



## Premier Energies Photovoltaic Private Limited

Actuarial Valuation Report as at 31/12/2025

**Defined Benefit – Gratuity Plan**

**Indian Accounting Standard 19 (Ind AS 19)**



<b>Contents</b>	<b>Page</b>
<b>Report Highlights</b>	<b>3</b>
<b>Basis of Valuation</b>	<b>4</b>
Plan Data	4
Valuation Assumptions	4
Valuation Methods	5
Plan Provisions	5
<b>Notices and Professional Qualification</b>	<b>6</b>
Professional Qualification	7
<b>Plan Provisions</b>	<b>8</b>
<b>Actuarial Assumptions</b>	<b>9</b>
<b>Actuarial Methods</b>	<b>10</b>
<b>Disclosure Information</b>	<b>11</b>
Change in Defined Benefit Obligation	11
Change in Present Value of Plan Assets	12
Changes in Reimbursement Rights	13
Change in Asset Ceiling / Onerous Liability	13
Components of Defined Benefit Cost	14
Bifurcation of Liabilities	14
Amounts recognized in Statement of Financial Position	15
Net Defined Benefit Liability / (Asset) Reconciliation	15
Experience Adjustments on PV of DBO and Plan Assets	15
<b>Additional Disclosures</b>	<b>16</b>
Expected Cash Flow for following years	16
Best Estimate of Contribution during the next year	16
Discontinuance Liability	16
<b>Participant's Data</b>	<b>17</b>
<b>Sensitivity Analysis</b>	<b>18</b>
<b>Glossary</b>	<b>19</b>

## Report Highlights

I have been requested by Premier Energies Photovoltaic Private Limited ('the Company') to assist them with the preparation of financial reports in accordance with Indian Accounting Standards 19 (Ind AS 19) for defined benefit plans relating to the Gratuity Benefit for the period ending 31/12/2025

All further monetary amounts in this report are presented in Indian Rupees (INR), unless otherwise stated.

### Summary of Results

Highlights of the results as at 31 December, 2025 are given below:

Particulars	Valuation as at 31/12/2025
Defined Benefit Cost included in P & L	1,31,82,076
Other Comprehensive (Income) / Loss	-
Total Defined Benefit Cost recognized in P&L and OCI	1,31,82,076
Defined Benefit Obligation the at end	1,31,82,076
Fair Value of Plan Assets at the end	-
Net Defined Benefit Liability / (Asset)	1,31,82,076
Discount Rate	7.43%

The benefit obligation given in this Report includes no charges / credits due to special events.

I am not been notified by the Company nor I am aware of any events subsequent to the Valuation Date, which in my opinion would have a material impact on the results of the valuation.

## **Basis of Valuation**

### ***Plan Data***

To prepare this report, I have relied on the completeness and accuracy of the information provided to me orally and in writing by or on behalf of the Company and its employees. I have reviewed the financial and participant data for internal consistency and general reasonableness, but I have not completed any detailed validation checks on the data or information provided.

The Company is solely responsible for the validity, accuracy and comprehensiveness of this information; if the data or Plan provisions supplied are not accurate and complete, the valuation results may differ significantly from the results that would be obtained with accurate and complete information.

### ***Valuation Assumptions***

To prepare the valuation report, assumptions are used in a forward looking financial and demographic model to present a single scenario from a wide range of possibilities; the results based on that single scenario are included in the valuation. The future is uncertain and the Plan's actual experience will differ from those assumptions; these differences may be significant or material because these results are sensitive to the assumptions made and to some extent, to the interaction between the assumptions.

Different assumptions or scenarios may also be reasonable and results based on those assumptions would be different. As a result of the uncertainty inherent in a forward looking projection over a long period of time, no one projection is uniquely 'correct' and many alternative projections of the future could also be regarded as reasonable. A '**Sensitivity Analysis**' shows the degree to which results would be different if you substitute alternative assumptions within the range of possibilities for those utilized in this report.

Actuarial assumptions, as discussed in this Report, may be changed from one valuation to the next because of changes in mandated requirements, Plan's experience, changes in expectations about the future and other factors. To prepare this Report, actuarial assumptions, as described in this Report, are used to select a single scenario from the range of possibilities. A change in assumptions is not an indication that prior assumptions were unreasonable when made.

### ***Valuation Methods***

A valuation report is a snapshot of a Plan's estimated financial condition at a particular point in time; it does not predict a Plan's future financial conditions or its ability to pay benefits in the future and does not provide any guarantee of future soundness of the Plan. Over time, a Plan's total cost will depend on a number of factors, including the amount of benefits payable, the number of people paid benefits, Plan expenses and the amount earned on any assets invested to pay the benefits. These amounts and other variables are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

Because modeling all aspects of a situation is not possible or practical, I may use summary information, estimates, or simplifications of estimates to facilitate the modeling of future events in an efficient and cost-effective manner. I may also exclude factors or data that, if used, in my judgment, affect the reasonableness of valuation results of the Plan.

Valuations do not affect the ultimate cost of the Plan, but only affects the timing of when benefit costs are recognized. Cost recognition occurs over a time. If the costs recognized over a period of years are lower or higher than necessary, for whatever reason, normal and expected practice is to adjust future expense levels with a view to recognizing the entire cost of the Plan over time.

I have prepared the accounting disclosures in the report based on the Company accounting policies.

### ***Plan Provisions***

I have used and relied on the Plan Provisions, provided by the Company. The Company is solely responsible for the validity, accuracy and comprehensiveness of this information. If any Plan provisions supplied are not accurate and complete, the valuation results may differ significantly from the results that would be obtained with accurate and complete information.

## Notices and Professional Qualifications

I have prepared this report exclusive for the Company; subject to this limitation, the Company may direct that this report be provided to the auditors in connection with the audit of its financial statements. I am not responsible for use of this report by any other party.

The only purpose of this report is to present actuarial estimates of liabilities as at 31 December 2025 for Gratuity Benefit Plan in the Company's financial.

The results set out in this report are based on requirements of Indian Accounting Standard 19 (Ind AS 19) and its application to the Plan. They have been prepared for the specific requirements of Indian Accounting Standard 19 (Ind AS 19) and should not be used for any other purpose. In particular this report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels. The report is based on my understanding of the Accounting Standard and its application to the Plan.

The report may not be used for any other purpose. I am not responsible for the consequences of any unauthorized use. Its contents may not be modified, incorporated into or used in other material, sold or otherwise provided, in whole or in part, to any other person or entity without permission.

The valuation of the Plan was performed in accordance with generally accepted actuarial principles and procedures. The accounting calculations reported herein are based on the assumptions and methods described in the 'Actuarial Assumptions' Section of this report. The actuarial assumptions were selected by the Company.

The Company is ultimately responsible for selecting the Plan's accounting policies, methods and assumptions. The Company is solely responsible for communicating to me any changes required to those policies, methods and assumptions.

The report has been prepared in accordance with applicable provisions; to the extent they are relevant and material, under the relevant Guidance Notes issued by the Institute of Actuaries of India current at the date of the report.

All parts of this report, including any documents incorporated by reference, are integral to understanding and explaining its contents; no part may be taken out of context, used or relied upon without reference to the report as a whole.

Decisions about benefit changes, granting new benefits, investment policy, funding policy, benefit security and / or benefit related issues should not be made solely on the basis of this valuation, but only after careful consideration of alternative economic, financial, demographic and social factors, including financial scenarios that assume future sustained investment losses.

The Company should notify me promptly after receipt of this valuation report if it disagrees with anything contained herein or is aware of any information that would affect the results of this report that has not been communicated to me or incorporated therein. The valuation report will be deemed final and acceptable unless promptly provides such notice to me.

#### **1.4 Professional qualifications**

I am available to answer any questions on the material contained in the report, or to provide explanations or further details as may be appropriate. The undersigned credentialed actuary meets the Qualification Standards of the Institute of Actuaries of India to render the actuarial opinion contained in this Report.

I am not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest that would impair the objectivity of my work.

---

**Sambasivarao Inaganti**

**Date: 09-01-2026**

**Fellow of Institute of Actuaries of India**

**Membership No. 158**

**Email: israo2029@gmail.com**

## Plan Provisions

A summary of the major Plan provisions used to determine the Plan's financial position is give below:

Valuation Date	31 December, 2025
Sponsoring Employer	Premier Energies Photovoltaic Private Limited
Type of Plan	Defined Benefit
Eligibility	As per the Company Rules / Gratuity Act
Vesting Period	1 year (Other than Death / Disability)
Employer's Contribution	100%
Member's Contribution	Nil
Benefit Basis	Accrued Benefit
Normal Retirement Benefit	Same as per the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time) with vesting period of 1 year
Benefit on Death in Service	Same as normal retirement benefit and no vesting period condition applies
Benefit on Disability in Service	Same as death benefit
Benefit on Death, Disability, Early Retirement / Termination / Resignation / Withdrawal	Same as per the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time) with vesting period of 1 year
Maximum limit on Benefits	INR 20,00,000
Gratuity Formula	$15/26 * \text{Last drawn salary} * \text{Number of completed years of service}$
Normal Retirement Age	60 Years
Month of release of Annual salary increment	October

## Actuarial Assumptions

The financial and demographic assumptions on annual basis used for valuation as at the Valuation Date are shown below. The assumptions as at the Valuation Date are used to determine the Present Value of Defined Benefit Obligation at that date.

### Summary of Financial Assumptions

	Valuation Date
<b>Particulars</b>	<b>31/12/2025</b>
Discount Rate	7.43%
Salary Escalation	7.00%

### Summary of Demographic Assumptions

	Valuation Date
<b>Particulars</b>	<b>31/12/2025</b>
Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%
Disability Rate (as % of above mortality rate)	0.00%
Withdrawal Rate	15.00%
Normal Retirement Age	60 Years
Average Future Service	34.04

### Table of Sample Rates (on annual basis)

Attained Age	Percentage				Percentage			
	Abs. Mortality Rate		Disability		Withdrawal		Retirement	
	Male	Female	Male	Female	Male	Female	Male	Female
20	0.09%	0.09%	0.00%	0.00%	15.00%	15.00%	0.00%	0.00%
25	0.09%	0.09%	0.00%	0.00%	15.00%	15.00%	0.00%	0.00%
30	0.10%	0.10%	0.00%	0.00%	15.00%	15.00%	0.00%	0.00%
35	0.12%	0.12%	0.00%	0.00%	15.00%	15.00%	0.00%	0.00%
40	0.17%	0.17%	0.00%	0.00%	15.00%	15.00%	0.00%	0.00%
45	0.26%	0.26%	0.00%	0.00%	15.00%	15.00%	0.00%	0.00%
50	0.44%	0.44%	0.00%	0.00%	15.00%	15.00%	0.00%	0.00%
55	0.75%	0.75%	0.00%	0.00%	15.00%	15.00%	0.00%	0.00%
60	1.12%	1.12%	0.00%	0.00%	15.00%	15.00%	100.00%	100.00%

## Actuarial Methods

Liabilities shown in this report are computed using the Projected Unit Credit (PUC) Actuarial Cost Method as required by Indian Accounting Standard 19 (Ind AS 19). The objective of the method is to spread the cost of each employee's benefits over the period that the employee works for the Company. The allocation of the cost of benefits to each year of service is achieved indirectly by allocating projected benefits to years of service. The cost allocated to each year of service is then the value of the projected benefit allocated to that year.

Where a Plan's benefit formula provides a particular level of benefit for each year of service, the allocation of projected benefits to years of service is based on the benefit formula. An individual member's accrued liability is the present value of the member's projected benefits allocated to service prior to the valuation date. An active member's current service cost is the present value of the benefit allocated to the current financial year.

The Plan's current service cost is the sum of the individual current service costs and the Plan's present value of defined benefit obligations is the sum of the accrued liabilities for all members of the Plan.

**The approach suggested by Example 5 under Paragraph 73 of Ind AS 19 is not applied in the absence of any clear cut guidance & the present increase in benefit ceiling.**

### Accounting Policies

The accounting policies in cases where the Company has a choice of policy are set out below:

**Materiality threshold:** Company has not instructed me to make any adjustments to the valuation procedures described in order to satisfy its materiality threshold.

**Expense measurement:** The components of defined benefit cost (service cost and interest cost) charged to profit or loss is budgeted for at the start of each reporting period using actuarial assumptions fixed at the start of the period, including assumptions about expected applicable salaries, contributions and benefit payments that will be made during the period. It is only updated to allow for subsequent experience in the event of material changes.

**Interest on service cost:** Interest on the service cost is allowed for in the service cost.

**Discretionary benefits:** No allowance is made in the benefit obligation for discretionary benefits on the grounds that there is no constructive obligation to provide such benefits. Therefore any benefit increases that are awarded on a discretionary basis are accounted for as a past service cost.

**Significant events:** No significant events have occurred during the reporting period that requires accounting policy decisions.

## Disclosure Information

### A. Change in Defined Benefit Obligation

Particulars	Valuation as at 31/12/2025
<b>Defined Benefit Obligation at the beginning</b>	-
Current Service Cost	66,75,170
Past Service Cost	65,06,906
(Gain) / Loss on settlements	-
Interest Expense	-
Benefit Payments from Plan Assets	-
Benefit Payments from Employer	-
Settlement Payments from Plan Assets	-
Settlement Payments from Employer	-
Other (Employee Contribution, Taxes, Expenses)	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-
Increase / (Decrease) due to Plan combination	-
Remeasurements - Due to Demographic Assumptions	-
Remeasurements - Due to Financial Assumptions	-
Remeasurements - Due to Experience Adjustments	-
<b>Defined Benefit Obligation at the end</b>	<b>1,31,82,076</b>
<b>Discount Rate</b>	<b>7.43%</b>
<b>Salary Escalation Rate</b>	<b>7.00%</b>

**B. Change in Fair Value of Plan Assets**

Particulars	Valuation as at 31/12/2025
<b>Fair Value of Plan Assets at the beginning</b>	-
Interest Income	-
Employer Contributions	-
Employer Direct Benefit Payments	-
Employer Direct Settlement Payments	-
Benefit Payments from Plan Assets	-
Benefit Payments from Employer	-
Settlement Payments from Plan Assets	-
Settlement Payments from Employer	-
Other (Employee Contribution, Taxes, Expenses)	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-
Increase / (Decrease) due to Plan combination	-
Remeasurements - Return on Assets (Excluding Interest Income)	-
<b>Fair Value of Plan Assets at the end</b>	-

<b>Weighted Average Asset Allocations at end of current period</b>	
Particulars	Valuation as at 31/12/2025
Equities	0%
Bonds	0%
Gilts	0%
Insurance Policies	0%
<b>Total</b>	<b>0%</b>

**C. Changes in Reimbursement Rights**

Particulars	Valuation as at 31/12/2025
<b>Reimbursement Rights at the beginning</b>	-
Reimbursement Service Cost	-
Gain/ (loss) on Settlements	-
Interest Income	-
Employer Contributions to Reimbursement Rights	-
Reimbursements to Employer	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-
Increase / (Decrease) due to Plan combination	-
Benefits paid by the Company in prior valuation period and settled by Fund Manager in current 3 Quarter	-
Net Transfer In / (Out) (Including the effect of any business combination / divestiture)	-
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	-
<b>Reimbursement Rights at the end</b>	-

**D. Change in Asset Ceiling / Onerous Liability**

Particulars	Valuation as at 31/12/2025
<b>Asset Ceiling / Onerous Liability at the beginning</b>	-
Interest Income	-
Gain / (Loss) on Settlements	-
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	-
<b>Asset Ceiling / Onerous Liability at the end</b>	-

**E. Components of Defined Benefit Cost**

<b>Particulars</b>	<b>Valuation as at 31/12/2025</b>
Current Service Cost	66,75,170
Past Service Cost	65,06,906
(Gain) / Loss on Settlements	-
Reimbursement Service Cost	-
<b>Total Service Cost</b>	<b>1,31,82,076</b>
Interest Expense on DBO	-
Interest (Income) on Plan Assets	-
Interest (Income) on Reimbursement Rights	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-
<b>Total Net Interest Cost</b>	<b>-</b>
Reimbursement of Other Long Term Benefits	-
<b>Defined Benefit Cost included in P &amp; L</b>	<b>1,31,82,076</b>
Remeasurements - Due to Demographic Assumptions	-
Remeasurements - Due to Financial Assumptions	-
Remeasurements - Due to Experience Adjustments	-
(Return) on Plan Assets (Excluding Interest Income)	-
(Return) on Reimbursement Rights	-
Changes in Asset Ceiling / Onerous Liability	-
<b>Total Remeasurements in OCI</b>	<b>-</b>
<b>Total Defined Benefit Cost recognized in P&amp;L and OCI</b>	<b>1,31,82,076</b>
<b>Discount Rate</b>	<b>7.43%</b>
<b>Salary Escalation Rate</b>	<b>7.00%</b>

**F. Bifurcation of Present Value of Obligations at the end of the valuation period as per Schedule III of the Companies Act, 2013**

<b>Particulars</b>	<b>Valuation as at 31/12/2025</b>
Current Liabilities	20,15,482
Non- current Liabilities	1,11,66,594

**G. Amounts recognized in the Statement of Financial Position**

Particulars	Valuation as at 31/12/2025
Defined Benefit Obligation	1,31,82,076
Fair Value of Plan Assets	-
<b>Funded Status</b>	<b>1,31,82,076</b>
Effect of Asset Ceiling / Onerous Liability	-
<b>Net Defined Benefit Liability / (Asset)</b>	<b>1,31,82,076</b>

**H. Net Defined Benefit Liability / (Asset) reconciliation**

Particulars	Valuation as at 31/12/2025
<b>Net Defined Benefit Liability / (Asset) at the beginning</b>	-
Defined Benefit Cost included in P & L	1,31,82,076
Total Remeasurements included in OCI	-
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-
Amount recognized due to Plan Combinations	-
Employer Contributions	-
Employer Direct Benefit Payments	-
Employer Direct Settlement Payments	-
Credit to Reimbursements	-
<b>Net Defined Benefit Liability / (Asset) at the end</b>	<b>1,31,82,076</b>

**I. Experience Adjustments on Present Value of DBO and Plan Assets**

Particulars	Valuation as at 31/12/2025
(Gain) / Loss on Plan Liabilities	-
% of Opening Plan Liabilities	-
Gain / (Loss) on Plan Assets	-
% of Opening Plan Assets	-

## Additional Disclosure Items

### *Expected Cash flow for following years*

Maturity Profile of Defined Benefit Obligations	
Year 1	20,17,032
Year 2	18,13,369
Year 3	16,66,619
Year 4	15,36,387
Year 5	17,62,651
Year 6	12,46,296
Year 7	11,48,095
Year 8	10,42,577
Year 9	9,63,387
Year 10	8,84,074
Year 11 +	91,36,408

The weighted average duration of the defined benefit obligation is 7.00

### ***Discontinuance Liability***

Amount payable upon discontinuance of all employment is INR 1,37,76,096

## Participant Data

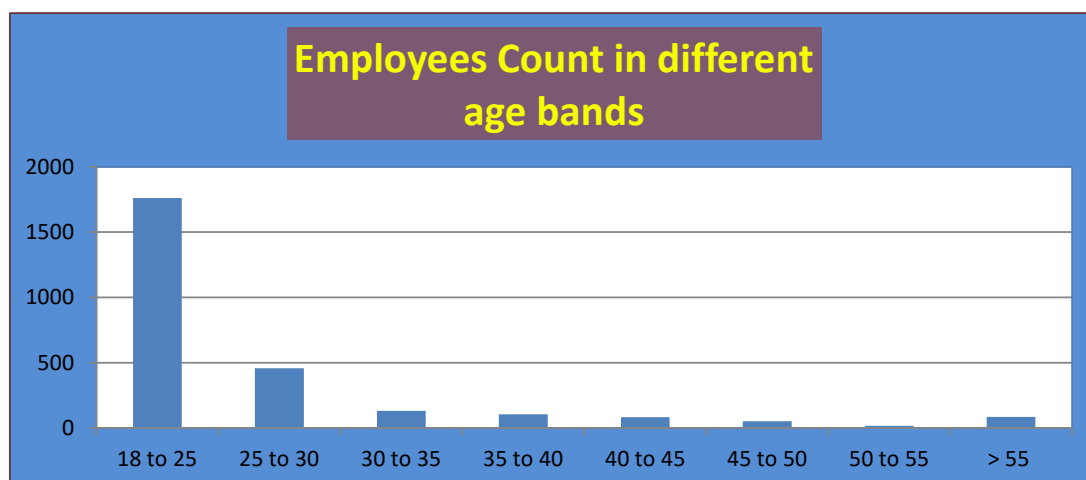
The defined benefit obligation for the period ending 31/12/2025 is based on the member data provided by the Company. The summary statistics for the data is as follows:

### Summary of Membership Status

Particulars	31/12/2025
Number of Employees	2,687
Total Monthly Salary (Rs.)	3,66,80,519
Average Monthly Salary (Rs.)	13,651
Average Past Service	0.70
Average Age	25.97
Average Future Service	34.04
Adjusted Average Future Service	6.42

\*Adjusted future service takes into account the effect of mortality and attrition.

### Age Analysis



Age	Count	Percentage
18 to 25	1761	65.54%
25 to 30	457	17.01%
30 to 35	130	4.84%
35 to 40	105	3.91%
40 to 45	83	3.09%
45 to 50	51	1.90%
50 to 55	16	0.60%
> 55	84	3.13%
<b>Total</b>	<b>2687</b>	<b>100.00%</b>

## Sensitivity Analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

### *Summary of Financial & Demographic Assumptions*

Scenario	DBO	Percentage Change
Under Base Scenario	1,31,82,076	0.00%
Salary Escalation - Up by 1%	1,39,48,840	5.82%
Salary Escalation - Down by 1%	1,24,91,206	-5.24%
Withdrawal Rates - Up by 1%	1,32,01,022	0.14%
Withdrawal Rates - Down by 1%	1,31,60,763	-0.16%
Discount Rates - Up by 1%	1,24,76,479	-5.35%
Discount Rates - Down by 1%	1,39,79,932	6.05%
Mortality Rates - Up by 10%	1,31,82,335	0.00%
Mortality Rates - Down by 10%	1,31,81,816	0.00%

## Glossary

**Actuarial Cost Method:** Sometimes called “Funding Method”, a particular technique used by actuaries for establishing the amount and incidence of the annual actuarial cost of gratuity plan benefits, or normal cost, and the related unfunded actuarial accrued liability. Ordinarily, the annual contribution to the plan comprises the normal cost and an amount for amortization of the unfunded actuarial accrued liability.

**Actuarial Gain or Loss:** Actuarial gains and losses are changes in the present value of the defined benefit obligation resulting from experience adjustments and effect of changes in actuarial assumptions.

**Actuarial Present Value:** The current worth (on the valuation date) of an amount or series of amounts payable or receivable in the future. The actuarial present value is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.

**Asset Ceiling:** A reduction of net asset that may be necessary in situations where the company is unable to recover a surplus of the plan either through reduced contributions in the future or through refunds from the plan

**Ind AS 19:** The accounting standard governing an employer’s accounting for employee benefits.

**Current Service Cost:** The actuarial present value of benefits attributed by the gratuity benefit formula to services rendered by employees during that period based on assumptions as to future compensation levels and determining the present value with discount rate.

**Curtailement:** An event that significantly reduces the expected years of future service of present employees or eliminates for a significant number of employees the accrual of defined benefits for some or all their future services.

**Net defined benefit liability / (asset):** The excess of the present value of the obligation over plan assets.

**Discount Rate:** Also referred to as the “Settlement Rate”, the discount rate represents the employer’s estimate (as of the valuation date) of the interest rate at which gratuity benefits could be effectively settled. Assumed discount rates are used in the measurement of the present value of the obligation.

**Defined benefit cost included in P & L:** The amount recognized in an employer's financial statements as the cost of a gratuity plan for a period, pursuant to Indian Accounting Standard 19. Components of expense are service cost, net interest cost and remeasurements of other long term benefits (if any).

**Fair value of plan assets:** The assets out of which the obligations have to be settled, measured at their market value.

**Net interest cost (component of net periodic benefit cost):** The amount of increase in the net defined benefit liability / (asset) due to passage of time determined on discount rate.

**Past Service Cost:** Plan amendments often include provisions that grant increased benefits based on services rendered in prior periods. These provisions give rise to past service costs.

**Defined benefit obligation:** The actuarial present value as of date of all benefits attributed by the gratuity benefit formula to employee service rendered before that date. The present value of the obligation is measured using assumptions as to future compensation levels and increases in maximum benefit limitations (if applicable). The interest rate used in determining the present value is the discount rate.

**Settlement:** A transaction that is irrevocable relieves the employer (or the plan) of primary responsibility for a gratuity benefit obligation and eliminates significant risks related to the obligation and the assets used to effect the settlement. The purchase of non-participating annuities or the payment of significant lump sum payments to plan participants might constitute a settlement.