate of the outflow. Possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are also included in the disclosure of the contingent liability. Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

m) Income taxes

Tax expense comprises of current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income Tax Act, 1961 as applicable to the financial year. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation, where the company has unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.



n) Inventories

Inventories are carried at the lower of cost or net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, FIFO method is used.

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

The proportionate amount of additional duty of customs paid on finished goods imported for trading and lying unsold as at the year end has been included in the value of the finished goods stock.

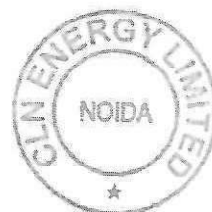
The comparison of cost and net realisable value is made on an item-by-item basis

o) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and balance with banks on current accounts. The Company considers all highly liquid investments, including bank deposits with an original maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents. Further, bank deposits having maturity of more than 12 months have also been disclosed separately by the company under this head. Moreover, the cash flow statement is prepared using indirect method.

p) Segment Reporting

The Company operates in a single primary business segment. Hence, there are no reportable segment as per AS 17 segment Reporting.



CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhenix Energy Private Limited)
(CIN No. U33100UP2019PLC121869)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025
(figures are in lacs ₹, unless stated otherwise)

3 Share capital

	As at 31 March 2025	As at 31 March 2024
Authorised share capital		
1,10,00,000 equity shares of ₹ 10/- each (31 March 2024: 50,00,000 equity shares of ₹ 10 each)		
Issued, subscribed and fully paid up share capital	1,100.00	500.00
1,05,53,250 equity shares of ₹ 10/- each (31 March 2024: 34,05,000 equity shares of ₹ 10 each)	1,055.33	340.50
(a) Reconciliation of share capital (equity shares with voting rights)	1,055.33	340.50

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year			11,35,000	113.50
Add: Issued during the year	34,05,000	340.50		
Add: Issued Bonus shares during the year	28,92,000	289.20		
Shares outstanding at the end of the year	42,56,250	425.63	22,70,000	227.00
	1,05,53,250	1,055.33	34,05,000	340.50

(b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity share having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held. The Company did not declare any dividend on equity shares for the period ended 31 March 2025 and previous year.

(c) Shares held by holding company

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Equity shares of ₹ 10 each fully paid up held by:				
CLN Energy Pte Limited	76,61,238	766.12	34,04,994	340.50

(d) Promoters Shareholdings

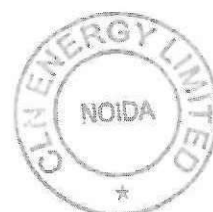
i) Shareholding of promoters as on 31 March 2025

Promoter name	No of Shares	% of total shares	% change during the year
CLN Energy Pte Limited	76,61,238	100.00	125% ^a
Jeevan Chand	2		-33% ^a
Sunil Gandhi	2		-33% ^a
Total	76,61,242	100.00	

ii) Shareholding of promoters as on 31 March 2024

Promoter name	No of Shares	% of total shares	% change during the year
CLN Energy Pte Limited	34,04,994	100.00	
Jeevan Chand	3		
Sunil Gandhi	3		
Total	34,05,000	100.00	

^aPercentage is negligible



CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhoenix Energy Private Limited)
(CIN No. U33100UP2019PLC121869)

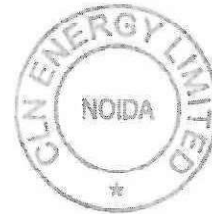
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025
(figures are in lacs ₹, unless stated otherwise)

(c) Details of shares held by each shareholder holding more than 5% shares:

	As at 31 March 2025		As at 31 March 2024	
	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of ₹ 10 each fully paid up held by:				
CLN Energy Pte Ltd	76,61,238	100.00	34,04,994	100.00
	76.61.238	100.00	34.04.994	100.00

(f) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The Company has allotted 42,56,250 fully-paid-up equity shares of face value Rs. 10 each during the year ended 31.03.2025 pursuant to a bonus issue approved by the shareholders. The record date fixed by the Board of Directors was June 6, 2024. The bonus shares were issued by capitalization of profits transferred from general reserve. A bonus shares of 5 equity share for every 4 equity shares held have been allotted. The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and shall be entitled to participate in full, in any dividend other corporate action, recommended and declared after the new equity shares are allotted.



CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhenix Energy Private Limited)
(CLN No. U33100UP2019PLC121869)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025
(Figures are in Lacs ₹, unless stated otherwise)

4 Reserves and surplus

Balance as at 1 April 2023
Securities premium received during the year
Less: Utilised for issue of bonus shares
Profit for the year
Balance as at 1 April 2024
Securities premium received during the year
Less: Utilised for issue expense
Less: Utilised for issue of bonus shares
Profit for the year
Balance at the end of the year

Securities premium	Retained Earnings	Total
189.00	95.00	284.00
-	-	-
189.00	38.00	227.00
-	939.84	939.84
-	996.84	996.84
6,940.80	-	6,940.80
410.20	-	410.20
-	425.62	425.62
-	1,112.19	1,112.19
6,530.60	1,563.41	8,094.01

5 Provisions

Provision for gratuity (net of planned assets)
Provision for compensated absences
Provision for warranty
Provision for income tax (net of TDS receivable)
Payable to Employees

Non-Current		Current	
As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
17.12	9.13	1.30	0.18
26.05	17.64	2.31	1.57
-	-	197.89	82.68
-	-	383.90	399.50
-	-	62.01	152.39
43.17	26.77	647.41	636.31

*The reconciliation of the carrying amount of provision from beginning of the period to the end of the period is provided below:

Provision for warranty
Opening balance
Additions
Amounts utilised
Closing balance

As at 31 March 2025	As at 31 March 2024
82.68	36.75
188.04	15.93
72.83	-
197.89	82.68

6 Short term Borrowings

Loan repayable on demand
From banks
ICICI Bank Ltd.
HDFC Bank Ltd.
From others
Unsecured Loan from others

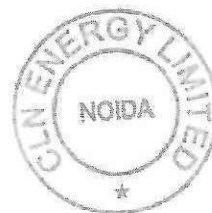
As at 31 March 2025	As at 31 March 2024
611.83	-
769.90	-
200.00	-
1,581.73	-

* The Company has availed a Cash Credit (CC) facility of ₹1,000 Lakhs from ICICI Bank Limited, Phase II Branch, Noida. The facility is secured by the hypothecation of stock, book debts, and all current assets of the Company, as well as property, plant, and equipment (both present and future), constituting the primary security.

The facility is further backed by a personal guarantee of Mr. Rajiv Seth, Promoter of the Company. Additionally, a Fixed Deposit of ₹600 Lakhs has been provided under lien as collateral security against the sanctioned limit.

The Cash Credit facility is repayable on demand and carries an interest rate of Repo rate + 3.00% per annum.

Out of the sanctioned limit, the Company has issued Performance Bank Guarantees (PBG) amounting to ₹323.75 Lakhs in favor of BSNL, in connection with a BSNL order valued at ₹10,791.66 Lakhs.



CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhenix Energy Private Limited)
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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025
(Figures are in Lacs ₹, unless stated otherwise)

** The Company has availed a Cash Credit (CC) facility of ₹4,000 Lakhs from HDFC Bank Limited, Sector 18, Noida. The facility is secured by the hypothecation of stock, book debts, and all current assets of the Company (both present and future), which constitute the primary security.

The facility is further backed by the personal guarantee of Mr. Rajiv Seth, Promoter of the Company.

The Cash Credit facility is repayable on demand and carries an interest rate of Repo rate + 2.85% per annum.

As of now, the Company has utilised ₹1,000 Lakhs against the sanctioned limit. To secure this, a Fixed Deposit of ₹270 Lakhs has been provided under lien as collateral. Additionally, the Company has placed a further Fixed Deposit of ₹270 Lakhs under lien as collateral for the proposed release of an additional ₹1,000 Lakhs under the same facility.

*** The Company has availed an unsecured loan facility of ₹200 Lakhs from Trex Energy Private Limited, Hyderabad. This facility is unsecured, and carries an interest rate of 12% per annum. Loan has been taken for business purpose and repayable on demand.

7 Trade payables

Trade payables

- total outstanding dues of micro enterprises and small enterprises
- total outstanding dues of creditors other than micro enterprises and small enterprises
(Refer Note 7 (a))

	As at 31 March 2025	As at 31 March 2024
	223.75	76.45
	5,417.55	5,552.84
	5,641.30	5,629.29

Trade payable ageing schedule as at 31 March 2025

Particulars	Unbilled	Less than 1 year	Outstanding for following periods from date of invoice			Total
			1-2 years	2-3 years	More than 3 years	
MSME	-	223.75	-	-	-	223.75
Others	33.35	5,359.58	24.62	-	-	5,417.55
Total	33.35	5,583.33	24.62	-	-	5,641.30

Trade payable ageing schedule as at 31 March 2024

Particulars	Unbilled	Less than 1 year	Outstanding for following periods from date of invoice			Total
			1-2 years	2-3 years	More than 3 years	
MSME	-	76.45	-	-	-	76.45
Others	26.18	3,799.20	1,675.76	31.55	20.15	5,552.84
Total	26.18	3,875.65	1,675.76	31.55	20.15	5,629.29

Note: The Company does not have any disputed outstanding dues of micro, small and other enterprises and other payables.

8 Other liabilities

Acceptance from Vendors:

Statutory Liabilities:

Advance received from customers

Liability for lease equalisation

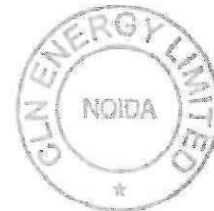
Creditors for capital expenditure

Others

Deferred Income

	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
	-	2,600.00	-	-
	-	-	290.17	372.77
	-	-	2,202.00	286.85
	56.97	39.57	1.67	9.54
	-	-	-	374.84
	-	-	25.80	5.69
	0.72	3.60	2.88	4.80
	57.69	2,643.17	2,522.52	1,064.58

* The supplier has delivered goods to company in advance of the usual delivery schedule, and on the basis of agreed terms as per contract, the value of these goods is treated as an acceptance from vendor ("Deposit") against future purchases.



CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhoenix Energy Private Limited)
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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025
(Figures are in Lacs ₹, unless stated otherwise)

11 Loans and advances

	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)				
Advance to suppliers				
Capital advance			863.96	138.89
Other advance*	254.00		4.90	
Advance to employees			11.02	3.79
Goods and service tax receivable			1,062.60	715.71
	254.00		1,942.48	938.57

*During the year, the Company was required to spend ₹12.90 Lakhs towards Corporate Social Responsibility (CSR) activities in compliance with the applicable provisions of the Companies Act, 2013.

However, the Company has voluntarily spent a higher amount of ₹17.00 Lakhs, resulting in an excess expenditure of ₹4.90 Lakhs.

This excess amount shall be carried forward and adjusted against future CSR obligations, in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014, as amended.

12 Inventories

(Valued at cost or net realisable value, whichever is lower)

	As at 31 March 2025	As at 31 March 2024
Raw materials	3,216.63	2,239.21
Work-in-progress	241.12	102.42
Finished goods	2,964.75	1,206.93
	6,422.50	3,548.56

13 Trade receivables

	As at 31 March 2025	As at 31 March 2024
Trade receivables		
Unsecured, considered good	7,520.88	2,477.82
Unsecured, considered doubtful	132.86	107.85
Less: Provision for doubtful debts	132.86	107.85
	7,520.88	2,477.82

(a) Trade receivables ageing schedule as at 31 March 2025

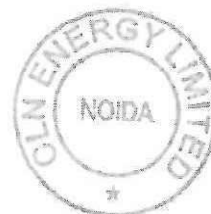
Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 month-1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables - considered good	4,522.00	1,067.72	813.57	52.80	113.80	-	7,520.88

(b) Trade receivables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 month-1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables - considered good	850.04	1,303.52	25.92	204.43	93.91	-	2,477.82

14 Cash and bank balances

	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents:		
Cash on hand		
Balance with banks	154	219
- On current accounts		
- Bank deposits with maturity of less than 3 months*	47.71	149.20
Total cash and cash equivalents (A)	75.60	127.60
Other bank balances	124.86	278.99
- Bank deposits with maturity of more than 3 months but less than 12 months**		
Total other bank balances (B)	655.50	99.97
Cash and bank balances (A) + (B)	655.50	99.97
	780.36	378.96



CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhoenix Energy Private Limited)
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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025
 (Figures are in Lacs ₹, unless stated otherwise)

Fixed Deposits amounting to ₹131.10 Lakhs have been placed under lien in favour of the President of India, through the Assistant/Deputy Commissioner, EPC Noida, as security against customs duty liabilities for goods stored in a custom bonded warehouse

Out of this, ₹75.60 Lakhs pertains to deposits with a maturity of less than 3 months, and

The remaining amount pertains to deposits with a maturity of more than 3 months but less than 12 months

Fixed Deposits amounting to ₹600.00 Lakhs have been placed under lien in favour of ICICI Bank Limited as collateral security against short-term borrowings availed by the Company

15 Other assets

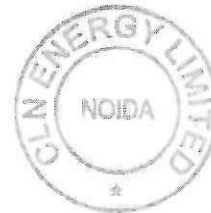
(Unsecured, considered good)

Bank deposits with maturity of more than 12 months*
 Interest accrued on fixed deposits
 Security deposit
 Earnest money deposit for tender#
 Insurance receivable against fire claim
 Prepaid Expenses
 Duty receipt

	Non-Current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Bank deposits with maturity of more than 12 months*	556.19	24.33		
Interest accrued on fixed deposits			28.90	17.30
Security deposit	66.21	79.32		
Earnest money deposit for tender#			200.00	
Insurance receivable against fire claim				1,781.71
Prepaid Expenses			45.03	57.10
Duty receipt				0.39
	622.40	103.65	273.93	1,856.50

*Fixed Deposits amounting to ₹540.00 Lakhs have been placed under lien in favour of HDFC Bank Limited as collateral security against short-term borrowings availed by the Company

Additionally, Fixed Deposits of ₹16.19 Lakhs have been placed under lien in favour of ICICI Bank Limited as collateral security against Performance Bank Guarantees amounting to ₹323.75 Lakhs issued in favour of Bharat Sanchar Nigam Limited (BSNL)



CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhenix Energy Private Limited)
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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025
(Figures are in INR ₹, unless stated otherwise)

9. Property, plant and equipment and Capital work-in-progress

Particulars	Property, plant and equipment						Capital work-in-progress	Total
	Leasehold improvements	Plant and machinery	Computer and related equipments	Furniture and fixtures	Electrical fitting and fixing	Total		
Gross Block								
Balance as at 31 March 2023	134.41	1,667.95	113.29	54.73	209.63	2,180.00	296.88	2,476.88
Additions	161.79	378.19	21.10	6.69	2.49	770.26	256.81	1,027.07
Transfers	(1.84)	-	-	-	6.43	7.27	-	14.70
Balance as at 31 March 2024	295.36	2,216.14	134.39	61.42	208.70	2,942.99	553.69	3,496.68
Additions	13.33	766.45	6.10	13.00	2.43	801.31	-	814.64
Transfers	-	(140.20)	-	-	-	(140.20)	-	(140.20)
Balance as at 31 March 2025	308.69	2,872.39	140.49	74.42	208.13	3,604.10	-	3,604.10
Accumulated depreciation								
Balance as at 31 March 2023	72.49	308.39	44.02	18.58	92.54	736.01	-	736.01
Depreciation for the year	87.26	342.89	50.94	111.28	46.79	538.16	-	618.47
Transfers	(0.41)	-	-	-	0.75	1.16	-	1.50
Balance as at 31 March 2024	159.34	851.28	94.96	28.86	138.58	1,273.01	-	1,273.01
Depreciation for the year	89.80	376.79	23.63	10.14	26.99	527.35	-	527.35
Transfers	-	(45.28)	-	-	-	(45.28)	-	(45.28)
Balance as at 31 March 2025	249.14	1,182.79	118.59	39.00	165.57	1,755.08	-	1,755.08
Accumulated impairment loss								
Balance as at 31 March 2024	6.00	53.56	-	4.50	5.10	69.16	-	69.16
Impairment for the year	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	6.00	53.56	-	4.50	5.10	69.16	-	69.16
Net block								
Balance as at 31 March 2024	130.02	1,341.30	39.43	28.06	62.02	1,600.81	-	1,600.81
Balance as at 31 March 2025	53.56	1,636.04	21.90	30.92	37.45	1,779.87	-	1,779.86

CWIP ageing schedule as at 31 March 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	-	-	-	-	-

*There were no projects that were suspended at the end of reporting period accordingly disclosure on expected date of completion of suspended project has not been given. Further, there are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

CWIP ageing schedule as at 31 March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress**	-	-	-	-	-

**There were no projects that were suspended at the end of reporting period accordingly disclosure on expected date of completion of suspended project has not been given. Further there are no projects whose completion is overdue or has exceeded its cost compared to its original plan.



CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhenix Energy Private Limited)
(CIN No. U33110UP2019PLC121869)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025
(All figures are in laes ₹, unless stated otherwise)

10. Intangible assets		
Particulars	Computer Software	R&D assets
Gross block		
Balance as at 31 March 2023	34.71	261.62
Additions	-	21.39
Transfers	-	-
Balance as at 31 March 2024	34.71	283.00
Additions	-	-
Transfers	-	-
Balance as at 31 March 2025	34.71	283.00
Accumulated depreciation		
Balance as at 31 March 2023	8.72	50.87
Amortisation for the year	13.07	91.36
Transfers	-	-
Balance as at 31 March 2024	21.79	142.23
Amortisation for the period	6.29	94.33
Transfers	-	-
Balance as at 31 March 2025	28.08	236.56
Net block		
Balance as at 31 March 2024	12.92	140.77
Balance as at 31 March 2025	6.63	46.44



16 Revenue from operations

Sale of Goods

- Manufacturing Goods

- Trading Goods

Sale of services

Other operating revenue

Lease rent

Total - Revenue from operations

	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of Goods		
- Manufacturing Goods	15,605.01	8,936.82
- Trading Goods	4,713.25	2,029.89
Sale of services	1,565.89	2,270.37
Other operating revenue	21,884.15	13,237.08
Lease rent	33.81	33.79
	33.81	33.79
Total - Revenue from operations	21,917.96	13,270.87

17 Other income

Interest Income

Sundry balances written off (net)

Profit on sale of fixed assets

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest Income	29.39	13.91
Sundry balances written off (net)	91.16	
Profit on sale of fixed assets		1.16
	120.55	15.07

18 Raw Material Consumed

Opening Stock of Raw Material

Add : Purchase of Stock of Raw Material
(incl import duties and custom charges)

Add : Direct Expenses

Factory Expenses

Electricity Power & Fuel

Loading and unloading charges

Less : Closing Stock of Raw Material

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening Stock of Raw Material	2,239.21	2,218.64
Add : Purchase of Stock of Raw Material (incl import duties and custom charges)	15,043.56	7,336.53
Add : Direct Expenses		
Factory Expenses	35.04	65.33
Electricity Power & Fuel	102.80	92.72
Loading and unloading charges	5.85	9.09
Less : Closing Stock of Raw Material	3,216.63	2,239.21
	14,209.83	7,483.10

19 Change in Inventories

Inventories at the beginning of the period/year

Opening Stock of Finished Goods

Closing Stock of Finished Goods

Change in Inventories of Finished Goods

Opening Stock of Work in Progress

Closing Stock of Work in Progress

Change in Inventories of Work in Progress

Total

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening Stock of Finished Goods	1,206.93	582.67
Closing Stock of Finished Goods	2,964.75	1,206.93
Change in Inventories of Finished Goods	(1,757.82)	(624.26)
Opening Stock of Work in Progress	102.42	391.41
Closing Stock of Work in Progress	241.12	102.42
Change in Inventories of Work in Progress	(138.70)	288.99
Total	(1,896.52)	(335.27)

20 Employee benefit expense

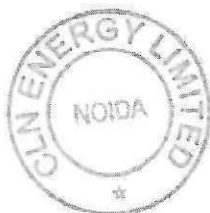
Salaries and wages

Director Remuneration

Contribution to provident and other funds

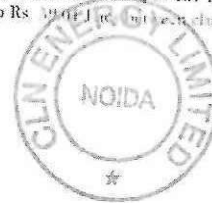
Contribution to gratuity and leave encashment

Staff welfare



	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and wages	906.05	1,121.38
Director Remuneration	103.50	92.50
Contribution to provident and other funds	34.18	29.33
Contribution to gratuity and leave encashment	48.67	2.50
Staff welfare	43.76	43.42
	1,136.16	1,289.13

		For the year ended 31 March 2025	For the year ended 31 March 2024
21	Finance Cost		
	Interest on CC /Od Limit Loan	29.74	-
	Interest on Unsecured Loan	17.75	-
	Bank Processing charges	12.00	-
	Interest on advance income-tax	21.89	16.95
		81.38	16.95
22	Depreciation and amortisation expense		
	Depreciation on property, plant and equipment	527.37	538.15
	Amortisation of intangible assets	100.62	104.43
		627.99	642.58
23	Other expenses		
	Loss on sale of fixed assets		
	Rent Expenses	49.91	-
	Consumables	179.00	204.55
	Repairs and maintenance	4.33	8.02
	Insurance	28.99	15.27
	Rates and taxes	30.90	69.74
	Penalty on statutory dues	35.14	15.75
	Travelling & Conveyance Expenses	36.03	-
	Legal and professional fee	65.60	57.08
	Auditor Remuneration (refer note 23a)	95.31	95.17
	Commission & Brokerage	5.00	3.00
	Exchange fluctuation loss (net)	5.34	6.71
	Warranty expenses	80.72	80.07
	Provision for Doubtful debts	177.28	45.92
	Freight & Transportation Expenses	-	71.30
	Security expenses	126.63	48.40
	Contractual manpower and job work charges	26.82	34.91
	Communication expenses	374.68	274.41
	Advertisement and Sales promotion expenses	8.70	9.95
	Housekeeping expenses	27.35	18.95
	Membership and subscription fee	32.54	23.80
	Bank charges	61.34	13.18
	CSR Expenses	3.65	0.98
	Software and Licences Exp	12.10	-
	Listing Expenses	23.15	9.49
	Miscellaneous expenses	17.36	-
		118.14	41.77
		1,626.01	1,148.40
23(a)	Details of payment to auditors*		
	- Audit fees		
	- Other Matters	5.00	3.00
	*excluding applicable taxes		
		5.00	3.00
24	On 1 June 2022, the production plant of the Company located at Plot No 18, Sector 140, Phase-II, Noida caught major fire. Except for the amount of inventory, fixed assets and certain toolings, all other assets were lost in the fire. The Company has adequately covered its assets by a fire policy and the Company has filed insurance claim amounting to Rs. 1820.72 Lacs for the loss incurred. The total amount of loss claimed by the Company is ₹2,457.32 lacs which includes carrying value of inventories of ₹2,388.16 lacs (including expenses) and carrying value of property, plant and equipment of ₹69.16 lacs.		
	During the period ended March 31, 2023, entity has provided for an exceptional loss of ₹2,457.32 lacs which includes value of inventories including the amount of Goods and Service Tax (GST) and other expenses.		
	Further in the FY 2023-2024, out of total insurance receivable amounting to Rs. 1820.72 Lacs, the insurance receivable amounting to Rs. 1781.71 has been accepted and approved by the insurance company. Accordingly, the difference of insurance receivable amounting to Rs. 39.01 lacs has been claimed and approved has been provided for an exceptional loss.		



25 Earnings per share

	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit/(loss) after tax for the year (A)		
Calculation of weighted average number of equity shares	1,292.19	939.84
Number of equity shares at the beginning of the year		
Number of bonus shares issued during the year adjusted retrospectively*	76,61,250	11,35,000
Number of shares issued during the year#		(65,26,250)
Number of equity shares outstanding as at the end of the year	4,83,321	
Weighted average number of equity shares outstanding during the year (B)	81,44,571	76,61,250
Nominal value of equity shares	81,44,571	76,61,250
Adjusted Basic/diluted earnings per share (A) / (B)	10.00	10.00
	15.87	12.27

*The number of equity shares are adjusted retrospectively for all period presented for any bonus shares issues.
The Company has issued equity shares through an SME IPO on 30th January 2025.

26 Employee benefits

The Company has calculated the various benefits provided to employees as given below:

A. Defined contribution plans

Employer's contribution to employees provident fund
Employer's contribution to employees state insurance

	For the year ended 31 March 2025	For the year ended 31 March 2024
Employer's contribution to employees provident fund	15.75	28.47
Employer's contribution to employees state insurance	0.53	0.86
	16.28	29.33

B. Defined benefit plans

Gratuity

Change in present value obligation:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Present value of obligation as at the beginning of the year		
Past service cost	25.98	24.86
Current service cost		
Interest cost	17.02	12.85
Actuarial (gain)/loss	1.88	1.84
Net liability recognised in balance sheet	3.37	(13.57)
	48.25	25.98

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current liability		
Non-current liability	1.30	0.18
Net liability recognised in balance sheet	46.94	25.80
	48.24	25.98

Fair value of plan assets

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Fair value of plan assets at the beginning of the period		
Acquisition adjustment	16.67	
Actual return on plan assets		
Employer contribution	1.53	
FAC charges	14.50	16.67
Actuarial (gain)/loss	(2.82)	
Fair value of plan assets at the end of the period	29.88	16.67



Expenses recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost		
Past service cost	17.02	12.85
Expected return on plan assets		
Interest cost	(1.70)	
Actuarial (gain)/loss	1.88	1.84
Expenses recognized in the statement of profit and loss	3.05	(13.57)
	20.75	1.12

Principal actuarial assumptions

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate	6.64% ^a	7.39% ^a
Salary growth rate (p.a.)	10.00% ^a	10.00% ^a
Retirement age	60 years	60 years
Mortality	IAJ.M (2012-14) Ultimate	IAJ.M (2012-14) Ultimate
Withdrawal rates		
Up to 30 years	12.00% ^a	12.00% ^a
From 31 to 44 years	12.00% ^a	12.00% ^a
Above 44 years	12.00% ^a	12.00% ^a

Note:

The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

Actuarial gain / loss recognized

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial (gain)/loss on arising from change in demographic assumption		
Actuarial (gain)/loss on arising from change in financial Assumption	2.19	0.37
Actuarial (gain)/loss on arising from experience adjustment	1.18	(13.94)
Net actuarial gain / loss recognized	3.37	(13.57)

C. Compensated absences

Changes in the present value of the obligation for the year ended are as follows:

Change in present value obligation:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Present value of obligation as at the beginning of the year		
Past service cost	19.21	25.28
Current service cost		
Interest cost	12.47	11.13
Benefit paid	1.39	1.87
Actuarial (gain)/loss	(15.90)	(13.10)
Closing balance	11.19	(5.97)
	28.36	19.21

27 Lease commitments

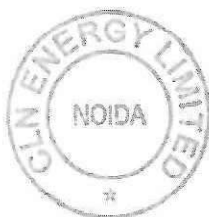
(i) The Company has taken operating leases for office premises. Rent expense for the year ended 31 March 2025 amounts to ₹179.00 lacs (previous year - ₹204.55 lacs).

(ii) Future minimum lease payments

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Not later than one year	161.14	157.29
Later than one year and not later than five years	594.91	604.06
Later than five years	158.40	230.16

28 Value of import on CIF basis

Purchase of raw materials
Purchase of raw materials (USD)
Purchase of capital goods
Purchase of capital goods (USD)



	For the year ended 31 March 2025	For the year ended 31 March 2024
	7,679.43	5,046.47
	86.60	60.80
	724.64	6.83
	8.20	0.08
	8,498.87	5,114.18

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025
(Figures are in lakhs ₹ unless stated otherwise)

29 Deferred tax

	For the year ended 31 March 2025	For the year ended 31 March 2024
Deferred tax asset		
Property, plant and equipment and intangible assets		
Provision for employee benefits:	213.98	225.80
- Gratuity		
- Bonus	4.64	2.34
- Compensated absences	3.37	2.67
Liability for lease equalisation	7.14	4.83
Warranty provision	14.74	12.36
Total	49.81	20.81
Net deferred tax assets	293.68	268.81
	293.68	268.81

30 Earning in foreign currency

	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of R&D		
Sale of R&D (USD)	1,414.02	2,184.38
Sale of goods	16.90	26.12
Sale of goods (USD)	4,247.58	949.96
	49.57	11.40
	5,661.60	3,134.34

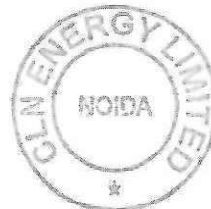
31 Unhedged foreign currency exposures

	As at 31 March 2025		As at 31 March 2024	
	Amount (In foreign currency)	Amount (In ₹)	Amount (In foreign currency)	Amount (In ₹)
Payables				
USD				
Advance to Supplier	38.99	3,543.86	92.25	7,689.48
USD	11.53	986.84		
	50.52	4,530.70	92.25	7,689.48

Closing rate: USD 1 = ₹85.5814 (previous year: USD 1 = ₹83.3585)

32 Outstanding dues of micro enterprises and small enterprises

S.No. Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
1 The principal amount and the interest due there (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period		
-Principal		
-Interest	223.75	76.45
2 The amount of interest paid by the buyer in terms of section 16 of the Micro, small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	2.30	4.98
3 The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro, small and Medium Enterprises Development Act, 2006		
4 The amount of interest accrued and remaining unpaid at the end of each accounting period		
5 The amount of 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 Micro, small and Medium enterprises Development Act, 2006		
	4.98	0.62



33 Contingent Liabilities as at 31 March 2025 is Rs. Nil (31 March 2024- Rs. Nil) and Capital commitment (net of advances) as at 31 March 2025 is Rs. Nil (31 March 2024- Rs. Nil).

34 Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of average net profit of the immediately preceding three financial year on Corporate Social Responsibility (CSR) activities. The nature of CSR activities identified are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and environment sustainability. The Company has formed a CSR committee as per the Act.

The amount spent by the Company on CSR activities is as below:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A. Gross amount required to be spent by the Company (include unspent amount of Previous year)	12.10	
B. Amount spent by the Company	17.00	
C. Excess at the end of the year*	(4.90)	

The Company has contributed ₹17.00 Lakhs to Suraj Charitable Trust towards the Mid-Day Meal Project under its Corporate Social Responsibility (CSR) obligations in accordance with the provisions of the Companies Act, 2013.

35 Related party disclosures

(a) Entities exercising control of the company

CLN Energy Pte Limited	Holding company (w.e.f. September 1st, 2022)
Minimax Energy Limited, Hong Kong	Holding company (upto August 31st, 2022)

(b) Key Management Personnel

Mr. Jeevan Chand	Director (resigned on 21/02/2024)
Mr. Sunil Gandhi	Director and Chief Executive officer
Mr. Manish Shah	Director
Mr. Rajiv Seth	Additional Director
Mr. Ashish Kumar	Chief Financial officer (w.e.f. 18th June, 2024)
Ms. Sonal Jhanwar	Company secretary (w.e.f. 18th June, 2024 to 12 February 2025)
Mr. Rahul Jetwa	Company secretary (w.e.f. 12th February, 2025)

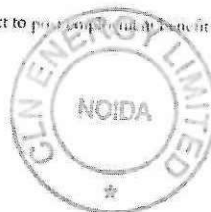
List of companies, in which any of person listed in (a) and (b) have significant influence or control

JLNPhenix Powers Private Limited
CLN Energy Pte Limited

(d) Transactions during the year

	For the year ended 31 March 2025	For the year ended 31 March 2024
Key Managerial Personnel		
Mr. Jeevan Chand		
Managerial remuneration*		16.08
Advances given during the year		
Advances repaid during the year		
Mr. Sunil Gandhi		
Managerial remuneration*	54.00	55.00
Mr. Manish Shah		
Managerial remuneration*	49.50	21.41
Mr. Ashish Kumar		
Salary	29.00	15.70
Mr. Rahul Rasikbhai Jetwa		
Salary	0.72	
Ms. Sonal Jhanwar		
Salary	1.44	

*KMP also participate in post employment benefits plans provided by the Company. The amount with respect to post employment benefits attributable to KMP cannot be segregated as these are based on actuarial valuation for all employees of the Company



(c) Balances as at the year end:

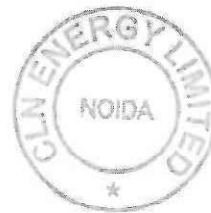
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Managerial remuneration		
Mr. Jeevan Chand		
Mr. Sunil Gandhi		
Mr. Manish Shah	32.09	32.14
Mr. Ashish Kumar		8.10
Ms. Sonal Jhanwar		

Notes:

- (i) The above transactions are in ordinary course of business and are in compliance with section 188 of the Act.
(ii) The transactions from related parties are made on terms equivalent to those that prevail in arm's length transactions.

36 Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(ii) The Company does not have any transactions with companies struck off.
(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) 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)
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) 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
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(vii) The Company have not any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

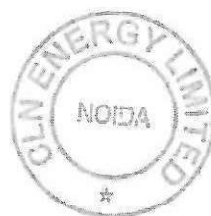


37 Ratios

Particulars	Numerator (refer notes below)	Denominator (refer notes below)	For the year ended 31 March 2025	For the year ended 31 March 2024	% change	Reason for more than 25 % Change
a) Current ratio	Current assets	Current liabilities	1.65	1.26	30 th	Due to increase in Inventory and Trade receivable during the year
b) Debt-equity ratio	Debt	Equity	0.17	NA	NA	Due to increase in short term borrowing taken from bank for working capital
c) Debt service coverage ratio	Earnings available for debt service	Debt service	1.24	NA	NA	Due to increase in short term borrowing taken from bank for working capital
d) Return on equity ratio/return on investment	Profit after tax	Shareholder equity	14 th	70 th	-81 th	New issue of equity share capital through IPO and has resulted in decrease in EPS due to dilution
e) Inventory turnover ratio	Revenue	from Average inventory	3.15	3.25	-4 th	NA
f) Trade Receivables turnover ratio	Revenue Operation	from Average receivables	4.38	5.31	17 th	NA
g) Trade payables turnover ratio	Revenue Operation	from Average payables	5.89	1.83	112 th	Due to significant increase in revenue from operations
h) Net capital turnover ratio	Revenue Operation	from Working capital	3.35	7.06	53 th	Due to increase of Trade receivable and Inventory
i) Net profit ratio	Profit after tax	Revenue operations	6 th	7 th	17 th	NA
j) Return on Capital employed	Earning before interest and tax	Average Capital employed	21 th	89 th	77 th	New issue of equity share capital through IPO and has resulted in decrease return on capital employed

Notes:

- Debt = Long term borrowing + short term borrowing
- Equity = Share capital + other equity
- Earning for debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Finance cost
- Debt service = Interest + Principal repayments
- Shareholder equity = Equity share capital+other equity
- Average inventory = (Opening Inventory + Closing Inventory) / 2
- Average receivable = (Opening Receivable + Closing Receivable) / 2
- Average payables = (Opening Payables + Closing Payables) / 2
- Working capital = Current assets - Current liabilities
- Average capital employed = Tangible Net worth + Total Debt



CLN Energy Limited (Formerly known as CLN Energy Private Limited & JLNPhenix Energy Private Limited)
 (CIN No. U33100UP2019PT10121869)
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025
 (Figures are in lacs ₹, unless stated otherwise)

38 The company came out with an Initial Public Offer (IPO) in FY 2024-25 of 28,92,000 shares of face value of Rs. 10 each for cash at a fixed price of Rs. 250 per equity share comprising fresh issue of 28,92,000 equity shares. Net proceeds of the fresh issue of Rs. 6800.53 Lakhs (Net public issue expenditure of Rs. 429.47 lakhs) were utilised in following manner:

Particular	As per Prospectus	Utilised till 31.03.2025	Unutilised	Deviation
Purchase of machinery and equipment	971	1000	-	29
Funding Working capital requirements	4022	4036	-	14
To fund expenditure for General Corporate Purposes	1784	1784	-	0
Issue expenses	453	410	-	-43
Total	7230	7230	-	-

Out of 1,000 lakhs paid for capex, 254 lakhs comprises of advance for capital expenditure paid to vendors as on March 31, 2025.

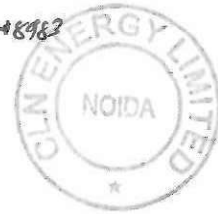
39 Previous year's figures have been regrouped and rearranged wherever necessary to correspond to current year's classification.

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

For M/s. D G M S & CO.
 Chartered Accountants
 Firm's Registration No.: 0112187W

[Signature]

Hiren Jayantilal Maru
 Partner
 Membership No. 115279
 Place: Mumbai
 Date: 29 May 2025
 UDIN: 25115279BM10BM8982



For and on behalf of the board of directors of
 CLN Energy Limited

[Signature]

Sunil Gandhi
 Director
 DIN: 08433754
 Place: Noida

[Signature]

Ashish Kumar
 Chief Financial Officer
 PAN: BOHPK7918D
 Date: 29 May 2025
 Place: Noida

[Signature]

Manish Shah
 Director
 DIN: 10343779
 Place: Noida

[Signature]

Rahul Rasikbhai Jethwa
 Company Secretary
 PAN: BSI:PJ847611
 Date: 29 May 2025
 Place: Noida