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Independent Auditor's Report

To the Members of GMR Energy Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone financial statements of GMR Energy Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As mentioned in note 4(2) to the accompanying standalone financial statements for the year ended 31 March 2024, the Company's carrying value of investment in GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL'), a subsidiary of the Company amounted to Rs.1,908.25 million (net of provision for diminution of Rs 4,135.60 million) as at 31 March 2023 and due to stoppage of construction of the 300 MW hydro-based power plant on Alaknanda River, Uttarakhand on the directions of the Hon'ble Supreme Court of India ('the Supreme Court'), the carrying value of the investments in GBHPL was significantly dependent on obtaining requisite approvals from Supreme court, environmental clearances, availability of funding support for development and construction of the aforesaid power plant and achievements of the other key assumptions made in the valuation assessment done by an external expert. Owing to abovementioned uncertainties, the Company has completely impaired the remaining carrying value of investment in GBHPL amounting to Rs. 1,908.25 million during the year ended 31 March 2024.

   Our opinion on the standalone financial statements for the year ended 31 March 2023 was qualified in respect of above matter for lack of sufficient appropriate evidence to support management's assessment of recoverability of the investment in GBHPL as on the reporting date and the related impairment provision recognised during the year then ended.

   The comparative financial information included in the accompanying standalone financial statements has not been restated in accordance with the requirements of Indian Accounting Standard 8 on account of aforesaid matter, and hence, our opinion on the accompanying standalone financial statements is modified in respect of this matter.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules 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 qualified opinion.

Emphasis of Matters

5. (i) **Recoverability of investments**

We draw attention to:

a. Note 4(3) to the accompanying standalone financial statements, regarding the investment (including promoter contribution as further described in note 6) made by the Company in GMR Warora Energy Limited ('GWEL'), a subsidiary of the Company amounting to Rs. 7,133.70 million (net of provision for impairment of Rs. 6,293.01 million) as at 31 March 2024. The recoverability of such investment and promoter contribution is dependent upon recoverability of claims relating to transmission charges from MSEDCL as explained below, which are under dispute and pending settlement as at 31 March 2024, capacity utilization of plant in future years and certain other key assumptions as considered in the valuation performed by an external expert.

The claims pertain to recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL') by GWEL. GWEL has disputed the contention of MSEDCL that the cost of transmission charges are to be paid by GWEL. However, based on the Order of the Appellate Tribunal for Electricity ('APTEL') ('the Order') dated 08 May 2015, currently contested by MSEDCL in the Supreme Court and pending conclusion, GWEL has accounted for reimbursement of such transmission charges amounting to Rs. 6,163.31 million in the Statement of Profit and Loss for the period from 17 March 2014 to 31 March 2024 and has disclosed the transmission charges invoiced directly to MSEDCL by Power Grid Corporation Limited for the period December 2020 to March 2024 as contingent liability, as further described in aforesaid note.

The management of the Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment and promoter contribution in GWEL is appropriate and accordingly, no adjustments have been made in the accompanying standalone financial statements for year ended 31 March 2024.

b. Note 4(9) to the accompanying standalone financial statements, regarding the investment made by the Company in GMR Bajoli Holi Hydropower Private Limited ('GBHHPL'), a joint venture of the Company amounting to Rs. 2,574.90 million (net of provision for impairment of Rs. 1,974.93 million) as at 31 March 2024. The recoverability of such investment is dependent upon achievement of future business plans of GBHHPL as described in the said note and recoverability of a capital advance outstanding for Rs. 2,727.90 million as at 31 March 2024 given to the contractor for the project, which along with other claims and counter claims, is pending for arbitration before the Arbitral Tribunal.

The management of the Company, based on its internal assessment, legal opinion and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment of the Company in GBHHPL is appropriate and accordingly, no adjustments have been made in the accompanying standalone financial statements for the year ended 31 March 2024.

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Independent Auditor's Report of even date to the members of GMR Energy Limited on the standalone financial statements for the year ended 31 March 2024 (cont'd)

c. Note 4(4) to the accompanying standalone financial statements, regarding the investment, loans and accrued interest thereon made by the Company in GMR Kamalanga Energy Limited ('GKEL'), a subsidiary of the Company amounting to Rs 19,659.08 million (net of provision for impairment of Rs 6,535.15 million) as at 31 March 2024. The recoverability of such investment, loans and accrued interest thereon is based on the valuation performed by an external expert using the discounted future cash flows method which is dependent on the achievement of certain key assumptions considered in aforementioned valuation such as settlement of disputes with customers and timely realization of receivables, expansion and optimal utilization of existing capacity, timing of settlement of the litigations with respect to claims of capital creditors which are pending settlement as on 31 March 2024.

The management of the Company based on its internal assessment, external legal opinions and certain interim favourable regulatory orders and valuation assessment made by the external expert, is of the view that the carrying value of the aforesaid investment, loans and accrued interest thereon is appropriate and accordingly, no further adjustments have been made in the accompanying standalone financial statements for the year ended 31 March 2024.

(ii) Dispute in relation to interest income

We draw attention to note 6 to the accompanying standalone financial statements in connection with interest income recognised by the Company during the financial year ended 31 March 2022 pursuant to the Hon'ble Supreme Court Order dated 30 March 2022 amounting to Rs. 593.89 million, out of which Rs. 341.98 million has been disputed by the electricity supply companies. The management has filed an execution petition before the Appellate Tribunal for Electricity (APTEL) in the current year, which is pending as on date. The management of the Company, based on the Hon'ble Supreme Court's Order, its internal assessment and external legal opinion, is of the view that the aforesaid interest income is appropriately calculated basis Hon'ble Supreme Court Order and thereby recoverable from the aforesaid electricity supply companies.

Our opinion is not modified in respect of the above matters.

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

6. The Company's Board of Directors are responsible for the other information. The other information does not include the standalone financial statements and our auditor's report thereon.

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

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

The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making

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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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

    - 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.

12. 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.

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Independent Auditor's Report of even date to the members of GMR Energy Limited on the standalone financial statements for the year ended 31 March 2024 (cont'd)

Report on Other Legal and Regulatory Requirements

13. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

14. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the possible effects of the matters described in the Basis for Qualified Opinion section and except for the matters stated in paragraph 15(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) Except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) The matters described in paragraph 3 under the Basis for Qualified Opinion section and paragraph 5 under the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Company;

    f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

    g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3 of the Basis for Qualified Opinion section, paragraph 15(b) above on reporting under section 143(3)(b) of the Act and paragraph 15(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed a modified opinion; and

    i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. Except for the possible effects of the matters described in paragraph 3 of the Basis for Qualified Opinion section, the Company, as detailed in note 30(II) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;

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Independent Auditor's Report of even date to the members of GMR Energy Limited on the standalone financial statements for the year ended 31 March 2024 (cont'd)

iv.

a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 43(a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 43(b) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2024.

vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except as described in note 45, the audit trail logs for direct changes in data at database level for accounting software is available only for 7 days. Further, during our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled and logs maintained.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

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UDIN: 24507000BKDHNY9531

Place: Ghaziabad
Date: 09 May 2024

Annexure A referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of GMR Energy Limited on the standalone financial statements for the year ended 31 March 2024

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

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

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) The property, plant and equipment and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 3 to the standalone financial statements, are held in the name of the Company. For title deeds of immovable properties in the nature of land situated at Mangalore and Kakinada with gross carrying values of Rs 81.72 million and Rs 14.53 million as at 31 March 2024, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(d) The Company has adopted cost model for its Property, Plant and Equipment. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

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

(ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not made investments in companies, firms, limited liability partnerships or any other parties during the year. The Company has also not provided any guarantee or security or granted any loans or advances in the nature of loans, to firms or limited liability partnerships during the year. Further, the Company has provided guarantee, security and granted loans to companies during the year, in respect of which:

(a) The Company has provided loans, guarantee and security to Subsidiaries, Joint Ventures and Others during the year as per details given below:

(Rs. in million)

Particulars	**Guarantees**	**Security***	**Loans**
Aggregate amount provided/granted during the year:			
- Subsidiaries	-	-	553.74
- Joint Ventures	-	-	0.20
- Others	5,500.00	4,887.50	4.72
Balance outstanding as at balance sheet date in respect of above cases:			
- Subsidiaries	-	-	553.74
- Joint Ventures	-	-	0.20
- Others	5,500.00	4,887.50	4.72

*the amounts presented represent the carrying value in the standalone financial statements, net of impairment, if any.

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(b) The Company has not made any investment and has not granted any advances in the nature of loans during the year. In our opinion, and according to the information and explanations given to us, the guarantees provided, security given and terms and conditions of the grant of all loans are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, the schedule of repayment of principal has not been stipulated and accordingly, we are unable to comment as to whether the repayments of principal are regular. Further, no interest is receivable on such loans.

(d) In the absence of stipulated schedule of repayment of principal in respect of loans, we are unable to comment as to whether there is any amount which is overdue for more than 90 days. Reasonable steps have been taken by the Company for recovery of such principal amounts.

(e) In respect of loans granted by the Company, the schedule of repayment of principal has not been stipulated. Further, no interest is receivable on such loans. According to the information and explanation given to us, such loans have not been demanded for repayment as on date.

(f) The Company has granted loans which are repayable on demand or without specifying any terms or period of repayment, as per details below:

Particulars	Related Parties (Rs. in million)
Aggregate of loans - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	 - 558.66
Total (A+B)	558.66
Percentage of loans to the total loans	100%

(iv) The Company has not entered into any transaction covered under section 185 of the Act. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 of the Act in respect of investments, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

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Annexure A referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of GMR Energy Limited on the standalone financial statements for the year ended 31 March 2024 (Cont'd)

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(Rs. in million)

Name of the statute	Nature of dues	Gross Amount (Rs. in million)	Amount paid under Protest (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
Andhra Pradesh Electricity Duty Act, 1939	Electricity duty	110.62	-	June 2010 to December 2011	Hon'ble High Court of Judicature, Andhra Pradesh

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, pursuant to receiving the approvals for rescheduling its loans from the lenders, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures, except for the following:

Nature of fund taken	Name of lender	Amount involved (Rs. in million)	Name of the subsidiary	Relation	Nature of transaction for which funds were utilised
Non-current borrowings	GMR Power and Urban Infra Limited	460.00	GMR Warora Energy Limited	Subsidiary	Promoter contribution given in accordance with the implementation of resolution plan of GMR Warora Energy Limited

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(f) According to the information and explanations given to us, the Company has raised loans during the year on the pledge of securities held in its subsidiaries as per details below. Further the Company has not defaulted in repayment of such loans raised.

Nature of loan taken	Name of lender	Amount of loan (Rs. in million)	Name of the subsidiary, joint venture, associate	Relation	Details of security pledged	Whether there was default in repayment of loan
Non- current borrowings taken	GMR Consulting Services Private Limited	4,992.00	GMR Kamalanga Energy Limited	Subsidiary	Pledge of intercorporate loan	No
			GMR Vemagiri Power Generation Limited	Subsidiary	Pledge of equity shares	No
			GMR Badrinath Hydro Power Generation Limited	Subsidiary	Pledge of equity shares	No
			GMR Bajoli Holi Hydropower Limited	Joint Venture	Pledge of equity shares	No

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Chartered Accountants

Annexure A referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of GMR Energy Limited on the standalone financial statements for the year ended 31 March 2024 (Cont'd)

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has two CICs as part of the Group.

(xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs. 2,339.70 and 2,155.43 respectively.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management, financial support letter provided by the Holding Company, GMR Power and Urban Infra Limited 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) According to the information and explanations given to us, the Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of the said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Manish Agrawal
Partner
Membership No.: 507000

UDIN: 24507000BKDHNY9531

Place: Ghaziabad
Date: 09 May 2024
Chartered Accountants

Annexure B to the Independent Auditor's Report of even date to the members of GMR Energy Limited, on the standalone financial statements for the year ended 31 March 2024

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

1. In conjunction with our audit of the standalone financial statements of GMR Energy Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

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

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

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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to standalone financial statements.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure B to the Independent Auditor's Report of even date to the members of GMR Energy Limited, on the standalone financial statements for the year ended 31 March 2024 (Cont'd)

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to standalone financial statements as at 31 March 2024:

   The Company's internal financial control system towards estimating impairment expense on the carrying value of its investment in a subsidiary, as more fully explained in note 4(2) to the standalone financial statements was not operating effectively due to uncertainties in the judgments and assumptions made by the Company in estimating the aforesaid carrying value of the subsidiary as at 31 March 2023, which could result in potential effects on the comparability of the corresponding figures of investment in the aforesaid subsidiary during the year ended 31 March 2024, and the consequential impact, if any, on the accompanying standalone financial statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

10. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements as at 31 March 2024, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the effects/possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to the standalone financial statements were operating effectively as at 31 March 2024.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure B to the Independent Auditor's Report of even date to the members of GMR Energy Limited, on the standalone financial statements for the year ended 31 March 2024 (Cont'd)

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2024, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Manish Agrawal
Partner
Membership No.: 507000

UDIN: 24507000BKDHNY9531

Place: Ghaziabad
Date: 09 May 2024

GMR Energy Limited
Corporate Identity Number (CIN): U85110MH1996PLC274875
Standalone Balance Sheet as at 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

	Note	31 March 2024	31 March 2023
Assets			
Non-current assets			
Property, plant and equipment	3	610.42	97.83
Financial assets			
(i) Investments	4	30,385.99	32,726.31
(ii) Loans	5	1,196.00	1,031.57
(iii) Other financial assets	6	1,092.62	633.06
Non-current tax assets (net)	7	0.76	3.48
Total of non-current assets		**33,285.79**	**34,492.25**
Current assets			
Financial assets			
(i) Trade receivables	8	92.60	113.59
(ii) Cash and cash equivalents	9A	3.10	3.77
(iii) Bank balances other than (ii) above	9B	68.22	56.90
(iv) Other financial assets	6	344.58	345.72
Current-tax assets (net)	7	-	3.52
Other current assets	10	20.09	7.66
Total of current assets		**528.59**	**531.16**
Total of assets		**33,814.38**	**35,023.41**
Equity and liabilities			
Equity			
Equity share capital	11	36,069.03	36,069.03
Other equity	12	(26,802.55)	(22,149.79)
Total of equity		**9,266.48**	**13,919.24**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13	11,955.26	4,626.88
(ii) Lease liabilities	30(I)	108.47	108.73
(iii) Other financial liabilities	16	148.76	-
Total of non-current liabilities		**12,212.49**	**4,735.61**
Current liabilities			
Financial liabilities			
(i) Borrowings	13	6,657.27	11,864.71
(ii) Lease liabilities	30(I)	0.88	0.88
(iii) Trade payables	15		
(A) Total outstanding dues of micro enterprise and small enterprises		15.55	22.78
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		149.22	140.14
(iv) Other financial liabilities	16	5,102.19	3,920.45
Other current liabilities	17	407.61	416.70
Provisions	18	2.69	2.90
Total of current liabilities		**12,335.41**	**16,368.56**
Total liabilities		**24,547.90**	**21,104.17**
Total of equity and liabilities		**33,814.38**	**35,023.41**

The accompanying notes are an integral part of these standalone financial statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's registration number: 001076N/N500013

Manish Agrawal
Partner
Membership Number: 507000

Place: Ghaziabad
Date: 09 May 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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

Srinivas Bommidala
Vice Chairman & Director
DIN: 00061464

Place: New Delhi
Date: 09 May 2024

Mr. Madhva Bhimacharya Terdal
Director
DIN: 05343139

Place: Bengaluru
Date: 09 May 2024

Ashis Basu
Chief Executive Officer

Place: New Delhi
Date: 09 May 2024

Manoj Kumar Singh
Chief Financial Officer

Place: New Delhi
Date: 09 May 2024

Sanjay Kumar Babu
Company Secretary - FCS 8649

Place: New Delhi
Date: 09 May 2024

GMR Energy Limited

GMR Energy Limited
Corporate Identity Number (CIN): U85110MH1996PLC274875
Standalone Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

	Note	31 March 2024	31 March 2023
Income			
Revenue from operations	19	228.39	219.63
Other income	20	168.48	362.02
Total income		**396.87**	**581.65**
Expenses			
Sub-contracting expenses		194.35	181.99
Employee benefits expense	21	14.46	21.12
Other expenses	24	125.18	117.26
Total expenses		**333.99**	**320.37**
Earnings before finance cost, tax, depreciation and amortisation expenes and exceptional items (EBITDA)		**62.88**	**261.28**
Finance costs	22	2,253.35	2,237.09
Depreciation expenses	23	3.62	0.03
Loss before tax expenses and exceptional items		**(2,194.09)**	**(1,975.84)**
Exceptional items	25	(2,415.94)	2,559.22
(Loss)/profit before tax expenses		**(4,610.03)**	**583.38**
Tax expenses			
Current income tax	26	-	-
Deferred tax		-	-
(Loss)/profit after tax expenses		**(4,610.03)**	**583.38**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (loss) / gains on defined benefit plans		(0.14)	0.13
Net loss on fair valuation through other comprehensive income ('FVTOCI')		(42.59)	-
Income tax on above items		-	-
Other comprehensive income for the year, net of tax		**(42.73)**	**0.13**
Total comprehensive income for the year		**(4,652.76)**	**583.51**
Earnings per equity share (Rs.) Basic and diluted	27	(1.28)	0.16

The accompanying notes are an integral part of these standalone financial statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's registration number: 001076N/N500013

Manish Agrawal
Partner
Membership Number: 507000

Place: Ghaziabad
Date: 09 May 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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

Srinivas Bommidala
Vice Chairman & Director
DIN: 00061464

Place: New Delhi
Date: 09 May 2024

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Manoj Kumar Singh
Chief Financial Officer

Place: New Delhi
Date: 09 May 2024

Sanjay Kumar Babu
Company Secretary - FCS 8649

Place: New Delhi
Date: 09 May 2024

GMR Energy Limited GMR

GMR Energy Limited
Corporate Identity Number (CIN): U85110MH1996PLC274875
Standalone Statement of Cash flow for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

Particulars	31 March 2024	31 March 2023
A. Cash flow from operating activities		
(Loss)/profit before tax	(4,610.03)	583.38
Adjustments for :		
Depreciation expenses	3.62	0.03
Provision/(reversal) for diminution in value of investments and loans (included in exceptional items)	2,415.94	(2,559.22)
Provision / liability no longer required written back	(2.17)	(60.45)
Provisions for employee benefits	(0.21)	(1.22)
Gain on account of foreign exchange fluctuations (net)	(0.08)	(156.04)
Gain on disposal of property, plant and equipment	(5.65)	-
Finance costs	2,253.35	2,237.09
Interest income on bank deposits and others	(151.18)	(132.68)
Interest income on income tax refunds	(1.81)	(11.30)
Operating loss before working capital changes and other adjustments	(98.22)	(100.41)
Working capital changes and other adjustments:		
Other assets	(12.43)	52.70
Other financial assets	1.63	426.60
Trade receivables	20.99	(16.99)
Trade payables	3.95	(91.08)
Other financial liabilities	(1.80)	(97.71)
Other current liabilities	(8.79)	388.30
Cash (used in) / flow from operating activities before tax	(94.67)	561.41
Income taxes refunded (net)	8.05	40.30
Net cash (used in) / flow from operating activities	(86.62)	601.71
B. Cash flows from investing activities		
Purchase of property, plant and equipment (net)	(510.57)	-
Proceeds from non current investments*	0.00	594.19
Investments in bank deposits (net)	(10.63)	(30.00)
Inter corporate deposits / unsecured loans / promoter contribution given to subsidiaries and other companies	(558.66)	(692.35)
Interest received on bank deposits	3.37	2.43
Net cash used in investing activities	(1,076.48)	(125.73)
C. Cash flows from financing activities		
Repayment of non current borrowings	(3,664.01)	(1,567.00)
Proceeds from non-current borrowings	5,462.55	3,019.88
Proceeds from current borrowings	362.40	3,835.57
Repayments of current borrowings	(40.00)	(5,179.76)
Payment of lease liabilities	(12.52)	(9.48)
Interest paid	(945.99)	(581.44)
Net cash flows from / (used in) in financing activities	1,162.43	(482.23)
Net decrease in cash and cash equivalents	(0.67)	(6.25)
Cash and cash equivalents at the beginning of the year	3.77	10.02
Cash and cash equivalents at the end of the year	3.10	3.77
Cash and cash equivalent comprises of (refer note 9A):		
Cash on hand	0.04	0.07
Balances with banks in current accounts	3.06	3.70
	3.10	3.77

* Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as "0.00".

Note: The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these standalone financial statements.

This is the Standalone Statement of Cash flow referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's registration number: 001076N/N500013

Manish Agrawal
Partner
Membership Number: 507000

Place: Ghaziabad
Date: 09 May 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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

Srinivas Bommidala
Vice Chairman & Director
DIN: 00061464

Place: New Delhi
Date: 09 May 2024

Mr. Madhva Bhimacharya Terdal
Director
DIN: 05343139

Place: Bengaluru
Date: 09 May 2024

Ashis Basu
Chief Executive Officer

Place: New Delhi
Date: 09 May 2024

Manoj Kumar Singh
Chief Financial Officer

Place: New Delhi
Date: 09 May 2024

Sanjay Kumar Babu
Company Secretary - FCS 8649

Place: New Delhi
Date: 09 May 2024

GMR Energy Limited GMR

GMR Energy Limited
Corporate Identity Number (CIN): U85110MH1996PLC274875
Standalone Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

Equity share capital (refer note 11)

Particulars	Balance as at 1 April 2022	Issued during the year	Balance as at 31 March 2023	Issued during the year	Balance as at 31 March 2024
Number of shares	3,606,902,694	-	3,606,902,694	-	3,606,902,694
Amount	36,069.03	-	36,069.03	-	36,069.03

Other equity (refer note 12)

Particulars	Reserves and surplus					Other comprehensive income	Total other equity attributable to equity holders of the Company
	General reserve	Securities premium	Other reserves arising on account of restructuring	Capital redemption reserve	Retained earnings	Fair valuation through other comprehensive income	
As at 1 April 2022	318.05	37,427.02	12,051.84	285.25	(72,815.46)	-	(22,733.30)
Loss for the year	-	-	-	-	583.38	-	583.38
Other comprehensive income	-	-	-	-	0.13	-	0.13
Total comprehensive income	-	-	-	-	583.51	-	583.51
As at 31 March 2023	318.05	37,427.02	12,051.84	285.25	(72,231.95)	-	(22,149.79)
Profit for the year	-	-	-	-	(4,610.03)	-	(4,610.03)
Other comprehensive income	-	-	-	-	0.14	(42.59)	(42.73)
Total comprehensive income	-	-	-	-	(4,610.17)	(42.59)	(4,652.76)
As at 31 March 2024	318.05	37,427.02	12,051.84	285.25	(76,842.12)	(42.59)	(26,802.55)

The accompanying notes are an integral part of these standalone financial statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's registration number: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Manish Agrawal
Partner
Membership Number: 507000

Place: Ghaziabad
Date: 09 May 2024

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

Srinivas Bommidala
Vice Chairman & Director
DIN: 00061464

Place: New Delhi
Date: 09 May 2024

Mr. Madhva Bhimacharya Terdal
Director
DIN: 05343139

Place: Bengaluru
Date: 09 May 2024

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Chief Executive Officer

Place: New Delhi
Date: 09 May 2024

Manoj Kumar Singh
Chief Financial Officer

Place: New Delhi
Date: 09 May 2024

Sanjay Kumar Babu
Company Secretary - FCS 8649

Place: New Delhi
Date: 09 May 2024

GMR Energy Limited
GMR

1. Corporate information

GMR Energy Limited ('GEL' or 'the Company') is a public limited Company domiciled in India and its registered office is situated at 701, 7th floor, Naman Centre, Plot No C-31, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051. The registered office of the Company is located at Naman Centre, Bandra Kurla Complex, Mumbai, India. The Company was engaged in the business of generation and sale of electrical energy from its 220 MW plant situated at Kakinada, Andhra Pradesh, India and has investment in power projects.

1.1. Going Concern

The Company has been incurring losses including cash losses. The Company has incurred net loss after tax and exceptional items of Rs. 4,610.03 million during the year ended 31 March 2024 and has accumulated losses of Rs. 76,842.12 million as at 31 March 2024, which has resulted in substantial erosion of the Company's net worth and its current liabilities exceed its current assets as at 31 March 2024 by Rs. 11,806.82 million. Management is taking various initiatives including monetisation of assets, including proposed conversion of borrowings from GPUIL to compulsorily convertible debentures ('CCD') and other strategic initiatives to create sustainable cash flows. Based on future business plans and valuation assessment of key projects by an external expert as detailed in the notes 4(3), 4(4), 4(5), and 4(9) and loans from the Holding Company, GMR Power and Urban Infra Limited ('GPUIL') to the Company and extensions granted by GPUIL and other related parties for loans availed by the Company from time to time including those presented as current borrowings as at 31 March 2024, support letter from GPUIL confirming that it will arrange financial support to GEL and corporate guarantee issued by GPUIL to the lenders of GWEL for the promoter contribution to be given by the Company as per resolution plan entered between GWEL and its lenders, the standalone financial statements has been prepared on a going concern basis, which contemplates realisation of assets and settlement of liabilities in an orderly manner.

2.1 Basis of preparation

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values (refer accounting policy regarding financial instruments), the provisions of the Companies Act, 2013 (the 'Act'). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 09 May 2024. The revision to standalone financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

The functional and presentation currency of the Company is Indian Rupee ("Rs.") which is the currency of the primary economic environment in which the Company operates. All the values are rounded off to the nearest million (Rs. 000,000) except when otherwise indicated.

The Company has presented earning before finance cost, taxes, depreciation, amortisation expenses and exceptional items as EBITDA.

GMR Energy Limited GMR

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(A) Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2024.

(B) Standards issued/amended and became effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 01 April 2023. The Company has applied for these amendments, first-time.

Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's standalone financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. There is no impact of the same on these standalone financial statements.

Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on these standalone financial statements.

2.2. Material accounting policy information

a. Current versus non-current classification

The Company presents assets and liabilities in the standalone balance sheet based on current/ non-current classification. An asset is treated as current when it is:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
ii. Held primarily for the purpose of trading,
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle,
ii. It is held primarily for the purpose of trading,
iii. It is due to be settled within twelve months after the reporting period, or

GMR Energy Limited

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The term of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Income-tax assets are classified as non-current. However, for income-tax assets pertaining to assessment years where the refund orders have been issued, are classified as current.

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.

b. Fair value measurement of financial instruments

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

c. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from operations

Revenue from operation is exclusive of goods and service tax (GST). Revenue includes adjustments made towards liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

Revenue is recognised as follows:

1.**Cost plus contracts:** Revenue from cost plus contracts is recognized over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.

2.**Fixed price contracts:** Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfil such remaining performance obligations). In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

Contract balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (k) financial instruments – initial recognition and subsequent measurement.

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (k) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

d. Income taxes

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognised in other comprehensive income or directly in equity.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the

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extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

e. Property, plant and equipment ('PPE')

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

PPE under installation or under construction as at balance sheet are shown as capital work-in-progress and the related advances are shown as capital advances.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category of asset	**Estimated useful life**
Plant and machinery	10 – 25 years
Building	30 years
Office equipment's (including computer equipment's)	3-6 years
Furniture and fixtures	10 years
Vehicles	8 years

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Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is lower, on straight line basis.

Further, the management has estimated the useful lives of asset individually costing Rs. 5,000 or less to be less than one year, whichever is lower than those indicated in Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

f. Borrowing cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

g. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

The Company as a lessee

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist. At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

h. Impairment of non-financial assets, investments in subsidiary and joint venture companies

As at the end of each accounting year, the company reviews the carrying amounts of its PPE and investments in subsidiary and joint venture companies, to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the Company operates, or for the market in which the asset is used.
Impairment losses of continuing and discontinued operations, including investments in subsidiary and joint venture companies, are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

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i. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a provision for contingent liability but discloses its existence in the standalone financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is recognized.

j. Retirement and other employee benefits

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution scheme. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund, pension fund and superannuation fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund. The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Re-measurements, 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 standalone balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

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

a. The date of the plan amendment or curtailment, and
b. 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:

a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b. Net interest expense or income.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the year in which such gains or losses are determined.

The Company presents the leave as a current liability in the standalone balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

k. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. In case of interest free or concession loans/debentures/preference shares given to subsidiaries and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Investment in equity instruments issued by subsidiaries and joint ventures are measured at cost less impairment.

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Investment in preference shares/ debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares/ debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss. Financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets, excluding investments in subsidiary and joint venture companies

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

For trade and other receivables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a. **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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b. De-recognition

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

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l. Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

m. Foreign currencies

Transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.
Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

o. Exceptional items

An item of income or expense which due to its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the standalone financial statements.

p. **Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Actual results could differ from those estimates. Estimates and impairment underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.
The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Fair value measurement of financial instruments - When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The cash flow projections used in these models are based on estimates and assumptions relating to conclusion of tariff rates, operational performance of the plants and coal mines, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc in case of investments in entities in the energy business and favourable outcomes of litigations etc. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Classification of leases – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Contingencies – Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the standalone financial statements.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Impairment of non current assets including property, plant and equipment and investments - Determining whether investment are impaired requires an estimation of the recoverable amount, which is the higher of fair value less costs of disposal and value in use of the individual investment or the relevant cash generating units. Further, impairment testing for property, plant and equipment is carried out basis the fair value less cost of disposal. The fair value less costs of disposal calculation is based on available data for similar property, plant and equipment/investments or observable market prices less incremental costs for disposing of the property, plant and equipment/investments. The value in use calculation is based on DCF model over the estimated useful life of the power plants. Further, the cash flow projections are based on estimates and assumptions relating to conclusion of operational performance of the plants, life extension plans, availability and market prices of gas, coal and other fuels, tying up of untied capacity, future tariff rates, timely realisation of trade receivables including regulatory claims, renewal of existing Power purchase agreements, restructuring of loans, reduction of finance cost, favorable outcome of litigations etc which are considered as reasonable by the management.

Defined benefit obligation (DBO) – The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables advances and loans.

Provisions –At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, actual future outcome may be different from this judgement.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Going concern assessment – The Company has been incurring losses including cash losses, which has resulted in substantial erosion of the Company's net worth and its current liabilities exceed its current assets. For the reasons stated in note 1.1, the standalone financial statements continues to be prepared on a going concern basis.

GMR Energy Limited GMR

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GMR Energy Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

3 Property, plant and equipment

Particulars	Land	Right of use asset (refer note 30(I)	Buildings	Office equipment	Vehicles	Furniture and fixtures	Total
Gross block							
As at 1 April 2022	97.75	0.84	122.61	2.38	0.16	2.36	**226.10**
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
As at 31 March 2023	**97.75**	**0.84**	**122.61**	**2.38**	**0.16**	**2.36**	**226.10**
Additions	-	-	517.24	-	-	-	517.24
Deletion	1.03	-	-	-	-	-	1.03
As at 31 March 2024	**96.72**	**0.84**	**639.85**	**2.38**	**0.16**	**2.36**	**742.31**
Accumulated depreciation							
As at 1 April 2022	-	0.84	122.61	2.27	0.16	2.36	**128.24**
Charge for the year	-	-	-	0.03	-	-	0.03
As at 31 March 2023	-	**0.84**	**122.61**	**2.30**	**0.16**	**2.36**	**128.27**
Charge for the year	-	-	3.59	0.03	-	-	3.62
As at 31 March 2024	-	**0.84**	**126.20**	**2.33**	**0.16**	**2.36**	**131.89**
Net block							
As at 31 March 2023	**97.75**	-	-	**0.08**	-	-	**97.83**
As at 31 March 2024	**96.72**	-	**513.65**	**0.05**	-	-	**610.42**

Notes

1. Land with gross block of Rs. 96.25 million located in Kakinada and Mangalore and building with gross block of Rs. 517.24 million located in 7th Floor, Naman Centre, BKC has been pledged as security for non fund based limits with IDBI Bank.

2. There are no contractual commitments with respect to property, plant and equipment.

3. The Company had received an advance of Rs. 400 million from GMR Energy Trading Limited (GETL) during the year ended 31 March 2023 for sale of land (classified under Property, Plant and equipment) having gross block of Rs 81.72 million, situated in the district of Mangalore in the state of Karnataka for a total sales consideration of Rs. 800 million. The land has not been classified under assets held for sale (as per Ind As 105) as it cannot be considered as available for immediate sale in its present condition considering that the land has been pledged with a bank against a non-fund based facility.

GMR Energy Limited GMR

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GMR Energy Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

4 Investments

	31 March 2024	31 March 2023
A. Investments (valued at cost, unless otherwise stated)		
Unquoted		
a) In equity shares of subsidiaries		
- Indian Companies		
GMR Vemagiri Power Generation Limited ('GVPGL') [1, 5, 7] [274,500,140 (31 March 2023 : 274,500,140) equity shares of Rs. 10 each fully paid-up]	2,959.00	2,959.00
GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL') [2, 7] [5,000,000 (31 March 2023: 5,000,000) equity shares of Rs. 10 each fully paid-up]	50.00	50.00
GMR Consulting Services Limited (GCSL) [10] (till 31 October 2023) [Nil (31 March 2023 :50,000) equity shares of Rs. 10 each fully paid-up]	-	0.50
GMR Warora Energy Limited ('GWEL') [1, 3, 7] [870,000,000 (31 March 2023 : 870,000,000) equity shares of Rs. 10 each fully paid-up]	9,987.50	9,987.50
GMR Maharastra Energy Limited ('GMEL') [50,000 (31 March 2023 : 50,000) equity shares of Rs. 10 each fully paid-up]	0.50	0.50
GMR Rajam Solar Power Private Limited ('GRSPPL') [10,000 (31 March 2023 : 10,000) equity shares of Rs. 10 each fully paid-up]	0.10	0.10
GMR Gujarat Solar Power Private Limited ('GGSPPL') [1] [73,600,000 (31 March 2023 : 73,600,000) equity shares of Rs. 10 each fully paid-up]	736.00	736.00
GMR Bundelkhand Energy Private Limited ('GBEL') [10,000 (31 March 2023 : 10,000) equity shares of Rs. 10 each fully paid-up]	0.10	0.10
GMR Indo Nepal Power Corridors Limited ('GINPCL') [50,000 (31 March 2023: 50,000) equity shares of Rs. 10 each fully paid-up]	0.50	0.50
GMR Kamalanga Energy Limited ('GKEL') [1,4, 7] [2,097,752,783 (31 March 2023 :2,097,752,783 equity shares of Rs. 10 each fully paid-up]	21,069.84	21,069.84
- Body Corporates		
GMR Energy (Mauritius) Limited ('GEML') (Rs.3,954; 31 March, 2023: Rs. 3,954) [95 (31 March 2023: 95) equity shares of USD 1 each fully paid-up]	0.00	0.00
b) In equity shares of joint ventures		
- Indian Companies		
GMR Bajoli Holi Hydropower Private Limited (GBHHPL) [1,9, 7] [429,665,600 (31 March 2023 : 429,665,600) equity shares of Rs. 10 each fully paid-up]	4,296.66	4,296.66
GMR Tenaga Operations and Maintenance Private Limited (GTOM) [25,000 (31 March 2023 : 25,000) equity shares of Rs. 10 each fully paid-up]	0.25	0.25
(c) Investment in additional equity of subsidiaries and joint ventures on account of fair valuation of loans, debentures, preference shares and guarantees		
GWEL [3, 7]	449.22	449.22
GGSPPL	32.77	32.77
GKEL [4, 7]	3,950.41	3,950.41
GMEL [7]	112.94	112.44
GCSL [10]	-	17.83
GINPCL [7]	2.32	2.25
GRSPPL	20.52	20.52
GBHHPL [7, 9]	253.17	253.17
GBHPL [2, 7]	6,003.86	5,993.85
GVPGL [5, 7]	978.09	894.93
GBEL [7]	31.24	31.24
GTOM [7]	0.36	0.15

GMR Energy Limited

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GMR Energy Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

4 Investments (Cont'd)

	31 March 2024	31 March 2023
Investments at amortised cost		
d) In preference shares of subsidiaries (Unquoted)		
- Indian Companies		
GWEL[3, 7]	1,930.00	1,930.00
[170,008,060 (31 March 2023 : 170,008,060) 0.001% compulsory convertible preference shares		
GVPGL[5, 7]		
[50,000 (31 March 2023 : 50,000) 0.001% Non-cumulative compulsory convertible preference shares of Rs. 100,000 each fully paid-up]	2,864.92	2,864.92
Investments at fair value through statement of profit and loss		
e) In equity shares of other companies		
- Indian Companies		
Power Exchange India Limited[6]	-	-
[4,000,000 (31 March 2023 : 4,000,000) equity shares of Rs 10 each fully paid-up]		
GMR Energy Trading Limited[8]	140.60	140.60
[14,060,000 (31 March 2023 : 14,060,000) equity shares of Rs 10 each fully paid-up]		
Total (a+b+c+d+e)	**55,870.86**	**55,795.24**
Less: Provision for diminution in the value of investments (refer note 4(7) below)		
- GINPCL	2.75	2.68
- GRSPPL	20.62	20.62
- GWEL	6,293.01	6,996.73
- GBHHPL	1,974.93	1,914.00
- GKEL	6,535.15	8,460.27
- GGSPPL	28.00	28.00
- GMEL	113.44	112.94
- GVPGL	4,431.41	1,348.25
- GBHPL	6,053.86	4,135.60
- GBEL	31.34	31.34
- GCSL (till 31 October 2023)	-	18.34
- GTOM	0.36	0.15
	25,484.87	**23,068.93**
Total	**30,385.99**	**32,726.31**
Aggregate amount of non-current unquoted investments	55,870.86	55,795.24
Aggregate provision for diminution in the value of non-current unquoted investments	25,484.87	23,068.93

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GMR Energy Limited GMR

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

4 Investments (Cont'd)

Notes:

1. Refer note 30(III)(iv) for details of shares pledged.

2. a) The Company had investments of Rs.1,908.25 million (after provision for diminution in the value of investment of Rs 4,135.60 million) in GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL') as at 31 March 2023. Further, the Company has also provided bank guarantee to Uttarakhand Government and Power Grid Corporation of India of Rs. 188.20 million towards Project implementation and Long Term Access taken by GBHPL. GBHPL is in the process of developing and construction of 300 MW hydro based power plant in Alaknanda River, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India ('the Court'), while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated 7 May 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended 31 March 2016, Ministry of Environment Forest and Climate Change ('MoEF') has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. During the year ended 31 March 2018, the validity of Environmental Clearance ('EC') granted to GBHPL by the MoEF ceased to exist subject to the final outcome of the matter pending before the Court. GBHPL has moved an application in the High Court of Uttarakhand to allow for project implementation as recommended by expert body report issued in March 2020. Also, in case the prayer is not allowed, it will direct the Union of India (various ministries) to pay compensation with respect to the project.

Due to inordinate delay in revocation of stay order of Supreme Court and prolonged legal uncertainties relating to resumption of construction of the project, the management of the Company has impaired the remaining carrying value of investment amounting to Rs. 1,908.25 million during the year ended 31 March 2024 and the carrying value of the investments in GBHPL is now Nil.

The statutory auditors of the Company have modified their Audit Report stating the comparative financial information has not been restated in accordance with the requirements of Indian Accounting Standard 8 on account of aforesaid matter.

b) During the year, the Company has pledged the loan given to GBHPL of Rs. 5,845.60 million [carrying value Rs. Nil million (provision for dimunition Rs. 5,845.60 million)] to Credit Solutions India Trust (Varde) against non convertible debentures ('NCD') issued by GMR Consulting Services Limited.

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GMR Energy Limited GMR

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4 Investments (Cont'd)

3 a) The Company has investments (including investments in equity share capital / preference share capital) and promoter contribution as per resolution plan (presented under other non current financial assets as per note 6) of Rs. 7,133.70 Million (after provision for impairment in the value of investment of Rs. 6,293.01) in GMR Warora Energy Limited ('GWEL') and has also provided corporate guarantee of Rs. 750.00 Million towards loans taken by GWEL from the lenders. GWEL is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL has accumulated losses of Rs. 3,915.15 million as at 31 March 2024, which has resulted in substantial erosion of GWEL's net worth. There have been delays in repayment of dues to the lenders on account of the delay in the receipt of the claims as stated below by GWEL from its customers thereby resulting in lowering of credit ratings for GWEL's borrowings. GWEL had successfully implemented Resolution Plan under Prudential Framework for Resolution of Stressed Assets, as prescribed by the RBI during the previous year ended 31 March 2023. However, the Company has made profits before taxes for the year ended 31 March 2024 and have favourable interim orders towards the claims as stated below. Also GWEL is confident of fully utilizing the capacity of power plant during its operational life. GWEL has trade receivables, other receivables and unbilled revenue (including claims) of Rs. 4,912.13 million and the payment from the customers against the claims including interest on such claims is substantially pending receipt. GWEL had claimed compensation for various "change in law" events including coal cost pass through, fly ash transportation, duties and taxes, carrying cost etc. from its customers under the Power Purchase Agreements ('PPA') and have filed petitions with the regulatory authorities for settlement of such claims in favour of GWEL. The management of GWEL based on its internal assessment, has accounted for an impairment allowance amounting to Rs. 3,938.99 million (comprising of Rs. 2,618.93 million pertaining to compensation for various "change in law events and Rs. 1,320.06 million pertaining to capacity charges as detailed in note below) in the standalone financial statements of GWEL for the year ended 31 March 2024 and accordingly the management has performed valuation of GWEL after adjusting for these outstanding receivables.

Further, GWEL received notices from one of its customer disputing payment of capacity charges of Rs. 1,320.06 million for the period 23 March 2020 to 30 June 2020 as the customer had not availed power during the said period sighting force majeure on account of COVID 19 pandemic. GWEL responded and clarified that the said situation is not covered under force majeure clause in view of the clarification by the Ministry of Power stating that Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. The customer is of the view that the aforesaid clarification by the Ministry of Power cannot override the terms of the PPA and continue to dispute the payment thereof. Also, the PPA with the customer expired in June 2020.

During year ended 31 March 2021, GWEL filed petition with CERC for settlement of the dispute. During the quarter ended 31 March 2022, the said petition has decided in the favour of GWEL vide CERC order dated 20 January 2022, wherein CERC directed the customer to pay the outstanding capacity charges along with delayed payment surcharge within 60 days from the date of aforesaid order. The customer filed an appeal against the said CERC order before APTEL during the quarter ended 30 June 2022. APTEL issued an interim order and directed to pay 25% of the principal amount within a period of one week from the date of interim order and deposit balance outstanding amount in an interest - bearing fixed deposit with a nationalised bank. However, GWEL has not received any amount from the customer and matter is pending conclusion. The management of GWEL based on its internal assessment, has accounted for an impairment allowance on the aforesaid capacity charges in the standalone financial statements of GWEL for the year ended 31 March 2024 and accordingly the management has performed valuation of GWEL after adjusting for these outstanding receivables.

Further, during the previous year ended 31 March 2023, all the lenders had confirmed the implementation of the resolution plan in their respective books of accounts which was invoked under the Prudential Framework for resolution of stressed assets, as prescribed by RBI. Accordingly, the management of GWEL expects that the plant will generate sufficient profits in the future years and based on business plans and valuation assessment by an external expert during the year ended 31 March 2024, the Company has accounted for reversal of impairment provision amounting to Rs. 703.72 million considering the impact of increased profits along with key assumptions such as capacity utilization of plant in future years based on current levels of utilization including merchant sales and sales through other long term PPA's, therefore management is of the view that the carrying value of its investment in GWEL as at 31 March 2024 is appropriate.

4 Investments (Cont'd)

b) GWEL entered into a Power Purchase Agreement (PPA) with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') on 17 March 2020 for sale of power for an aggregate contracted capacity of 200 MW. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with Appellate Tribunal for Electricity ('APTEL'). APTEL vide its interim Order dated 11 February 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from 17 March 2014 and paid inter-state transmission charges. APTEL vide its final Order dated 8 May 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly, as at 31 March 2024, GWEL has raised claim of Rs. 6,163.31 million towards reimbursement of transmission charges from 17 March 2014 till 31 March 2024. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and the matter is pending conclusion. Pursuant to notification No. L-1/250/2019/CERC, the transmission charges (other than the deviation charges) is being directly billed to the respective customers (DISCOMS) by Power Grid Corporation of India Limited and accordingly, GWEL has not received transmission charges (other than the deviation charges) related invoices for the period December 2020 to March 2024. Though there is a change in the invoicing mechanism, the final obligation towards the transmission charges will be decided based on the order of the Hon'ble Supreme Court of India as stated above.

In view of the favorable Order from APTEL, receipt of substantial amount towards reimbursement of transmission charges, legal opinion and internal assessment of the management of the Company that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of Rs. 6,163.31 million relating to the period from 17 March 2014 to 31 March 2024 as reduction in the cost of transmission in the Statement of profit and loss. Further the cost of transmission with effect from December 2020 till March 2024, directly invoiced by Power Grid Corporation of India Limited to DISCOMS has been disclosed as contingent liability pending the final outcome of the matter in the Hon'ble Supreme Court of India.

The statutory auditors of the Company have drawn an Emphasis of Matter in their Audit Report in respect of the above matters.

GMR Energy Limited

CHARTERED ACCOUNTANTS

4 Investments (Cont'd)

4 (a) The Company's carrying value of investments (including investments in equity share capital, subordinate loans and interest accrued thereon) in GMR Kamalanga Energy Limited ('GKEL') is Rs 19,659.08 million (after provision for diminution in the value of investment of Rs 6,535.15 million). The Company has also provided corporate / bank guarantee of Rs. 6,000.00 million towards loan taken by GKEL from the project lenders. GKEL is engaged in development and operation of 3*350 MW under Phase I and 1 *350 MW under Phase II coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has accumulated losses of Rs. 10,911.45 million as at 31 March 2024 which has resulted in substantial erosion of GKEL's net worth. Further, GKEL has trade receivables including delayed payment surcharge receivables and unbilled revenue (including claims) of Rs. 17,755.53 million as at 31 March 2024, towards coal cost pass through and various "change in law" events from its customers under the PPAs and have filed petitions with the regulatory authorities for settlement of such claims in favour of GKEL. The payment from the customers against the claims is substantially pending receipt as at 31 March 2024. Based on certain favourable interim regulatory orders with regard to its petition for 'Tariff Determination' and 'Tariff Revision' with its customers, the management is confident of a favourable outcome towards the outstanding receivables of GKEL. Further, as detailed in note 4(4)(b) there are continuing litigation with SEPCO Electric Power Construction Corporation (SEPCO) ("Capital Creditors") which are pending settlement. Company has signed PPA for supply of 102 MW round the clock to TANGEDCO for a period of five years through the aggregator M/s PTC India Limited. Further, the Company is actively pursuing its customers for realization of claims. GKEL has signed fuel supply agreement with Coal India Limited for supply of coal from its Mahanadi Coal Field Mines for 3.64 million ton, which is within a distance of 15 KM from the plant site. In addition to above, GKEL has won the bid (Shakti-III) for supply of 0.40 Million ton of coal for balance 150 MW. Further, considering the improvement in tariff and higher demand on Exchange, as evidenced by higher profits during the year ended 31 March 2024, the fair value of investment has significantly improved which has resulted into reversal of impairment amounting to Rs. 1,925.12 million determined basis the discounted cash flow method.

The valuation of such investment is significantly dependent on various assumptions around settlement of disputes with customers and timely realisation of receivables, settlement of litigations with the capital creditors in favour of GKEL, raising funds for completion of construction and commencement of operations for Phase II currently under construction, achievement of cost optimization measures, and other key assumptions. In view of these matters, business plans, valuation assessment by an external expert and management assessment carried out during the year ended 31 March 2024, the management is of the view that the carrying value of the investments in GKEL as at 31 March 2024 is appropriate.

The statutory auditors of the Company have drawn an Emphasis of Matter in their Audit Report in respect of the above matter.

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GMR Energy Limited GMR

CHARTERED ACCOUNTANTS

4 Investments (Cont'd)

(b) GKEL entered into agreement with SEPCO in 2008 for the construction and operation of a coal fired thermal power plant. Disputes arose between the parties in relation to the delays in construction and various technical issues relating to the construction and operation of the power plant. SEPCO served a notice of dispute to GKEL in March 2015 and initiated arbitration proceedings. An Arbitral Tribunal was constituted to adjudicate upon the disputes between the parties. SEPCO filed its claim and GKEL filed its counter – claims before the Arbitral Tribunal. The Arbitral Tribunal has passed an Award on 07 September 2020 on the issues before it except the issues of interest and cost. Since there were computation/ clerical / typographical errors in the Award, both parties (GKEL and SEPCO) applied for correction of the Award under Section 33 of the Arbitration & Conciliation Act, 1996. The Arbitral Tribunal considered the applications of both the parties and has pronounced the corrected award on 17 November 2020 (the "Award"). GKEL has received a final award on the issues of interest and cost (the "Final Award") in the previous year on 24 June 2021 which was later corrected and re-issued on 1 September 2021. The net impact of the Award on GKEL could be approximately Rs. 12,123.76 million as on 31 March 2024, payable by GKEL to SEPCO (including bank guarantee invoked by GKEL). GKEL has already made a provision of Rs. 12,123.76 million in its books towards any such liability and thus there is no material additional impact in books of accounts due to the Award and the Final Award. GKEL has challenged the Award and the Final Award under Section 34 of the Arbitration and Conciliation Act, 1996 (Act) before the Hon'ble High Court of Orissa on 15 February 2021 and 31 December 2021 respectively. The High Court vide its judgement and order dated 17 June 2022 has dismissed the petition filed by GKEL on 15 February 2021 to put aside the Final Award on the basis that impugned award does not fall under the category which warrants interference under Section 34 of the Arbitration Act. GKEL has challenged judgement by filing special leave petition before the Supreme Court of India which has been registered as SLP (C) No. 12194 of 2022 on grounds; a) Violation of Principles of Natural Justice, b) Judgement is in violation of the guidelines laid by Supreme Court for timely pronouncing of judgements c) Violation of due process of law and others. The Hon'ble Supreme Court in the hearing on 25 July 2022 has issued notice and stayed the operation of the Section 34 Judgment.

Vide its order date 15 May 2023, the Hon'ble Supreme Court has disposed of SLP by allowing GKEL to approach the Commercial Appellate Division Bench, as constituted by the Orissa High Court by way of an appeal under Section 37 of the Arbitration Act with liberty to raise all grounds and contentions. It had further directed that the aforesaid stay shall continue till 30 June 2023. In furtherance of the order of the Hon'ble Supreme Court, GKEL had filed an appeal under Section 37 of the Arbitration Act before the Orissa High Court on 9 June 2023, challenging Section 34 judgement and the Award.

The matter was listed for hearing on 03 July 2023 on which date the Hon'ble Orissa High Court fixed detailed schedule for final hearing in the matter from 19 July 2023 to 2 August 2023. The Orissa High Court has pronounced its judgement on 27 September 2023 wherein it has allowed the Section 37 appeal and set aside Section 34 judgement and the Award. Further, during the current year, SEPCO has filed a special leave petition (SLP) with Supreme Court on 20 December 2023 which was registered on 30 January 2024 by Supreme Court and will be listed for hearing in due course. GKEL has also raised and filed its preliminary objections to the very maintainability of the SLP filed by SEPCO.

Based on legal advice, the liability including interest and other costs under the Final Award has been set aside until the claims are raised again by SEPCO basis the available legal recourse. GKEL in its books has made provisions in view of the disputes between SEPCO and GKEL based on generally accepted accounting practices. Irrespective of the heads under which they appear or their nomenclature/ heading/ title/ narration, etc., such provisions do not make GKEL liable for payment since liability is disputed. GKEL expects to have a favourable outcome in the aforesaid litigations, hence resulting in reduction of liabilities towards SEPCO.

The statutory auditors of the Company have drawn an Emphasis of Matter in their Audit Report in respect of the above matter.

GMR Energy Limited GMR ★

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4 Investments (Cont'd)

5. GMR Vemagiri Power Generation Limited ('GVPGL'), a subsidiary of the Company is engaged in the business of generation and sale of electrical energy from the gas-based power plants 387 MW situated at Vemagiri. In view of lower supplies / availability of natural gas to the power generating companies in India, GVPGL, is facing shortage of natural gas supply. As a result, the GVPGL had not generated and sold electrical energy since May 2013 till 31 March 2015. GVPGL had emerged as a successful bidder in the auction process organised by the Ministry of Power and operated on an intermittent basis from August 2015 till September 2016. The Company has not been operational since September 2016. GVPGL have ceased operations and have been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply. GVPGL has incurred net loss of Rs. 670.88 million during the year ended 31 March 2024 and has accumulated losses of Rs. 9,551.91 million as at 31 March 2024.

GVPGL had filed petition claiming losses of Rs. 4,470.00 million pertaining to capacity charges for loss of revenue on account of unavailability of the fuel during the period 2006 to 2008, excluding interest, and based on legal opinion is confident of recovery of such claims. During the year ended 31 March 2019, the Honourable High Court of Andhra Pradesh passed its judgement and held that the Central Electricity Regulatory Commission ('CERC') has the jurisdiction to adjudicate the aforesaid claims of GVPGL. Further, during the year ended 31 March 2020, the Andhra Pradesh DISCOMs ('APDISCOMs') appealed against, the aforesaid judgement before the Honourable Supreme Court. The Supreme Court vide its order dated 4 February 2020 dismissed the aforesaid petition of the DISCOMs and held that CERC will have jurisdiction to adjudicate the disputes in the present case and directed CERC to dispose off the petition filed before it within six month. The matter is pending to be heard before the CERC as at 31 March 2024.

Additionally, during the year ended 31 March 2020, in case of GVPGL's litigation with APDISCOMs, wherein APDISCOMS refused to accept declaration of capacity availability on the basis of deep water gas citing that natural gas for the purpose of PPA does not include Deep Water Gas and consequent refusal to schedule power from GVPGL and pay applicable tariff including capacity charges. CERC has passed order dated 28 January 2020, declaring that natural gas for the purpose of PPA includes Deep Water Gas. Accordingly, GVPGL is entitled to claim capacity charges from APDISCOMs from October 2016 based on availability declaration for generation of power on the basis of deep water gas, along with late payment surcharge.

GVPGL has calculated a claim amount of Rs. 7,413.13 million for the period from November 2016 till February 2020 for capacity charges. As at 31 March 2024, GVPGL has not received any of the aforesaid claims and is confident of recovery of such claims in the future based on the CERC Order. Matter will be listed in due course for hearing.

The management is evaluating various approaches / alternatives to deal with the situation and is confident that Government of India ('GoI") would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. Further, the management of the Company has carried out a valuation assessment of GVPGL during the year ended 31 March 2023 according to net realisable value method, considering that the plant is not in operation since a long time and there is uncertainty with respect to availability of natural gas. Based on the aforementioned reasons, claims for capacity charges and legal opinion, the management is of the view that the Company's investments in GVPGL of Rs. 2,370.60 million (net of provision for diminution of Rs. 4,431.41 million) as at 31 March 2024 is appropriate.

6. Based on an internal assessment, the Company has determined the fair value of its investment in Power Exchange India Limited as Nil.

7. During the year ended 31 March 2024 and 31 March 2023, based on its internal assessment with regard to future operations and valuation assessment by an external expert, the management of the Company made a provision for diminution /reversed provision for impairment recorded in earlier years in the value of its investments including loan in certain subsidiaries and joint ventures (including additional investments made during the year) and has disclosed the same as an 'exceptional item' in the standalone financial statements of the Company.

8. Unquoted equity instruments for which cost has been considered as an appropriate estimate of fair value as cost represents the best estimate of fair value within that range.

GMR Energy Limited

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4 Investments (Cont'd)

9. The Company's carrying value of investments (including investments in equity share capital) in GMR Bajoli Holi Hydropower Private Limited ('GBHHPL') is Rs. 2,574.90 million (after provision for diminution in the value of investment of Rs. 1,974.93 million). GBHHPL has set up 180 MW hydro based power plant in Chamba, District of Himachal Pradesh. It had experienced delays in the completion of construction and incurred costs overruns. During the previous year ended 31 March 2023, GBHHPL had commenced commercial operations. Further, during the previous year i.e., with effect from 13 July 2022, GBHHPL had terminated its agreement with Gammon Engineers and Contractors Private Limited ('the contractor') in respect of the hydropower project as the Company noticed repeated slippages by the contractor in achieving the targets and multifarious breaches under the work orders. The construction had to be completed by June 2018, however the project was delayed and as a part of one time settlement with the contractor, extension was granted till 31 May 2020. Even after such time extension and payment of huge unadjusted advances, the contractor could not finish the critical components of civil works within the extended date and further delayed the completion of the project. As a consequence of such delay, GBHHPL had recovered its dues including due to liquidated damages and unadjusted advances from the contractor by way of invoking available bank guarantees (BGs) provided by the contractor, amounting to Rs 1,288.90 million and accordingly GBHHPL has adjusted it against such advances.

Further, during the previous year on 10 June 2022, GBHHPL invoked arbitration against the contractor to recover further unadjusted advances outstanding as recoverable from the contractor amounting to Rs 2,727.90 million as at 31 March 2024, however, the contractor has also filed counter claims against the Company before the arbitration tribunal towards costs and damages on account of prolongation of the Contract. GBHHPL filed its reply to the Statement of Defence and counterclaims on 1 March 2023. Subsequently, consolidated statement of claims and counter claims were directed to be filed by the Arbitration Tribunal which have been filed in the month of August 2023. Currently, the matter is pending adjudication before the Arbitral Tribunal. Next hearing date is yet to be decided. Based on legal assessment by an independent legal consultant, the management believes that aforesaid unadjusted advances are recoverable in the near future and accordingly, have been so considered in the valuation assessment carried out by an external expert during the year ended 31 March 2024, basis which the Management is of the view that the carrying value of its investment in GBHHPL as at 31 March 2024 is appropriate.

The statutory auditors of the Company have drawn an Emphasis of Matter in their Audit Report in respect of the above matter.

10. On 01 November 2023, the Company has transferred all shares of GMR Consulting Services Limited ('GCSL') to GPUIL at nominal price of Rs. 10.

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CHARTERED ACCOUNTANTS

(All amounts in Rs. millions unless otherwise stated)

4 Investments (Cont'd)

11. The Company has investments in certain companies of GMR Group that are in the business of development of highways on build, operate and transfer model on annuity or toll basis and in Delhi International Airport Private Limited (DIAL). These investments have been funded by GMR Power Urban Infra Limited ('GPUIL') (erstwhile company GMR Infrastructure Limited ('GIL')) against an agreement to pass on any benefits or losses out of investment to GPUIL and has been approved by the Board of Directors of the Company. Accordingly, such investments are not accounted in the standalone financial statements of the Company, the details of which are as below:

	31 March 2024	31 March 2023
a) In equity shares		
GMR Pochanpalli Expressways Private Limited (GPEPL)	690,000	690,000
Delhi International Airport Private Limited (DIAL)	100	100
GMR Chennai Outer Ring Road Private Limited (GCORRPL)	3,000,000	3,000,000
GMR Ambala - Chandigarh Expressways Private Limited (GACEPL)	24,222,593	24,222,593
b) In preference shares		
GCORRPL	1,200,000	1,200,000

Further, the Company is in the process of transferring its stake in the abovementioned companies to GPUIL or its subsidiaries after obtaining requisite approvals.

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GMR Energy Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2024

(All amounts in Rs. millions unless otherwise stated)

5 Loans - non current

(Unsecured, considered good unless otherwise stated)	31 March 2024	31 March 2023
Loan and advances to related parties (refer note 28 and note (1) below)		
Unsecured, considered good	1,196.00	1,031.57
Unsecured loans - credit impaired	3.84	25.02
Total	**1,199.84**	**1,056.59**
Less: Impairment allowance (allowance for doubtful loans)		
Unsecured loans - credit impaired	(3.84)	(25.02)
Total	**1,196.00**	**1,031.57**

Notes:

1. Also refer note 4(4) and 4(7) .

2. Loans are non-derivative financial instruments which generate a fixed or variable interest income for the Company. The carrying value may be affected by the changes in the credit risk of the counter parties.

3. The Company has given loan to GMR Kamalanga Energy Limited amounting to Rs. 4,109.16 million (carrying value Rs. 1,173.98 million) which has been pledged to Credit Solutions India Trust (Varde) against non convertible debentures ('NCD') issued by GMR Consulting Services Limited.

a) Loans which are granted to promoters, directors, KMPs and the related parties during the year

Type of Borrower	31 March 2024		31 March 2023	
	Loan amount outstanding	% to total Loans granted during the year	Loan amount outstanding	% to total Loans granted during the year
Subsidiaries* [Refer note 28(b)]	93.94	95.22%	92.42	100.00
Promoter [Refer note 28(b)]	4.72	4.78%	-	-
Total	**98.66**	**100.00%**	**92.42**	**100.00%**

* The same has been treated as additional equity investments in subsidiaries.

6 Other financial assets

(Unsecured, considered good unless stated otherwise)	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Security deposits	32.62	33.06	-	-
Promoter contribution as per resolution plan (refer note i below)	1,060.00	600.00	-	-
Other receivables	-	-	344.58	345.71
Other amounts recoverable which have significant increase in credit risk (refer note ii below)	-	-	369.87	369.87
Total	**1,092.62**	**633.06**	**714.45**	**715.59**
Less: Impairment allowance on other than trade receivables which have significant increase in credit risk	-	-	(369.87)	(369.87)
	1,092.62	**633.06**	**344.58**	**345.72**

(i) Note: In accordance with the Resolution Plan of GMR Warora Energy Limited, (Wholly Owned Subsidiary) ('GWEL') in terms of "Prudential Framework for Resolution of Stressed Assets" issued vide RBI circular dated June 7, 2019 read with IRAC Norms issued by the Reserve Bank of India which was duly approved by the lenders of GWEL and by the Board of Directors of GWEL at its meeting held on 23 June 2022, the Company has infused Rs 1,060 million as of promoters' contribution upto 31 March 2024. Further, as per the resolution plan, the Company shall contribute for an amount upto Rs. 1,600 million into GWEL (including Rs 1,060 million contributed till 31 March 2024), to be infused over 4 years (upto 31 March 2025), by way of extending intercorporate loan, subscription of optionally /compulsory convertible securities or any other instrument as may be mutually decided in consultation with the lenders of GWEL. Further, as resolved by the Board of Directors of the Company as well as GPUIL respectively, GPUIL will provide financial assistance upto Rs. 1,600 million for the purpose of infusions of promoters' contribution. Also, in accordance with the resolution plan, GPUIL has provided corporate guarantee for the abovementioned promoter contribution.

(ii) During the year ended 31 March 2022, the Company had recognized interest income amounting to Rs. 593.89 million pursuant to the Hon'ble Supreme Court judgement dated 30 March 2022 which upheld the Appellate Tribunal for Electricity (APTEL's) judgement and dismissed the civil appeals and confirmed the liability of electricity supply companies (ESCOMs) to pay the interest. The ESCOMs had paid their respective principal amounts to the Company in the year 2016 amounting to Rs. 671.50 million. In response to the Hon'ble Supreme Court judgement the Company has sent a demand letter on 8 April 2022 demanding Rs. 597.15 million towards interest from the ESCOMs compounded quarterly in accordance with aforesaid orders. The ESCOMs have submitted a reply to the Company disputing the interest amount claimed by the Company and have accepted a liability of Rs. 251.91 million on account of interest out of demand raised of Rs. 597.15 million. Further, during the previous year ended 31 March 2022, the Company has received the interest amount of Rs. 251.91 million. The ESCOMs have mentioned that the question of computation of interest post 15 February 2016 i.e., when repayment of principal was paid, does not arise in any event and further the claim of interest on interest is not in accordance with APTEL's order. The Company has involved an independent legal consultant to assess the matter and from perusal of the order of the Hon'ble Supreme Court, APTEL's judgement and such external legal opinion obtained, the Company believes that for the purpose of calculation of interest amount, outstanding dues includes principal amount and accrued interest. Accordingly, the Company has claimed Rs. 593.89 million in its books of account as communicated in its letter dated 8 April 2022 which is in accordance with applicable position of law. The Company had filed the Application before Supreme Court seeking consequential directions for payment of outstanding amounts pursuant to the Supreme Court Order dated 30 March 2022 which remain unpaid despite the dismissal order. Replies and rejoinders were filed in the matter and the Hon'ble Supreme Court in the hearing held on 28 November 2023 indicated that computation of interest does not fall under its purview.

Hence, GEL has withdrawn it's application with a liberty to approach appropriate forum for execution of Supreme Court judgment dated 30 March 2022. GEL has filed an execution petition before the APTEL on 22 February 2024 seeking implementation of the APTEL judgement and directions for payment of outstanding dues and the hearing date is yet to be decided.

The statutory auditors of the Company have drawn an Emphasis of Matter in their Audit Report in respect of the above matter.

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Notes to the Standalone Financial Statements for the year ended 31 March 2024

(All amounts in Rs. millions unless otherwise stated)

7 Tax assets (net)

	Non Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Advance income tax, including tax deducted at source (net of provision for tax)	0.76	3.48	-	3.52
	0.76	**3.48**	**-**	**3.52**

8 Trade receivables

(Unsecured, considered good unless stated otherwise)

	31 March 2024	31 March 2023
Receivable from related parties (refer note 28)	92.60	113.59
	92.60	**113.59**

Notes:

1. No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
2. Trade receivables are non-interest bearing.

Ageing schedule of trade receivables

(₹ in millions)

As at 31 March 2024	Outstanding from the due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	92.60	-	-	-	-	92.60
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-

(₹ in millions)

As at 31 March 2023	Outstanding from the due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	113.59	-	-	-	-	113.59
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-

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GMR Energy Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2024

(All amounts in Rs. millions unless otherwise stated)

9A Cash and cash equivalents

Cash and cash equivalents	31 March 2024	31 March 2023
Balances with banks		
– On current accounts	3.06	3.70
Cash on hand	0.04	0.07
Total	**3.10**	**3.77**

9B Other Bank Balances

	31 March 2024	31 March 2023
Deposits with remaining maturity for less than 12 months*	68.22	56.90
Total	**68.22**	**56.90**

*Includes margin money deposit (including interest accrued) amounting to Rs. 68.22 million (31 March 2023 : 56.90 million) against bank guarantee issued in favour of various authorities.

10 Other assets

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Advances, other than capital advances	-	-	14.05	0.31
Excess of planned assets over obligation (refer note 29)			2.43	2.56
Prepaid expenses	-	-	0.08	1.19
Balances with statutory authorities	-	-	3.53	3.60
Balances with statutory authorities which have significant increase in credit risk	45.99	45.99	-	-
Other recoverables which have significant increase in credit risk			4.55	4.57
Total	**45.99**	**45.99**	**24.64**	**12.23**
Less: Impairment allowance on balances with statutory authorities and other recoverables which have significant increase in credit risk (refer note 30(II)(B)(ii))	(45.99)	(45.99)	(4.55)	(4.57)
	-	-	**20.09**	**7.66**

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Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

11 Equity share capital

a) Authorised

	Equity shares of Rs. 10 each		Preference shares of Rs. 10 each		Preference shares of Rs. 1,000 each	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
At 1 April 2022	4,000,000,000	40,000.00	172,500,000	1,725.00	14,275,000	14,275.00
At 31 March 2023	4,000,000,000	40,000.00	172,500,000	1,725.00	14,275,000	14,275.00
At 31 March 2024	**4,000,000,000**	**40,000.00**	**172,500,000**	**1,725.00**	**14,275,000**	**14,275.00**

b) Issued issued, subscribed and fully paid up

Equity shares of Rs. 10 each	Number of shares	Amount
At 1 April 2022	3,606,902,694	36,069.03
At 31 March 2023	3,606,902,694	36,069.03
At 31 March 2024	**3,606,902,694**	**36,069.03**

c) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Every member holding equity shares therein shall have voting rights in proportion to their share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares would 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 shareholders.

d) During the year ended 31 March 2024, GPUIL and group companies have purchased total shareholding of 29.14% as held by Power & Energy International (Mauritius) Limited [affiliate of Tenaga National Berhad (Tenaga)] in the Company pursuant to settlement agreement entered with Power & Energy International (Mauritius) Limited on 17 November 2023 and 6.59% from Claymore Investments (Mauritius) Pte. Ltd. pursuant to Settlement Agreement dated 13 February 2024.

e) Out of the equity shares issued by the Company, shares held by its Holding Company, ultimate Holding Company and their subsidiaries / associates are as below:

Shares held by enterprises that jointly control the Company and its continuing subsidiaries (Refer note 12(1))

	31 March 2024	31 March 2023
GMR Generation Assets Limited ('GGAL') (31 March 2023 : 1,301,531,411) equity shares of Rs. 10 each.	-	13,015.32
GMR Energy Projects (Mauritius) Limited ('GEPML') Nil (31 March 2023 : 150,912,717) equity shares of Rs. 10 each.	-	1,509.13
GMR Power and Urban Infra Limited ('GPUIL')* 241,52,68,952 (March 31, 2023: 490,330,844) equity shares of Rs. 10 each. (including nominee)	24,152.69	4,903.31
Welfare trust for GMR Group Employees Nil (31 March 2023 : 15,000,000) equity shares of Rs. 10 each.	-	150.00
Power and Energy International (Mauritius) Limited Nil (31 March 2023 : 1,051,154,500) equity shares of Rs. 10 each.	-	10,511.55
GMR Infratech Private Limited Nil (31 March 2023 : 30,916,308) equity shares of Rs. 10 each.	-	309.16
GMR Consulting Services Limited* 99,91,35,493 (31 March 2023 : Nil) equity shares of Rs. 10 each.	9,991.35	-

* Refer note 11(d)

(All amounts in Rs. millions unless otherwise stated)

(f) Details of shareholders holding more than 5% shares in the Company

	31 March 2024		31 March 2023	
Equity shares of Rs. 10 each	**Number of shares**	**% holding in the class**	**Number of shares**	**% holding in the class**
GGAL (nominee of GPUIL since 04 March 2024)	1	0.00%	1,301,531,411	36.08%
GPUIL (including nominees)	2,415,268,950	66.96%	490,330,844	13.59%
Claymore Investments (Mauritius) Pte. Limited	182,624,381	5.06%	420,416,542	11.66%
Power and Energy International (Mauritius) Limited	-	-	1,051,154,500	29.14%
GMR Consulting Services Limited	999,135,493	27.70%	-	-

As per the records of the Company, including its register of shareholders / members, the above shareholding represents both the legal and the beneficial ownership of shares.

(g) Details of promoter shareholding

Name of promoter	As at 31 March 2024		
	Number of shares	**% of total shares**	**% Change during the year**
GM Rao	-	-	(0.00%)
G. Varalakshmi	-	-	(0.00%)
Srinivas Bommidala	-	-	(0.00%)
B.Ramadevi	-	-	(0.00%)
GBS Raju	-	-	(0.00%)
Kiran Kumar Grandhi	-	-	(0.00%)
GMR Generation Assets (Nominee of GPUIL)	1.00	0.00%	(36.08%)
Dhruvi Securities limited (Nominee of GPUIL)	1.00	0.00%	(0.00%)
GMR Energy Project (Mauritius) Limited	-	-	(4.18%)
GPUIL	2,415,268,950	66.96%	53.37%
GMR Consulting Services Limited	999,135,493	27.70%	27.70%
Welfare Trust for GMR Group Employees	-	-	(0.42%)

Name of promoter	As at 31 March 2023		
	Number of shares	**% of total shares**	**% Change during the year**
GM Rao	9,000	0.00%	-
G. Varalakshmi	9,000	0.00%	-
Srinivas Bommidala	180	0.00%	-
B.Ramadevi	180	0.00%	-
GBS Raju	180	0.00%	-
Kiran Kumar Grandhi	180	0.00%	-
GMR Generation Assets(GMR Renewable Energy Ltd)	1,301,531,411	36.08%	-
GMR Energy Project (Mauritius) Limited	150,912,717	4.18%	-
GPUIL	490,330,844	13.59%	0.54%
Welfare Trust for GMR Group Employees	15,000,000	0.42%	-

(h) No shares has been issued for consideration other than cash in the current reporting year and in last five years immediately preceeding the current reporting year.

GMR Energy Limited GMR

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Notes to the Standalone Financial Statements for the year ended 31 March 2024

(All amounts in Rs. millions unless otherwise stated)

12 Other equity

	31 March 2024	31 March 2023
(a) Capital redemption reserve		
Balance at the beginning of the year	285.25	285.25
Balance at the end of the year	**285.25**	**285.25**
(b) Securities premium account		
Balance at the beginning of the year	37,427.02	37,427.02
Balance at the end of the year	**37,427.02**	**37,427.02**
(c) General reserve		
Balance at the beginning of the year	318.05	318.05
Balance at the end of the year	**318.05**	**318.05**
(d) Retained earnings		
Balance at the beginning of the year	(72,231.95)	(72,815.46)
Add: Re-measurement gains on defined benefit plans (net of tax, if any)	(0.14)	0.13
Add: (Loss)/Profit for the year	(4,610.03)	583.38
Balance at the end of the year	**(76,842.12)**	**(72,231.95)**
(e) Other reserve arising on account of restructuring [refer note 12(1)]		
Balance at the beginning of the year	12,051.84	12,051.84
Balance at the end of the year	**12,051.84**	**12,051.84**
(f) Other comprehensive income		
Balance at the beginning of the year	-	-
Add: Net loss on fair valuation through other comprehensive income ('FVTOCI')	(42.59)	-
Balance at the end of the year	**(42.59)**	-
Total (a+b+c+d+e+f)	**(26,802.55)**	**(22,149.79)**

Note:

1. During the year ended 31 March 2017, the Company along with certain GMR Group entities entered into a Subscription and Shareholders Agreement with Tenaga Nasional Berhad (Tenaga) and its affiliate, Power and Energy International (Mauritius) Limited ('Investors') whereby the investors have acquired a 30% equity stake in a select portfolio of GEL assets on a fully diluted basis for a consideration of USD 300.00 million through primary issuance of equity shares of GEL. The transaction was completed on 4 November 2016 and GEL has allotted equity shares to the Investors for the said consideration of USD 300.00 million. As per the conditions precedent to the completion of the transaction, GEL's investment in certain component entities of GEL (excluded entities) have been transferred from GEL to GMR Group companies along with the transfer of loan payable by the Company to GMR Infrastructure Limited ('GIL') and its other subsidiaries towards discharge of consideration for the investment in entities transferred. Pursuant to the above transaction, compulsory convertible preference shares issued by the Company to the PE investors and to certain GMR Group entities have been converted into equity shares.

Pursuant to such restructuring, during the year ended 31 March 2017, the Company had accounted a surplus amounting to Rs. 12,051.84 million which has been included in Other equity.

During the year ended 31 March 2024, GPUIL has purchased total shareholding of 29.14% as held by Power & Energy International (Mauritius) Limited (Tenaga National Berhad (Tenaga) and its affiliates) in the Company pursuant to settlement agreement entered with with Power & Energy International (Mauritius) Limited on 17 November 2023 and 6.59% from Claymore Investments (Mauritius) Pte. Ltd. pursuant to Settlement Agreement dated 13 February 2024.

Nature and purpose of reserves

Capital redemption reserve

Capital redemption reserve represents amounts set aside on redemption of shares.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

General reserve

Represents amounts transferred from debenture redemption reserve to general reserve post redemption of debentures.

Retained earnings

Retained earnings are the profits of the Company earned till date net of appropriations.

Other reserves arising on account of restructuring

As explained in note 12(1).

GMR Energy Limited GMR

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(All amounts in Rs. millions unless otherwise stated)

13 Borrowings

	Non Current		Current Borrowing	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Term loans				
Loans from related parties - unsecured (refer note (1) below and note 28)	11,955.26	4,626.88	6,657.27	11,864.71
	11,955.26	**4,626.88**	**6,657.27**	**11,864.71**
The above amount includes				
Unsecured borrowings	11,955.26	4,626.88	6,657.27	11,864.71
	11,955.26	**4,626.88**	**6,657.27**	**11,864.71**

1a. Long term loan from related parties carries an interest rate of 12.25% p.a. to 15.00% p.a. (31 March 2023 : 12.25% to 12.50% p.a) and are repayable on the expiry of 2-4 years from the date of disbursement.

1b. Short term loan from related parties of carries an interest rate of 9.25 % p.a.to 12.50% p.a. (31 March 2023 : 9.25 % p.a.to 12.50% p.a.).

2. The maturity analysis of borrowings are disclosed in note 33.

14 Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	**Lease liabilities**	**Non-current borrowings**	**Current borrowings**	**Other financial liabilities: current (interest accrued)**	**Total**
Balance as at 1 April 2022	108.06	7,848.87	8,534.03	2,059.72	**18,550.68**
Proceeds from borrowings	-	3,019.88	3,835.57	-	**6,855.45**
Repayment of borrowings	-	(1,567.00)	(5,179.76)	-	**(6,746.76)**
Transfer of current maturities to short term	-	(4,674.87)	4,674.87	-	**-**
Interest expense	11.03	-	-	2,226.06	**2,237.09**
Payment of lease liabilities	(9.48)	-	-	-	**(9.48)**
Interest paid	-	-	-	(581.44)	**(581.44)**
Balance as at 31 March 2023	**109.61**	**4,626.88**	**11,864.71**	**3,704.34**	**20,305.54**
Proceeds from borrowings	-	5,462.55	362.40	-	**5,824.95**
Repayment of borrowings	-	(3,664.01)	(40.00)	-	**(3,704.01)**
Transfer of current maturities to short term	-	(1,303.59)	1,303.59	-	**-**
Reclassification of borrowings from current to non-current	-	6,833.43	(6,833.43)	-	**-**
Interest expense	12.26	-	-	2,241.09	**2,253.35**
Fair valuation expense through other comprehensive income	-	-	-	42.59	**42.59**
Payment of lease liabilities	(12.52)	-	-	-	**(12.52)**
Interest paid	-	-	-	(945.99)	**(945.99)**
Balance as at 31 March 2024	**109.35**	**11,955.26**	**6,657.27**	**5,042.03**	**23,763.91**

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GMR Energy Limited GMR

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(All amounts in Rs. millions unless otherwise stated)

15 Trade payables

	31 March 2024	31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 3 below)	15.55	22.78
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade payables to related parties (refer note 28)	26.57	22.70
Trade payables - others	122.65	117.44
	164.77	**162.92**

Notes:

1. Includes retention money of Rs.3.65 million (31 March 2023 : Rs. 2.25 million). Retention money is payable on the completion of the contracts or after the completion of the defect liability period as defined in the respective contracts. These payments are kept as retention to ensure performance of the vendor obligation and hence are not discounted for present value of money.

2. Terms and conditions of the above financial liabilities:
- Trade payables are non-interest bearing
- For explanations on the Company's credit risk management processes, refer note 33(ii)(A)(a).
- The dues to related parties are unsecured.

3. The Management is in continuous process of obtaining confirmations from its vendors regarding their registrations under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). Under the MSMED Act, 2006 which come into force with effect from 02 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of information and records available with the Company, the following disclosures are made for the amounts due to Micro, Small and Medium Enterprises. Further, in view of the management, the impact of interest , if any, that may be payable in accordance with provision of the Act are not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Disclosure as per "The Micro, Small and Medium Enterprises Development Act, 2006"

	31 March 2024	31 March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	15.55	22.78
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
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 year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of allowance of deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

4. The maturity analysis of trade payables are disclosed in note 33.

a) Ageing schedule of trade payables

As at 31 March 2024	Outstanding from the due date of payment						
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Un-Disputed Trade Payable							
(a) Micro, small and medium enterprises	-	-	15.55	-	-	-	**15.55**
(b) Others	92.12	29.86	4.71	0.30	-	22.23	**149.22**
(ii) Disputed Trade Payable							
(a) Micro, small and medium enterprises	-	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-	-
Total (i) + (ii)	**92.12**	**29.86**	**20.26**	**0.30**	-	**22.23**	**164.77**

As at 31 March 2023	Outstanding from the due date of payment						Total
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Un-Disputed Trade Payable							
(a) Micro, small and medium enterprises	-	9.25	13.53	-	-	-	**22.78**
(b) Others	92.14	20.30	3.89	1.58	2.17	20.06	**140.14**
(ii) Disputed Trade Payable							
(a) Micro, small and medium enterprises	-	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-	-
Total (i) + (ii)	**92.14**	**29.55**	**17.42**	**1.58**	**2.17**	**20.06**	**162.92**

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(All amounts in Rs. millions unless otherwise stated)

16 Other financial liabilities

	Non current		Current	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
Interest accrued on borrowings (refer note 28)	148.76	-	4,893.27	3,704.33
Advance from vendor against the claim (refer note 30(II)(c))	-	-	161.18	161.18
Advance from others	-	-	0.90	1.42
Accrued salaries and benefits	-	-	1.97	3.26
Financial guarantee contracts (refer note 28)	-	-	44.88	50.26
	148.76	-	**5,102.19**	**3,920.45**

The maturity analysis of other financial liabilities are disclosed in note 33.

17 Other liabilities

	31 March 2024	31 March 2023
Tax deductible at source payable	7.54	16.53
Other statutory dues	0.07	0.17
Advance for sale of land*	400.00	400.00
	407.61	**416.70**

* During the year ended 31 March 2023, the Company had received an advance of Rs. 400 million from GMR Energy Trading Limited (GETL) for sale of land (classified under Property, Plant and equipment) having gross block of Rs 81.72 Mn (31 March 2023 : 81.72 Mn), situated in the district of Mangalore in the state of Karnataka for a total sales consideration of Rs. 800 million. The land has not been classified under assets held for sale (as per Ind As 105) as it cannot be considered as available for immediate sale in its present condition considering that the land has been pledged with IDBI bank against a non-fund based facility.

18 Provision

	31 March 2024	31 March 2023
Provision for compensated absences	2.69	2.90
	2.69	**2.90**

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GMR Energy Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

19 Revenue from operations

	31 March 2024	31 March 2023
Sale of services*		
Income from maintenance service (refer note 28)	228.39	219.63
	228.39	**219.63**

* The same is recognised over a point of time.

a) Contract balances:		
Trade receivables (refer note 8)		
- Current	92.60	113.59
b) Contract Liabilities	-	-

c) Revenue recognised during the year from the performance obligation satisfied upto previous year (arising out of contract modifications) amounts to Rs Nil.

20 Other income

	31 March 2024	31 March 2023
Interest income on		
Bank deposits	4.07	2.43
Inter corporate deposit (refer note 28)	0.05	-
Notional income on unwinding financial assets (refer note 28)	147.06	130.25
Income tax refunds	1.81	11.30
Gain on account of foreign exchange fluctuations (net)	0.08	154.85
Other non operating income- scrap sale	-	2.75
Provision/liability no longer required written back	2.17	60.45
Gain on disposal of property, plant and equipment	5.65	-
Miscelleanous income	7.59	-
	168.48	**362.02**

21 Employee benefits expense

	31 March 2024	31 March 2023
Salaries, wages and bonus	12.84	19.04
Contribution to provident and other funds (refer note 29)	0.94	1.27
Gratuity expenses (refer note 29)	-	0.01
Staff welfare expenses	0.68	0.80
	14.46	**21.12**

22 Finance costs

	31 March 2024	31 March 2023
Interest expense (refer note 28)	2,134.59	2,174.66
Interest on lease liability	12.26	11.03
Other borrowing costs	106.50	51.40
	2,253.35	**2,237.09**

23 Depreciation and amortisation expenses

	31 March 2024	31 March 2023
Depreciation of property, plant and equipment (refer note 3)	3.62	0.03
	3.62	**0.03**

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(All amounts in Rs. millions unless otherwise stated)

24 Other expenses

	31 March 2024	31 March 2023
Rates and taxes	0.98	6.72
Repairs and maintenance-		
- buildings	0.73	2.33
- others	-	5.15
Legal and professional fees	93.30	72.67
Auditor's remuneration (refer note(i) below)	16.33	15.77
Travelling and conveyance	3.82	4.19
Bank charges	0.31	0.70
Directors' sitting fees (refer note 28)	2.31	1.56
Power and fuel	0.65	1.51
Miscellaneous expenses	6.75	6.66
	125.18	**117.26**

(i) Auditor's remuneration*

Audit fee (including fee for audit of consolidated financial statements of the Company)	14.99	14.99
Other services (including certification fees)	0.15	0.15
Reimbursement of expenses	1.19	0.63
	16.33	**15.77**

*inclusive of goods and service tax

25 Exceptional items

	31 March 2024	31 March 2023
Provision for diminution / (reversal) in the value of investments and loans, if any (net) (refer note 4)	2,415.94	(1,701.61)
Provision for diminution / (reversal) in value of investment on redemption of investment in preference share of GEML	-	(857.61)
	2,415.94	**(2,559.22)**

Reconciliation of provision for diminution in the value of non-current unquoted investments

	Amount
As at 1 April 2022	**25,249.73**
Less: Provision for diminution / (reversal) in the value of investments during the year	(2,559.22)
Less: Recovery of impaired loans from group companies during the year	(11.09)
Less: Provision for diminution in the value of investments written off during the year	(1.83)
Add: Loss on recognition of derivative liability	391.33
As at 31 March 2023	**23,068.93**
Add: Provision for diminution in the value of investments during the year	2,415.94
As at 31 March 2024	**25,484.87**

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WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(All amounts in Rs. millions unless otherwise stated)

26 Tax expense

Particulars	**31 March 2024**	**31 March 2023**
Current income tax	-	-
Deferred tax	-	-

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% (31 March 2023: 25.17%) and the reported tax expense in the statement of profit and loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Loss / (profit) before tax	(4,610.03)	583.38
At India's statutory income tax rate of 25.17% (31 March 2023 : 25.17%)	**(1,160.34)**	**146.84**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Unrecognised deferred tax on unabsorbed losses, unabsorbed depreciation and temporary differences	1,160.34	(146.84)
Tax expense	-	-

Note:

1) The Company has carry forward business losses of Rs. 10,438.31 million (31 March 2023: Rs. 18,063.08 million) that are available for off setting for 8 years against future taxable business profits, unabsorbed depreciation of Rs. 5,432.20 million (31 March 2023: Rs. 5,434.68 million) that is available for off setting for indefinite period and capital loss of Rs. 8,938.40 million (31 March 2023: Rs. 8,929.15 million) are available for off setting for 8 years against future long term capital gains. The above mentioned losses will expire between the assessment years 2025-26 to 2032-33.The Company has not recognised deferred tax asset in respect of the above mentioned business losses, unabsorbed depreciation and capital losses and certain other temporary differences since it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

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27 Earnings Per Share ('EPS')

Basic EPS is calculated by dividing the loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity shareholders (after making adjustments for convertible securities) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. However, there are no such convertible securities issued by the Company and hence the diluted EPS is equal to the basic EPS.

Particulars	**31 March 2024**	**31 March 2023**
Face value of equity shares (Rs. per share)	10	10
Weighted average number of equity shares used for computing earning per share (basic and diluted) (refer note 11)	3,606,902,694	3,606,902,694
(Loss) / profit as per statement of profit and loss (Rs. in millions)	(4,610.03)	583.38
EPS - Basic and diluted (Rs.)	**(1.28)**	**0.16**

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GMR Energy Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

28 Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

a) Names of related parties and nature of related party relationship :

(i) Enterprises that jointly control the Company	GMR Enterprises Private Limited ('GEPL')
	GMR Power and Urban infra Limited ('GPUIL')
	GMR Consulting Services Limited (GCSL) (with effect from 06 November 2023)
	GMR Generation Assets Limited ('GGAL') (till 04 March 2024)
	GMR Energy Projects (Mauritius) Limited ('GEPML') (till 10 November 2023)
	Tenaga Nasional Berhad ('Tenaga') (till 21 November 2023)
	Power and Energy International (Mauritius) Limited ('PEIML') (till 21 November 2023)
	GMR Infratech Private Limited ('GIPL') (till 06 November 2023)
(ii) Transactions with subsidiaries and joint ventures of enterprises that jointly control the Company	GMR Energy Trading Limited ('GETL')
	GMR Generation Assets Limited ('GGAL') (with effect from 05 March 2024)
	Celebi Delhi Cargo Terminal Management India Private Limited ('CDCTM')
(iii) Key managerial personnel ('KMP')	Mr.G. M. Rao, Chairman and Non- Executive Director
	Mr.Srinivas Bommidala, Vice Chairman and Non-Executive Director
	Mr.Kiran Kumar Grandhi, Non-Executive Director
	Dr.Siva Kameswari Vissa, Independent Director
	Dr. M. Ramachandran, Independent Director
	Mr. Bimal Jayant Parakh, Independent Director
	Mr. Madhva Bhimacharya Terdal, Non Executive Director
	Mr. Srinivasachari Rajagopal, Non Executive Director
	Mr.Nazmi Bin Othman, Nominee Director (till 22 November 2023)
	Hafiz Bin Ismail, Alternate Director (till 22 November 2023)
	Mohd Zarihi Bin Mohd Hashim, Nominee Director (till 22 November 2023)
	Mr. Ashis Basu, Chief Executive Officer
	Mr. Sanjay Narayan Barde , Chief Executive Officer
	Mr. Manoj Kumar Singh, Chief Financial Officer
	Mr. Sanjay Kumar Babu, Company Secretary

1. Refer note 31 for the details of subsidiaries and joint ventures.

GMR Energy Limited GMR

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GMR Energy Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

28 (B) Related party transactions :

b) Summary of transactions with the above related parties is as follows:

Sl. No	Particulars	For year ended	
		31 March 2024	31 March 2023
1	Income from supply of operational and maintenance contract		
	– GWEL	228.39	219.63
2	Notional income on unwinding financial assets- loans		
	– GKEL	141.68	124.45
3	Notional income on unwinding financial assets- corporate guarantee		
	– GWEL	0.79	1.21
	– GKEL	4.59	4.59
4	Logo fees		
	– GEPL Rs. 1,180 (31 March 2023 : Rs. 1,120)	0.00	0.00
5	Rental income		
	– GGAL	2.83	-
6	Maintenance Expenses reimbursement		
	– GGAL	0.42	-
7	Interest income		
	– GCSL	0.05	-
8	Management fees (cross charges)		
	– GPUIL	1.12	0.87
9	Interest expense on loan taken		
	– GPUIL	1,801.27	1,578.19
	– GGSPL	87.07	86.94
	– GETL	56.08	64.32
	– GGAL	82.24	64.57
	– GCSL	107.93	-
10	Inter corporate deposit /unsecured loan given		
	– GBHPL	10.01	3.88
	– GCSL	4.72	6.71
	– GBEPL	0.00	0.11
	– GVPGL	83.15	78.96
	– GTOM	0.20	-
	– GINCPL	0.08	0.26
	– GMEL	0.50	2.50
11	Inter corporate deposit /unsecured loan refunded		
	– GBEL	-	11.08
12	Conversion of inter corporate deposit into investments in additional equity		
	– GBHPL	10.01	3.88
	– GVPGL	83.15	78.96
	– GTOM	0.20	-
	– GBEL	0.00	0.11
	– GMEL	0.50	2.50
	– GCSL	-	6.71
	– GINPCL	0.08	0.26
13	Unsecured loan availed		
	– GETL	362.40	547.50
	– GGAL	-	581.20
	– GPUIL	470.55	5,726.75
	– GCSL	4,992.00	-
14	Unsecured loan repaid		
	– GETL	40.00	616.60
	– GGAL	-	66.20
	– GPUIL	3,664.01	1,567.00

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Sl. No	Particulars	For year ended	
		31 March 2024	31 March 2023
15	Provision for diminution / (reversal) in value of investments and loans		
	– GKEL		
	– GBHPL	(1,925.12)	(3,959.77)
	– GWEL	1,918.26	935.98
	– GBHHPL	(703.72)	1,576.01
	– GBEL	60.93	-
	– GINPCL	0.00	(10.98)
	– GINELL	0.06	0.18
	– GCSL	-	(1.83)
	– GVPGL	(18.34)	6.72
	– GMEL	3,083.16	127.99
	– GTOM	0.50	2.50
	– GEML	0.21	-
16	Advance against sale of land	-	(857.61)
	– GETL		
17	Redemption of investment in Preference Shares	-	400.00
	– GEML		
18	Foreign exchange gain on redemption of investment in preference shares	-	1,387.85
	– GEML		
		-	149.57
19	Pledge of deposit for bank guarantee issued on behalf of Subsidiary		
	– GBHPL		
		-	32.13
20	Promoter contribution made (Other non current financial assets)		
	– GWEL		
21	Investment written off	460.00	600.00
	– GINELL		
22	Fair valuation expense through other comprehensive income ('FVTOCI')	-	1.83
	– GCSL		
23	Purchase of property, plant and equipment	42.59	-
	- GGAL		
24	Corporate guarantee given	517.24	-
	-GCSL		
25	Securities provided	5,500.00	-
	-GCSL		
		4,887.50	-

c) **Outstanding balance at the year end**

Sl. No	Particulars	As at	
		31 March 2024	31 March 2023
1	Trade receivable - current		
	– GWEL		
2	Security deposit - non-current	92.60	113.59
	– CDCTM		
3	Trade payable - current	1.00	1.00
	– GEPL (Rs. 1,180)		
	– GPUIL **	0.00	0.00
	– GCSL	26.15	22.70
4	Non-current investments (including additional equity of subsidiaries and joint ventures on account of fair valuation of loans, debentures, preference shares and guarantees) (refer note (iv) below)	0.42	-
	– GVPGL		
	– GBHPL	2,370.60	5,370.60
	– GWEL	-	1,908.25
	– GGSPPL	6,073.70	5,369.98
	– GKEL	740.77	740.77
	– GBHHPL	18,485.10	16,559.98
	– GTOM	2,574.90	2,635.83
	– GINPCL	0.25	0.25
	– GETL	0.07	0.06
5	Loans - non-current (refer note (v))	140.60	140.60
	– GKEL		
	– GCSL	1,173.25	1,031.57
		22.75	-
6	Promoter contribution made (Other non current financial assets)		
	– GWEL	1,060.00	600.00
7	Unsecured loans/inter corporate deposit,which have significant increase in credit risk - non-current		
	– GCSL		
	– GINPCL	-	19.19
	– GMEL	3.34	3.34
	– GINELL	0.50	0.50
8	Other amounts recoverable	-	1.99
	– GGAL		
	– GCSL	2.54	-
		0.04	-

(All amounts in Rs. millions unless otherwise stated)

Sl. No	Particulars	As at 31 March 2024	As at 31 March 2023
9	Unsecured current borrowings		
	– GGSPPL	938.72	938.73
	– GPUIL	4,478.49	10,008.32
	– GGAL	656.13	656.13
	– GETL	583.93	261.53
10	Unsecured non current borrowings		
	– GPUIL	6,963.26	4,626.88
	– GCSL	4,992.00	-
11	Interest accrued on borrowings		
	– GGSPPL	583.38	505.01
	– GGAL	151.10	76.02
	– GPUIL	4,034.36	3,054.68
	– GETL	124.42	68.62
	– GCSL	148.76	-
12	Financial gurantee contracts - current		
	– GKEL	44.88	49.47
	– GWEL	0.00	0.79
13	Pledge of deposit for bank guarantee issued on behalf of Subsidiary		
	– GBHPL	53.38	51.69
14	Corporate guarantee outstanding		
	– GUKPL	417.03	410.85
	– GWEL	750.00	750.00
	– GKEL	6,000.00	6,000.00
15	Bank guarantee outstanding		
	– GBHPL	188.20	188.20
16	Advance against sale of land		
	– GETL	400.00	400.00
17	Corporate guarantee given		
	-GCSL	5,500.00	-
18	Securities provided		
	-GCSL	4,887.50	-

d) Remunaration paid to key managerial personnel :

Detail of KMP	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Short term employee benefits*	Sitting fees	Short term employee benefits*	Sitting fees
Mr. Srinivasachari Rajagopal	-	0.66	-	0.45
Mr. Bimal Jayant Parakh	-	0.38	-	0.33
Mr. M Ramachandran	-	0.66	-	0.45
Mr.Siva Kameshwari Vissa	-	0.61	-	0.33
Mr.Sanjay Babu - Company Secretary	3.46	-	3.37	-

*The remuneration to the key managerial personnel does not include the provisions for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Notes:

(i) The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company.
(ii) Refer note 4 on non-current investment.
(iii) The Company has provided security by way of pledge of investment for loans taken by certain companies (refer note 30(III)(iv))
(iv) Non-current investments are net off provision for diminution in the value of investments.
(v) The maximum outstanding balance at any time during the year is Rs. 4,109.16 million for GKEL and Rs. 22.75 million for GCSL (amounts are without considering impacts of non cash adjustments).

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GMR Energy Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in Rs. millions unless otherwise stated)

29 Employee benefits

a) Defined contribution plan

Contribution to provident and other funds included under employee benefit expense (note 21) are as below:

Particulars	31 March 2024	31 March 2023
Contribution to provident and pension fund	0.53	0.90
Contribution to superannuation fund	0.41	0.36
Total	**0.94**	**1.27**

b) Defined benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic) for each completed year of service.

The scheme is funded by way of a separate irrevocable Trust and the company is expected to make regular contributions to the Trust. The fund is managed by an insurance company and the assets are invested in their conventional group gratuity product. The fund provides a capital guarantee of the balance accumulated and declares interest periodically that is credited to the fund account. Although we know that the fund manager invests the funds as per products approved by Insurance Regulatory and Development Authority of India and investment guidelines as stipulated under section 101 of Income Tax Act, the exact asset mix is unknown and not publicly available. The Trust assets managed by the fund manager are highly liquid in nature and we do not expect any significant liquidity risks. The Trustees are responsible for the investment of the assets of the Trust as well as the day to day administration of the scheme.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the standalone balance sheet for gratuity benefit:

i. Net employee benefit expenses (recognised in the statement of profit and loss (note 21)):

Particulars	31 March 2024	31 March 2023
Current service cost	0.18	0.18
Net interest cost on defined benefit obligations	(0.18)	(0.17)
Net benefit expenses	-	**0.01**

ii. Remeasurement loss / (gains) recognised in other comprehensive income:

Particulars	31 March 2024	31 March 2023
Actuarial loss/ (gains) on obligations due to defined benefit obligations experience	0.09	(0.18)
Actuarial loss/ (gains) on obligations due to defined benefit obligations assumption changes	0.05	(0.04)
Actuarial loss / (gains) arising during the year	0.14	(0.22)
Return on plan assets lesser than discount rate	-	0.09
Actuarial loss / (gains) recognised in other comprehensive income	**0.14**	**(0.13)**

Balance sheet

iii. Net defined benefit asset/ (liability):

Particulars	31 March 2024	31 March 2023
Defined benefit obligation	1.74	2.02
Fair value of plan assets	4.17	4.58
Plan asset	**2.43**	**2.56**

iv. Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2024	31 March 2023
Opening defined benefit obligation	2.02	3.97
Current service cost	0.18	0.18
Interest cost	0.12	0.21
Actuarial loss/(gains) on obligations due to defined benefit obligations experience	0.09	(0.18)
Actuarial gain on obligations due to defined benefit obligations assumption changes	0.05	(0.04)
Benefits paid	(0.72)	(2.12)
Closing defined benefit obligation	**1.74**	**2.02**

(All amounts in Rs. millions unless otherwise stated)

v. Changes in the fair value of the plan assets are as follows:

Particulars	31 March 2024	31 March 2023
Opening fair value of plan assets	4.58	6.41
Expected return on plan asset	-	-
Contributions by employer	0.01	-
Interest income from plan assets	0.30	0.38
Benefits paid	(0.72)	(2.12)
Return on plan assets lesser than discount rate	-	(0.09)
Closing fair value of plan assets	**4.17**	**4.58**

vi. The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31 March 2024	31 March 2023
Investments with the insurer	100%	100%

vii. The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	31 March 2024	31 March 2023
Discount rate	7.00%	7.30%
Salary escalation	6.00%	6.00%
Employee turnover	5.00%	5.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult

Notes:

i) Plan assets are fully represented by balance with the Life Insurance Corporation of India.

ii) The long term estimate of the expected rate of return on fund assets has been arrived at based on the prevailing yields on these assets. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching government bonds.

iii) The estimates of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

iv) Plan Characteristics and Associated Risks:

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

a. Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase

b. Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

c. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

viii. A quantitative sensitivity analysis for significant assumption as at 31 March 2024 and 31 March 2023 are as shown below:

Impact on the defined benefit obligation	31 March 2024	31 March 2023
Discount rate		
Effect due to 1% increase in discount rate	(0.13)	(0.17)
Effect due to 1% decrease in discount rate	0.15	0.20
Attrition rate		
Effect due to 1% increase in attrition rate	0.05	0.06
Effect due to 1% decrease in attrition rate	(0.05)	(0.07)
Salary escalation rate		
Effect due to 1% increase in salary escalation rate	0.07	0.18
Effect due to 1% decrease in salary escalation rate	(0.07)	(0.18)

The sensitivity analysis above have been determined based on method that extrapolates the impact on defined benefit obligation as a result of reasonable change in key assumptions occurring at the end of the reporting period.

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ix. The following payments are expected benefits payments in future years:

Particulars	31 March 2024
31 March 2025	0.13
31 March 2026	0.13
31 March 2027	0.13
31 March 2028	0.13
31 March 2029	0.14
31 March 2030 to 31 March 2034	1.08

Particulars	31 March 2023
31 March 2024	0.15
31 March 2025	0.16
31 March 2026	0.02
31 March 2027	0.19
31 March 2028	0.21
31 March 2029 to 31 March 2033	1.29

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (31 March 2023 : 10 years).

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30 Commitments and Contingencies

I Leases

Operating lease: Company as lessee

The Company has obtained land and office premises on operating lease having a term of 30 years and 11 months respectively and are renewable as mutually agreed between the parties. There is no escalation clause in the lease agreement pertaining to office premises, however there is an escalation clause of 15% after every 3 years in the land lease agreement .There are no subleases.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	Amount
As at 1 April 2022	**108.06**
Additions	-
Accretion of interest	11.03
Adjustments during the year	(9.48)
As at 31 March 2023	**109.61**
Additions	-
Accretion of interest	12.26
Adjustments during the year	(12.52)
As at 31 March 2024	**109.35**

	31 March 2024	31 March 2023
Current	**0.88**	**0.88**
Non-current	**108.47**	**108.73**

The following are the amounts recognised in the statement of profit or loss:

Particulars	31 March 2024	31 March 2023
Interest expense on lease liabilities	12.26	11.03
Total amount recognised in profit or loss	**12.26**	**11.03**

Information about extension and termination options

Right of use assets	Office premises	Office premises
Number of leases	2	2
Range of remaining terms (in years)	6-14	7-15
Average remaining lease term (in years)	10	11
Number of leases with extension option	-	-
Number of leases with termination option	-	-

The maturity analysis of lease liabilities are disclosed in note 33.

II Contingencies

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its standalone financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the standalone financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

A. Contingent Liabilities

a. Particulars	31 March 2024	31 March 2023
- Corporate guarantees (refer note 28)	7,167.03	7,160.85
- Bank guarantees {also includes related party amounting to 188.20 million (31 March 2023 : Rs 188.20 million) [refer note 28]}	188.20	188.20

Others in addition to (a) above

b. During the year ended 31 March 2012, the Company received an intimation from the Chief Electrical Inspectorate, Government of Andhra Pradesh ('GoAP'), whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to Rs. 110.62 Million calculated at the rate of six paise for each electricity unit generated by the Company for the period from June 2010 to December 2011.

Based on an internal assessment and a legal opinion obtained by the Company, the management is confident that the provisions of Electricity Duty Act and Rules, 1939 in respect of payment of electricity duty are not applicable to the Company and accordingly no adjustments have been made to the standalone financial statements of the Company for the year ended 31 March 2024.

c. GEL had entered into a Power Purchase Agreements ('PPAs') with Karnataka Power Transmission Corporation Limited for supply of energy during the period December 15, 1997 to July 7, 2008. GEL had a Fuel Supply Agreement ('FSA') with a fuel supplier towards purchase of Naphtha for generation of electricity during the aforementioned period. The FSA provided for payment of liquidated damages to the fuel supplier in the event there was a shortfall in the purchase of the annual guaranteed quantity.

During the year ended 31 March 2013, GEL received a demand towards liquidated damages amounting to Rs. 2,961.64 Million along with an interest of Rs. 55.54 Million towards failure of GEL to purchase the annual guaranteed quantity for the period from 21 November 2001 to 6 June 2008 under the erstwhile FSA. GEL had disputed the demand from the supplier towards the aforementioned damages. Further, GEL has filed its statement of defense and counter claim amounting to Rs. 359.62 Million along with interest at the rate of 18% p.a.

The matter was under arbitration. During the year ended 31 March 2017, the Arbitration Tribunal issued its arbitral award directing the fuel supplier to pay Rs. 322.10 Million to GEL towards its counter claim filed by GEL and rejected the claims of the fuel supplier. Subsequently, the fuel supplier filed an appeal before the District Civil Court of Bangalore for setting aside the entire arbitration award. The fuel supplier has also filed an interim application under Section 36 of the Arbitration and Conciliation Act for grant of interim stay on execution of the Arbitration award. The District City Civil Court vide its order issued the stay order on the operation of the Arbitration Award on furnishing of a bank guarantee by the fuel supplier equivalent to 50% of counter claim amount. Fuel supplier has filed writ petition before Karnataka High Court for setting aside the interim stay order dated 4 March 2017. Karnataka high court has dismissed the objection petition. GEL has filed execution petition before Delhi High Court for execution of Arbitral award, the outcome of which is awaited.

Fuel supplier has filed an appeal before Bangalore High court against the order passed by the District Civil Court. Hon'ble High Court, ordered stay of the Award subject to Fuel supplier depositing 50% of the Award amount. Hon'ble High Court has allowed GEL to withdraw the amount on furnishing BG of equivalent amount. Company has filed application for permission to withdraw amount upon submission of Corporate Guarantees. During the year ended 31 March 2020, High court allowed the Company's Application with the condition that Group give Affidavit-cum-Undertaking to state that it will not encumber/sell its land offered as security, till the disposal of the Appeal of fuel supplier.

Further, based on submission of two Corporate Guarantee copies by GEL and GGAL and Affidavit of undertaking by GBEL the court had permitted GEL to withdraw the amount which has been deposited by the fuel supplier on a condition that GEL shall re-deposit the aforesaid amount before the Court, within a time frame to be stipulated by the Court at the time of final disposal if the fuel supplier is successful in the appeal. The amount withdrawn by the Company has been shown as payable under other financial liabilities.

The final outcome of the case is pending conclusion. However, based on its internal assessment, the management of the Company is confident that the claim of the fuel supplier towards such liquidated damages is not tenable and accordingly no adjustments have been made to the standalone financial statements of the Company and the claim from the fuel supplier has been considered as a contingent liability.

d. A search under Section 132 of the IT Act was carried out at the premises of the Company by the income tax authorities on 11 October 2012, followed by search closure visits on various dates during the year ended 31 March 2013 to check the compliance with the provisions of the IT Act. The income tax department has subsequently sought certain information / clarifications. During the year ended 31 March 2015 and 31 March 2016, block assessments have been completed for the Company and appeals have been filed with the income tax department against the disallowances made in the assessment orders. The management of the Company believes that it has complied with all the applicable provisions of the IT Act with respect to its operations and will not have significant impact on the standalone financial statements.

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e. During the year ended 31 March 2023, the GMR Energy Limited ("GEL") has received order from National Green Tribunal ("NGT") dated 27 September 2022 post disposing off the Petition filed by Mr. E.A.S Sharma along with K.M. Rao (Applicants) and held that Andhra Pradesh Maritime Board ("APMB") and GEL are jointly and severally liable for the damage caused to the mangroves and mudflats in the GEL/ East Coastal Concession Private Ltd (ECPL) plant opposite to Coast Guard office, Kakinada, and are liable to pay environmental compensation to be assessed by the Committee appointed by NGT; and for maintenance of mangroves for a period of five years will have to be undertaken by GEL, under the supervision of the Andhra Pradesh Maritime Board (who is currently in possession of the land) and the Forest Department. Currently, the Committee is yet to be formed as per the NGT Order and inspect the overall site. The Company plans to demonstrate its bona-fide efforts and work already undertaken for restoration of mangroves leading to its speedy growth. Based on the above-mentioned facts, the Company is confident that there will not be any material liability on the Company on account of environmental compensation in near future.

f. Also refer note 4 as regards various pending litigations and claims made by the Company and its subsidiaries and joint ventures.

B. Litigation provided for

i. Provision made in respect of disputes towards utilisation of duty entitlement pass book scrips Rs. 0.54 Million (31 March 2023: Rs. 0.54 Million).

ii. The management of the Company has made a provision of Rs. 45.99 Million (31 March 2023 : Rs. 45.99 Million) against excise duty being disputed by the central excise authorities with regard to refund of excise duty.

III Capital and other commitments

i. The Company has entered into agreements with the lenders of the following subsidiaries/ joint ventures wherein it has committed to hold at all times at least 51% of the equity share capital of subsidiaries joint ventures and not to sell, transfer, assign, dispose off, pledge or create any security interest till the final settlement of all the obligations to the lenders or with the permission of the lenders except pledge of shares to the respective lenders as covered in the respective agreements with the lenders.

31 March 2024	31 March 2023
GWEL	GWEL
GGSPPL	GGSPPL
GBHHPL	GBHHPL

ii. The Company has committed to provide financial assistance as tabulated below:

Nature of relationship	Outstanding commitment for financial assistance	
	31 March 2024	31 March 2023
Fellow subsidiaries	5.00	5.00
Joint ventures	1,400.00*	4,718.68
Subsidiaries	12,252.74	12,333.48
Others	17.10	17.10
Total	**19,054.84**	**17,074.26**

* In accordance with the Promoter support agreement entered into between, the Company ('also the promoter'), GMR Bajoli Holi Hydropower Limited ('the borrower') and Indian Renewable Energy Development Agency Limited ('Lender's agent') dated 09 November 2023, the Company shall extend support to the borrower amounting to Rs. 1,400.00 million as promoter contribution in the form of Intercorporate deposits ('ICD')/ compulsorily convertible debentures ('CCDs')/ unsecured loan to meet the capex requirements for the project. Further, the Company shall also infuse additional funds, if any, to ensure that the Debt service coverage ratio of the borrower for any financial year shall not be less than 1.05 times. Also, refer note 6 for promoter contribution provided to GWEL during the current year.

iii. The Company has provided commitment to the lenders of the following subsidiaries to fund the cost overruns over and above the estimated project cost, if any, to the extent as defined in the respective agreements executed with the lenders.

31 March 2024	31 March 2023
GWEL	GWEL
GGSPPL	GGSPPL
GBHHPL	GBHHPL
GKEL	GKEL

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iv. The Company has certain long term unquoted investments included in note 4 which have been pledged as security towards loan facilities sanctioned to the Company and the investee companies.

Name of the Company	**Year ended**	
	31 March 2024	**31 March 2023**
	(Equity shares of Rs.10 each fully paid up)	
GVPGL	274,550,134	197,640,102
GWEL	643,800,000	869,999,994
GGSPPL	73,600,000	73,600,000
GBHHPL	429,665,500	311,879,456
GBHPL	5,000,000	-
GKEL	1,878,440,283	1,878,440,283

v. The Company has committed to provide continued financial support to ensure that its subsidiaries and joint ventures are able to meet their debts and liabilities as they fall due and they continue as going concerns.

vi. Also refer note 6(i).

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31 Interest in significant investment in subsidiaries, joint ventures and associates as per Ind AS- 27

Sl. No.	Name of entity	Country of incorporation	Date of incorporation	Relationship as at 31 March 2024	Percentage of effective ownership interest held (directly and indirectly) as at	
					31 March 2024	31 March 2023
Subsidiaries						
Indian						
1	GMR Vemagiri Power Generation Limited (GVPGL)	India	8 January 1997	Subsidiary	100.00%	100.00%
2	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	17 February 2006	Subsidiary	100.00%	100.00%
3	GMR Consulting Services Limited (GCSL)*	India	28 February 2008	Subsidiary	Nil	100.00%
4	GMR Maharashtra Energy Limited (GMEL)	India	26 May 2010	Subsidiary	100.00%	100.00%
5	GMR Bundelkhand Energy Private Limited (GBEL)	India	18 June 2010	Subsidiary	100.00%	100.00%
6	GMR Rajam Solar Power Private Limited (GRSPPL)	India	18 June 2010	Subsidiary	100.00%	100.00%
7	GMR Gujarat Solar Power Limited (GGSPPL)	India	26 March 2008	Subsidiary	100.00%	100.00%
8	GMR Indo-Nepal Power Corridors Limited (GINPCL)	India	12 November 2010	Subsidiary	100.00%	100.00%
9	GMR Warora Energy Limited (GWEL)	India	4 August 2005	Subsidiary	92.07%	92.07%
10	GMR Indo-Nepal Power Corridors Limited (GINELL)**	India	7 January 2011	Subsidiary	Nil	100.00%
11	GMR Kamalanga Energy Limited (GKEL)	India	28 December	Subsidiary	97.63%	97.63%
Foreign						
1	GMR Upper Karnali Hydropower Limited (GUKPL)	Nepal	2 May 2008	Step down subsidiary	69.35%	69.35%
2	Karnali Transmission Company Private Limited (KTCPL)	Nepal	27 April 2010	Step down subsidiary	95.00%	95.00%
3	GMR Energy (Mauritius) Limited (GEML)	Mauritius	27 February 2008	Subsidiary	95.00%	95.00%
4	GMR Lion Energy Limited (GLEL)	Mauritius	29 February 2008	Step down subsidiary	95.00%	95.00%
Joint venture						
Indian						
1	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	India	1 October 2008	Joint Venture	79.86%	79.86%
2	GMR Tenaga Operations and Maintenance Private Limited (GTOM)	India	9 April 2018	Joint Venture	50.00%	50.00%

* Ceased to be subsidiary w.e.f. 01 November 2023

** The Registrar of Companies has struck off the name of the Company from the register of Companies on 23 February 2023.

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32. Fair value measurement

i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.
Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: unobservable inputs for the asset or liability.

ii) Financial assets and financial liabilities measured at fair value – recurring fair value measurements

Particulars	As at 31 March 2024			As at 31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit and loss						
Investments (other than investments in subsidiaries and joint venture) (refer note i below)	-	-	140.60	-	-	140.60
Total	-	-	**140.60**	-	-	**140.60**

(i) Unquoted equity instruments for which cost has been considered as an appropriate estimate of fair value as cost represents the best estimate of fair value within that range.
(ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
(iii) There have been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2024 and 31 March 2023.

(iv) As regards the carrying value and fair value of investments in subsidiaries and joint ventures, refer note 4.

33. Financial risk management

i) Financial instruments by category

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at amortized cost				
Trade receivables	92.60	92.60	113.59	113.59
Cash and cash equivalents	3.10	3.10	3.77	3.77
Other bank balance	68.22	68.22	56.90	56.90
Other financial assets and loans	2,633.20	2,633.20	2,010.35	2,010.35
Investments - in subsidiaries and joint venture	30,245.39	30,245.39	32,585.71	32,585.71
Financial assets measured at fair value through profit and loss				
Investments (other than investments in subsidiaries and joint venture)	140.60	140.60	140.60	140.60
Total	**33,183.11**	**33,183.11**	**34,910.92**	**34,910.92**
Financial liabilities measured at amortized cost				
Borrowings	18,612.53	18,612.53	16,491.59	16,491.59
Trade payables	164.77	164.77	162.92	162.92
Other financial liabilties	5,250.95	5,250.95	3,920.45	3,920.45
Lease liabilities	109.34	109.34	109.61	109.61
Total	**24,137.60**	**24,137.60**	**20,684.57**	**20,684.57**

ii) Risk management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

A Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables. investments, cash and cash equivalents, and financial guarantees provided by the Company.

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a) Credit risk management

The carrying value of financial assets (including investment in subsidiaries, joint ventures and other equity investments) represents the maximum credit risk. The maximum exposure to credit risk was Rs 33,111.79 million, Rs 34,850.25 million, as at 31 March 2024 and 31 March 2023 respectively, being the total carrying value of trade receivables, loans, investments and other financial assets.

The carrying value of investments in subsidiaries and joint ventures is monitored based on the business plan and valuation assessment thereof as at every period end by the Company.

With respect to Trade receivables/unbilled revenue, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

a) Credit risk management

i) *Credit risk rating*

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk
B: Moderate credit risk
C: High credit risk

Asset group	Basis of categorisation	Provision for expected credit loss*
A. Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss or life time expected credit loss or fully provided for
C. High credit risk	Investments, certain loans and other financial assets	Life time expected credit loss or fully provided for

* *Life time expected credit loss is provided for trade receivables*

Assets under credit risk –

Credit rating	Particulars	31 March 2024	31 March 2023
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances and other financial assets	1,601.12	1,153.04
C: High credit risk	Investments and loans	57,070.70	56,851.82

(ii) *Concentration of financial assets*

The Company's entire trade receivables pertains to its operation and maintenance business.

b) Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month or lifetime expected credit losses for following financial assets –

As at 31 March 2024

Particulars	Estimated gross carrying amount at	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	3.10	-	3.10
Trade receivables	92.60	-	92.60
Other bank balances	68.22	-	68.22
Investments - in subsidiaries and joint venture	55,730.26	(25,484.87)	30,245.39
Investments (other than investments in subsidiaries and joint venture)	140.60	-	140.60
Other financial assets	3,006.91	(373.71)	2,633.20

As at 31 March 2023

Particulars	Estimated gross carrying amount at	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	3.77	-	3.77
Trade receivables	113.59	-	113.59
Other bank balances	56.90	-	56.90
Investments - in subsidiaries and joint venture	55,654.64	(23,068.93)	32,585.71
Investments (other than investments in subsidiaries and joint venture)	140.60	-	140.60
Other financial assets	2,405.24	(394.89)	2,010.35

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B Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital loans from various banks and inter-corporate loans. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, sale of assets and strategic partnership with investors, support letter from shareholders, etc.

The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period.

Maturities of financial liabilities

31 March 2024				
Non-derivatives	**Less than 1 year**	**1 to 5 Years**	**Above 5 Years**	**Total**
Borrowings (including interest accrued)	11,550.54	12,104.02	-	**23,654.56**
Trade payable	164.77	-	-	**164.77**
Other financial liabilities	164.05	-	-	**164.05**
Leases liabilities	12.39	53.86	156.98	**223.23**
Total	**11,891.75**	**12,157.89**	**156.98**	**24,206.62**

31 March 2023				
Non-derivatives	**Less than 1 year**	**1 to 5 Years**	**Above 5 Years**	**Total**
Borrowings (including interest accrued)	15,569.04	4,626.88	-	**20,195.92**
Trade payable	162.92	-	-	**162.92**
Other financial liabilities	165.86	-	-	**165.86**
Leases liabilities	11.19	51.83	172.03	**235.05**
Total	**15,909.01**	**4,678.71**	**172.03**	**20,759.75**

(i) The above excludes any financial liabilities arising out of financial guarantee contract as detailed in note 30(II).

C Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

a) Interest rate risk

Liabilities

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	**31 March 2024**	**31 March 2023**
Variable rate borrowing	-	-
Fixed rate borrowing	18,612.53	16,491.59
Total borrowings	**18,612.53**	**16,491.59**

Sensitivity

Profit or loss and equity is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

Particulars	**31 March 2024**	**31 March 2023**
Interest rates – increase by 50 basis points (31 March 2023: 50 basis points)	-	-
Interest rates – decrease by 50 basis points (31 March 2023: 50 basis points)	-	-

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's investing and financing activities. The Company's exposure to foreign currency changes from operating activities is not material.

The following table demonstrate the unhedged exposure in USD exchange rate as at 31 March 2023 and 31 March 2022. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	**31 March 2024**	**31 March 2023**
Other financial assets*	-	-
Trade payables	-	(0.07)
Total in USD	-	**(0.07)**
Total in INR	-	**(5.96)**

*During the year ended 31 March 2020, the Company entered into a service agreement and Sale and Purchase Agreement to sell Barge Mounted Plant for USD 20.00 Million (including USD 4.50 million for service agreement) out of which the Company has received entire consideration except USD 0.93 Million. The barge plant has been exported to Marshal island on 21 June 2021. During the year ended 31 March 2023, the Company has made a provision for such receivable.

GMR Energy Limited
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Sensitivity

Profit or loss and equity is sensitive to higher/lower foreign currency changes from foreign balance as a result of changes in exchange rates.

Particulars	31 March 2024	31 March 2023
Exchange rate – increase by 5% (31 March 2023: 5%)	-	(0.30)
Exchange rate – decrease by 5% (31 March 2023: 5%)	-	0.30

c) Price risk

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through through profit or loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments-

Particulars	31 March 2024	31 March 2023
Investments (other than investments in subsidiaries and joint venture)		
Price increase by (2%) - FVTPL instrument	2.81	2.81
Price decrease by (2%) - FVTPL instrument	(2.81)	(2.81)

34. Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity and other support from shareholders, cash generated from operations and sale of certain assets, long term and short term bank borrowings and issue of non-convertible / convertible debt securities and strategic partnership with investors.

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference share, share premium and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with.

Particulars	31 March 2024	31 March 2023
Borrowings (refer note 13)	18,612.53	16,491.59
Less: Cash and cash equivalents (note 9A)	(3.10)	(3.77)
Adjusted net debt (i)	**18,609.43**	**16,487.82**
Equity share capital (refer note 11)	36,069.03	36,069.03
Other equity (refer note 12)	(26,802.55)	(22,149.79)
Total Capital (ii)	**9,266.48**	**13,919.24**
Capital and borrowing (iii = i + ii)	**27,875.91**	**30,407.06**
Gearing ratio % (i / iii)	**67%**	**54%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants, attached to the interest - bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants and repayment terms would permit the bank to immediately call loans and borrowings. Also refer note 13 for details of borrowings of the Company.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

35 Segment reporting

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses including transactions with any of the Company's other components (b) whose operating results are regularly reviewed by the Company's Chief Executive Officer to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available. The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments.

The Company is engaged in generation of electrical energy and has commenced operational and maintenance services during the year ended 31 March 2018. These activities of the Company are incidental to the generation of energy and therefore subject to the same risk and reward and accordingly falls within single business segment. The company is operaing in India which is considered as a single geographical segment.

Revenue from one customer amounted to 100% of the total revenue; amounting to Rs.228.39 Million (31 March 2023 : Rs.219.63 Million)

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(All amounts in Rs. millions unless otherwise stated)

36 Other disclosure

The Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the IT Act ('regulations') to determine whether the transactions entered during the year ended 31 March 2024, with the associated enterprises were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

37 The Company fulfilled the criteria as specified under Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of Section 135 of the Act.

38 Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the standalone financial statements have been rounded off or truncated as deemed appropriate by the management of the Company.

39 All loans, guarantees and securities as disclosed in respective notes are provided for business purposes.

40 In the opinion of the Board of Directors, current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the standalone balance sheet and provisions for all known/expected liabilities have been made.

41 The Company is engaged in the business of providing infrastructural facilities as per section 186(11) read with Schedule III of the Act, accordingly disclosures under section 186(4) of the Act is not applicable.

42 (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 charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year,
(iv) The Company has no such transaction which is not recorded in the books of accounts 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.
v) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
vi) The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.
vii) The Company does not have transaction with struck off Companies, other than disclosed in note 44.
viii) The Company is not declared a wilful defaulter by a bank or financial institutions or government or any government authority.

43 a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) The Company has not received any fund from any person(s) or entity(ies), (other than as disclosed below), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(i) 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,
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(i) Funds received from entity (Funding Party) during the year ended 31 March 2024

Funding party	Date	Amount (in million)
GMR Power and Urban Infra Limited	21 April 2023	200
	20 May 2023	90
	16 June 2023	120
	19 June 2023	50

Funds lent to another entity (Ultimate Beneficiary) during the year ended 31 March 2024

Funding party	Date	Amount (in million)
GMR Warora Energy Limited (Refer note 6)	21 April 2023	200
	20 May 2023	90
	16 June 2023	120
	19 June 2023	50

(ii) Funds received from entity (Funding Party) during the year ended 31 March 2023

Funding party	Date	Amount (in million)
GMR Power and Urban Infra Limited	22 September 2022	600

Funds lent to another entity (Ultimate Beneficiary) during the year ended 31 March 2023

Funding party	Date	Amount (in million)
GMR Warora Energy Limited (Refer note 6)	22 September 2022	600

GMR Energy Limited GMR

(All amounts in Rs. millions unless otherwise stated)

44 Relationship with struck off companies

Name of Struck off company	Nature of transactions with struck off company	Balance oustanding as at 31 March 2024	Balance oustanding as at 31 March 2023	Relationship with the struck off company
GMR Indo-Nepal Energy Links Limited (GINELL)	Investments written off during the previous year ended 31 March 2023.	-	-	Subsidiary till 23 February 2023.

45 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company is using an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except that the audit trail logs for direct changes in data at database level for accounting software is available only for 7 days. The retention of edit logs for more than 7 days will require huge data space and accordingly, the Company has implemented additional control, wherein alerts generated through these logs are monitored at the Security operation Centre.

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GMR Energy Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

46 Financial ratios

Sl No	Ratio	Numerator	Denominator	As at 31 March 2024 Ratio	As at 31 March 2023 Ratio	% Change from 31 March 2023 to 31 March 2024	Remarks
1	Current ratio	Current assets	Current liabilities	0.04	0.03	32%	Note 1B below
2	Debt-equity ratio	Total debt [Non-current borrowings + Current borrowings]	Shareholder's equity	2.01	1.18	70%	Note 1C below
3	Debt service coverage ratio	Earning for Debt Service =Net Profit after taxes + Non cash operating expenses like depreciation and other amortizations + Interest	Debt service = Interest & Lease Payments + Principal Repayments	0.01	0.38	(96%)	Note 1D below
4	Return on equity ratio	Profit after tax	Average shareholder's equity	(0.40)	0.04	(1,094%)	Note 1D below
5	Inventory turnover	Costs of materials consumed	Average inventories	NA	NA	NA	NA
6	Trade receivables turnover ratio	Net credit sales	Average trade receivables	0.55	0.52	6%	Note 1A below
7	Trade payables turnover ratio	Net credit purchases (Sub contracting expenses + other expenses)	Average trade payables	1.95	1.25	56%	Note 1E below
8	Net capital turnover ratio	Net Sales	Working capital [Current assets - Current liabilities]	(0.02)	(0.01)	39%	Note 1B below
9	Net profit ratio	Profit after tax	Net Sales	(20.18)	2.66	(860%)	Note 1D below
10	Return on capital employed	Earning before interest and taxes [Earnings = Profit after tax + Tax expense + Finance costs (excluding interest on lease liabilities)]	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	(8%)	9%	(192%)	Note 1D below
11	Return on investment	NA	NA	NA	NA	NA	NA

Note 1

A The change in ratio is less than 25% as compared to previous period and hence, no explanation required.

B During the year ended 31 March 2024, the Company has reclassified certain borrowings from current to non-current due to extension of repayment terms of such borrowings agreed via extension letters, resulting in decrease in current liability. Hence, the increase in ratio. Refer note 13 and note 16 for more details.

C During the year ended 31 March 2024, the Company has incurred net losses and also the Company had borrowed additional funds from related parties to fund operations which resulted in an increase in the ratio.

D During the year ended 31 March 2024, the Company has incurred net loss of Rs. 4,610.03 million as against profit after tax of Rs. 583.38 million in the previous year ended 31 March 2023. This has resulted to a decrease in the ratio.

E During the current year, average trade payables balance has decreased due to decrease in legal and professional charges. Hence, the increase in ratio.

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GMR Energy Limited GMR

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GMR Energy Limited
Corporate Identity Number (CIN): U85110MH1996PLC274875
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

47 Previous year's figures have been regrouped / reclassified, wherever necessary to confirm to current year's classification. Such reclassifications are not material to the standalone financial statements.

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's registration number: 001076N/N500013

Manish Agrawal
Partner
Membership Number: 507000

Place: Ghaziabad
Date: 09 May 2024

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

Srinivas Bommidala
Vice Chairman & Director
DIN: 00061464

Place: New Delhi
Date: 09 May 2024

Mr. Madhva Bhimacharya Terdal
Director
DIN: 05343139

Place: Bengaluru
Date: 09 May 2024

Ashis Basu
Chief Executive Officer

Place: New Delhi
Date: 09 May 2024

Manoj Kumar Singh
Chief Financial Officer

Place: New Delhi
Date: 09 May 2024

Sanjay Kumar Babu
Company Secretary - FCS 8649

Place: New Delhi
Date: 09 May 2024