INDEPENDENT AUDITOR'S REPORT

To the members of GMR Smart Electricity Distribution Private Limited (formerly GMR Mining & Energy Private Limited)

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **GMR Smart Electricity Distribution Private Limited** (the "Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the material accounting policies and other explanatory information. (Hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements for the year ended 31st March, 2024 give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2024, its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind As financial statements in accordance with the Standards on Auditing ("SA"s) 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 financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The board report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Responsibility of Management and those Charged with Governance for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and 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 management and Board of Directors, either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal financial controls 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 system in place and the operating effectiveness of such controls.

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rules, 2015 as amended.

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

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B” to this report.

   g) with respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its managerial personnel during the year and accordingly reporting in accordance with the requirements of Section 197(16) of the Act is not required.

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

      i. The company does not have any pending litigations which would impact its financial position of the Company.

      ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. A. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

B. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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 that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

v. During the year, the Company, neither declared nor paid any dividend. Hence reporting on compliance with provisions of section 123 of the Act does not arise.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

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

For **GIRISH MURTHY&KUMAR**
Chartered Accountants
Firm's registration number: 000934S

ACHYUTHA VENKATA SATISH KUMAR

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A.V Satish Kumar
Partner
Membership number: 026526
UDIN: 24026526BKFECB2722
Place: Bangalore
Date: 03-05-2024

” Annexure A” to the Independent Auditors’ Report referred to in clause 1 of paragraph on the ‘Report on Other Legal and Regulatory Requirements” of our report of even date to the financial statements of the Company for the year ended March 31, 2024:

Re: **GMR Smart Electricity Distribution Private Limited**

I. In respect of the Company’s Tangible assets & Intangible assets:

   i. The company has no Property, plant & equipment and intangible assets held during the year.

   ii. In our opinion and according to the information and explanations given to us, there is no immovable property held by the Company.

   iii. There are no proceedings that have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

II. In respect of details of Company’s Inventory & Working capital:

   i. The nature of company’s operation does not warrant holding of any stocks. Accordingly, paragraph 3(ii) of the order is not applicable to the company.

   ii. The company, during any point of time of the year, has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

III. a. According to the information and explanations given to us, the Company has not made investment in nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties as mentioned in notes to accounts. Hence reporting under this clause is not applicable.

   b. As there no investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided by the company, reporting under this clause is not applicable.

   c. As no loans and advances in the nature of loans are granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular wherever applicable is not applicable.

d. According to the information and explanations given to us, there is no amount which is overdue for more than 90 days in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

e. The Company has granted no loan(s) or advance(s) in the nature of loan(s) which had fallen due during the year and such loans or advances in the nature of loans were not renewed and extended during the year.

f. During the year, the Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

IV. In our opinion and according to the information and explanation given to us the company has not granted any loan, made any investments, gave any guarantee or provided security in connection with a loan to any other body corporate or person in contravention of section 185 and 186 of the Companies Act,2013.

V. According to the information and explanation given to us the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

VI. According to the information and explanation given to us the Central Government has not prescribed the maintenance of cost records under section 148 of the Companies Act, 2013 for the activities carried out by the Company, and hence this clause is not applicable.

VII. In respect of Deposit of Statutory liabilities:

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, 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.

b. According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

VIII. According to the information and explanations given to us and the records of the company examined by us we have not come across any instances of any transactions which are not recorded in the accounts that have been disclosed or surrendered before the tax authorities as income during the year in the tax assessments under the income tax act, 1961.

IX. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that, the company has not delayed in the repayment of loans taken from lender & interest thereof during the year.

a) The company has not taken any loan from Government and the company not issued any debentures.
b) The company is not declared as willful defaulter by any bank or financial institution or any other lender.
c) In our opinion and according to the information and explanations given to us, money is not raised by way of term loans during the year.
d) In our opinion and according to the information and explanations given to us, the company has not raised any funds during the year, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have 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 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, associations or Joint ventures.

f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

X. a. According to the information and explanations given to us by the management, 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 the records of the Company examined by us, 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. During the course of examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have not come across any instance of fraud by the company or on the company by its officers or employees of the company during the year. Further there were no whistle blower complaints received during the year.

b. No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

XII. In our opinion and according to the information and Explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the order is not applicable.

XIII. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

XIV. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have internal audit system as per the provisions of the companies act, 2013 and the requirement to consider reports of the Internal Auditors under the clause 3(xiv)(b) does not arise.

XV. According to the information and explanations given to us and the records of the Company examined by us, we are of the opinion that that the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 of the order is not applicable.

XVI. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

XVII. The company has incurred any cash losses of Rs. 323.24 lakhs in the financial year and of the cash loss of Rs. 41.13 Lakhs in the immediately preceding financial year.

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

XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is 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 does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

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

For **GIRISH MURTHY&KUMAR**
Chartered Accountants
Firm's registration number: 000934S

ACHYUTHA VENKATA SATISH KUMAR

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A.V Satish Kumar
Partner
Membership number: 026526
UDIN: 24026526BKFECB2722

Place: Bangalore
Date: 03-05-2024

Annexure B to Auditors' Report of even date

Report on the Internal Controls on Financial Controls under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GMR Smart Electricity Distribution Private Limited("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GIRISH MURTHY&KUMAR**
Chartered Accountants
Firm's registration number: 000934S

ACHYUTHA VENKATA SATISH KUMAR

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A.V Satish Kumar
Partner
Membership number: 026526
UDIN: 24026526BKFECB2722

Place: Bangalore
Date: 03-05-2024

GMR SMART ELECTRICITY DISTRIBUTION PRIVATE LIMITED (Formerly GMR Mining & Energy Private Limited)
Corporate Identity Number (CIN): U40100KA2005PTC037308
Balance sheet as at March 31, 2024

(Amount in Hundreds)

Particulars	Notes	31-Mar-24	31-Mar-23
Assets			
Non Current assets			
Financial assets			
Investment in subsidaries, associate and a joint venture	3	135,144	-
Deferred tax assets (net)		-	-
Other non current assets	4	-	200,000
Other financial assets	7	405,000	-
Income tax asset		1,157	-
		541,301	**200,000**
Current assets			
Financial Assets			
Cash and cash equivalents	5	26,688	301
Loan	6	3,031,500	
Other financial assets	7	16,484	-
Other current assets	4	22,746	-
		3,097,418	**301**
Total Assets		**3,638,718**	**200,301**
Equity and liabilities			
Equity			
Equity Share Capital	8	5,000	5,000
Other Equity	9	(478,363)	(155,124)
		(473,363)	**(150,124)**
Liabilities			
Non Current Liabilties			
Financial liabilities			
Other financial liabilities	10	69,800	-
		69,800	**-**
Current Liabilties			
Financial Liabilties			
Short term borrowings	10	3,751,125	336,815
Trade payables	11		
(a) total outstanding dues of micro and small enterprises			
(b) total outstanding dues of other then micro and small enterprises		101	12
Other financial liabilties	12	285,474	13,231
Other current liabilities	13	5,582	368
Provisions	14	-	-
		4,042,282	**350,425**
Total Equity and liabilities		**3,638,718**	**200,301**

The accompanying notes form an integral part of the financial statements.

For Girish Murthy & Kumar
Chartered Accountants
Firm Registration Number: 000934S

ACHYUTHA VENKATA SATISH KUMAR
Digitally signed by ACHYUTHAVENKATA SATISH KUMAR

A.V.Satish Kumar
Partner
Membership no.: 26526

Place: Bangalore
Date: 3rd May 2024

For and on behalf of the Board of directors of
GMR Smart Electricity Distribution Private Limited

NIKHIL DUJARI
Digitally signed by NIKHIL DUJARI
Date: 2024.05.03 18:36:25 +05'30'

Nikhil Dujari
Director
DIN No: 07684905

MANOJ KUMAR DIXIT
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Date: 2024.05.03 18:41:34 +05'30'

Manoj Kumar Dixit
Director
DIN No.09355400

Place: Delhi
Date: 3rd May 2024

GMR SMART ELECTRICITY DISTRIBUTION PRIVATE LIMITED (Formerly GMR Mining & Energy Private Limitec
Corporate Identity Number (CIN): U40100KA2005PTC037308
Statement of profit and loss for the period ended March 31, 2024

(Amount in Hundreds)

Particulars	Notes	31-Mar-24	31-Mar-23
		-	
Other Income	15	12,768	-
Total Income		**12,768**	-
Expenses			
Employee Benefits Expense	16	4,124	-
Finance cost	17	251,498	13,618
Other expenses	18	80,385	27,520
Total Expenses		**336,007**	**41,139**
Profit/(loss) before exceptional items and tax		**(323,239)**	**(41,139)**
Exceptional item		-	-
Profit / (Loss) before tax		**(323,239)**	**(41,139)**
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Profit/(loss) for the period from continuing operations		**(323,239)**	**(41,139)**
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from discontinued operations after tax		-	-
Profit/(loss) for the period		**(323,239)**	**(41,139)**
Other comprehensive income		-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the period		**(323,239)**	**(41,139)**
Earnings per equity share			
Basic and diluted		**(646.48)**	**(82.28)**

The accompanying notes form an integral part of the financial statements.

For Girish Murthy & Kumar
Chartered Accountants
Firm Registration Number: 000934S

ACHYUTHA VENKATA SATISH KUMAR

A.V.Satish Kumar
Partner
Membership no.: 26526

Place: Bangalore
Date: 3rd May 2024

For and on behalf of the Board of directors of
GMR Smart Electricity Distribution Private Limited

NIKHIL DUJARI Digitally signed by NIKHIL DUJARI Date: 2024.05.03 18:36:57 +05'30'

Nikhil Dujari
Director
DIN No: 07684905

MANOJ KUMAR DIXIT Digitally signed by MANOJ KUMAR DIXIT Date: 2024.05.03 18:42:08 +05'30'

Manoj Kumar Dixit
Director
DIN No.09355400

Place: Delhi
Date: 3rd May 2024

GMR SMART ELECTRICITY DISTRIBUTION PRIVATE LIMITED (Formerly GMR Mining & Energy Private Limited)
Corporate Identity Number (CIN): U40100KA2005PTC037308
Cash Flow Statement for the period ended March 31, 2024

(Amount in Hundreds)

Particulars	**31-Mar-24**	**31-Mar-23**
Cash flow from operating activities		
Profit before tax	(323,239)	(41,139)
Finance income	-	-
Finance Costs	251,498	13,015
Operating profit before working capital changes	(71,741)	(28,124)
Movements in working capital:		
(Increase)/ decrease in other Financial assets	(405,000)	-
Increase/ (decrease) in other current liabilities	5,214	(69)
Increase/ (decrease) in other Finacial liabilities	342,132	12,842
(Increase)/ decrease in other current assets	160,770	(199,632)
Taxes Paid	(1,157)	-
Net cash flow from operating activities (A)	**30,218**	**(214,984)**
Cash flows from investing activities		
Increase/ (decrease) in Financials Assets	(135,144)	-
Increase/ (decrease) in Current Assets	(3,031,500)	-
Net cash flow from/ (used in) investing activities (B)	**(3,166,644)**	**-**
Cash flows from financing activities		
Proceeds from related party borrowings	3,414,310	228,200
Finance Cost	(251,498)	(13,015)
Net cash flow from/ (used in) in financing activities (C)	**3,162,813**	**215,185**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**26,387**	**202**
Cash and cash equivalents at the beginning of the year	301	99
Cash and cash equivalents at the end of the year	**26,688**	**301**
Components of cash and cash equivalents		
Bank balances on current account	26,688	301
Total cash and cash equivalents (note no.5)	**26,688**	**301**

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7 Statement of cash flows.

2. Effective April 1, 2017, the company adopted the amendment to Ind AS 7, which requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The reconciliation is given as below:

Particulars	**1-Apr-23**	**Cash flows**	**Non-Cash changes**	**31-Mar-24**
			Fair value changes	
Borrowings	336,815	3,162,813	-	**3,499,627**
Total	**336,815**	**3,162,813**	**-**	**3,499,627**

As per our report attached

For Girish Murthy & Kumar
Chartered Accountants
Firm Registration Number: 000934S

ACHYUTHA VENKATA SATISH KUMAR
Digitally signed by ACHYUTHAVENKATA SATISH KUMAR
DN: C=IN, O=PERSONAL, OID.2.5.4.65=7c09629e3b4b4817a8a91bc17f7624e4, Phone=df18786ccabf4faf07e12f3a8610df945ff80351eea59777cc1c034b00deeeb9, PostalCode=560055, S=KARNATAKA, SERIALNUMBER=55bade516d92e1d89f077403c8556d987f47947a710de4456b8859e092c384b6, CN=ACHYUTHAVENKATA SATISH KUMAR
Reason: I am the author of this document
Location: Bangalore
Date: 2024.05.03 20:18:07+05'30'
Foxit PDF Reader Version: 12.0.2

A.V.Satish Kumar
Partner
Membership no.: 26526

Place: Bangalore
Date: 3rd May 2024

For and on behalf of the Board of directors of
GMR Smart Electricity Distribution Private Limited

NIKHIL DUJARI
Digitally signed by NIKHIL DUJARI
Date: 2024.05.03 18:37:31 +05'30'

Nikhil Dujari
Director
DIN No: 07684905

MANOJ KUMAR DIXIT
Digitally signed by MANOJ KUMAR DIXIT
Date: 2024.05.03 18:42:49 +05'30'

Manoj Kumar Dixit
Director
DIN No.09355400

Place: Delhi
Date: 3rd May 2024

GMR SMART ELECTRICITY DISTRIBUTION PRIVATE LIMITED (Formerly GMR Mining & Energy Private Limited)
Corporate Identity Number (CIN): U40100KA2005PTC037308
Statement of Change In Equity for the period ended March 31, 2024

(Amount in Hundreds)

Particulars	Equity Share capital	Attributable to the equity holders of the parent		Total Equity
		Equity component of Related Party Loans	Retained Earning	
As at April 1, 2022	**5,000**	**34,591**	**(148,577)**	**(108,986)**
Share Capital Issued during the year	-	-	-	-
Net Profit/(Loss)	-	-	(41,139)	(41,139)
Equity component of Related Party Loans	-	-	-	-
As at March 31, 2023	**5,000**	**34,591**	**(189,715)**	**(150,124)**
Share Capital Issued during the year	-	-	-	-
Net Profit/(Loss)	-	-	(323,239)	(323,239)
Equity component of Related Party Loans	-	-	-	-
	-	-	-	-
As at March 31, 2024	**5,000**	**34,591**	**(512,954)**	**(473,363)**

For Girish Murthy & Kumar
Chartered Accountants
Firm Registration Number: 000934S

ACHYUTHA VENKATA SATISH KUMAR

A.V.Satish Kumar
Partner
Membership no.: 26526

Place: Bangalore
Date: 3rd May 2024

For and on behalf of the Board of directors of
GMR Smart Electricity Distribution Private Limited

NIKHIL DUJARI Digitally signed by NIKHIL DUJARI Date: 2024.05.03 18:37:59 +05'30'

Nikhil Dujari
Director
DIN No: 07684905

MANOJ KUMAR DIXIT Digitally signed by MANOJ KUMAR DIXIT Date: 2024.05.03 18:43:25 +05'30'

Manoj Kumar Dixit
Director
DIN No: 01872233

Place: Delhi
Date: 3rd May 2024

GMR SMART ELECTRICITY DISTRIBUTION PRIVATE LIMITED (Formerly GMR Mining & Energy Private Limited)
Corporate Identity Number (CIN): U40100KA2005PTC037308

Company Overview and Significant Accounting Policies:

1 Company overview:

GMR Smart Electricity Distribution Private Limited (formerly GMR Mining & Energy Private Limited) with effect date from 31st October 2022, The new CIN of the Company is U40100KA2005PTC037308 is promoted as a Special Purpose Vehicle (SPV) by GMR Energy Limited, the holding company. To carry out business of power distribution inside and outside India individually, jointly or through its affiliate, associate, subsidiary or holding and to harness, develop projects in the electricity distribution sector related to Public-Private Partnership (PPP) transactions, distribution and retail supply of electricity, Distribution Franchisee, service sector agreements, smart metering etc promoted by this Company or promoter companies or other companies and to do all such acts, deeds and things including construction, laying down, establishing, fixing and to carry out all necessary activities for the aforesaid purpose.

The registered office of the company is located at 25/1 Skip House, Museum Road, Bengaluru 560025. The Company's Holding Company is GMR Generation Assets Limited while ultimate Holding Company is GMR Power Urban Infrastructure Limited.

Information on other related party relationships of the Company is provided in Note no.20

The financial statements were authorised for issue in accordance with a resolution of the directors passed in the Board Meeting held on Date: 3rd May 2024

2 Significant Accounting Policies

a Basis of preparation

The financial statements are 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, the provisions of Companies Act, 2013 (the 'Act') (to the extent notified). 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 financial statements are presented in Indian Rupees (INR)

b Summary of significant accounting policies

i Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
a) Expected to be realised or intended to be sold or consumed in normal operating cycle
b) Held primarily for the purpose of trading
c) Expected to be realised within twelve months after the reporting period, or
d) 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.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

ii Property, Plant & Equipments:

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment as at 31 March 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on 1 April 2015.
Property plant and equipment are stated at acquisition cost less accumulated depreciation and cumulative impairment. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Recognition:
The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:
(a) it is probable that future economic benefits associated with the item will flow to the entity; and
(b) the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Gains or losses arising from de–recognition of tangible assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Further, When each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied.

Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognized.

Machinery spares which are specific to a particular item of fixed asset and whose use is expected to be irregular are capitalized as fixed assets.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the company intends to use these during more than a period of 12 months.

Assets under installation or under construction as at the balance sheet date are shown as Capital Work in Progress and the related advances are shown as Loans and advances.

All Project related expenditure viz, civil works, machinery under erection, construction and erection materials, pre-operative expenditure incidental / attributable to construction of project, borrowing cost incurred prior to the date of commercial operation and trial run expenditure are shown under Capital Work-in-Progress. These expenses are net of recoveries and income from surplus funds arising out of project specific borrowings after taxes.

iii) **Depreciation**

The depreciation on the tangible fixed assets is calculated on a straight-line basis using therates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of Companies Act, 2013. Assets individually costing less than Rs. 5,000, which are fully depreciated in the year of acquisition.

Depreciation on additions is being provided on a pro-rata basis from the date of such additions. Similarly, depreciation on assets sold/disposed off during the year is being provided up to the dates on which such assets are sold/disposed off. Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life ofthat asset.

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.

Leasehold land is amortised over the tenure of the lease except in case of power plants where it is amortised from the date of commercial operation. Leasehold improvements are the amortised over the primary period of the lease or estimated useful life whichever is shorter.

iv) Intangible assets

Intangible assets comprise technical knowhow and computer software. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

The above periods also represent the management estimated economic useful life of the respective intangible assets.

v) Provisions, Contingent liabilities, Contingent assets, and Commitments

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."

vi) Contingent liability is disclosed in the case of

A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligationwhich they are intended to compensate are accounted for.

A present obligation arising from past events, when no reliable estimate is possible

A possible obligation arising from past events, unless the probability of outflow of resources is remote

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Retirement and other Employee Benefits

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:

i) The date of the plan amendment or curtailment, and

ii) 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:

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

ii) Net interest expense or income.

viii) Short term employee benefits

Accumulated leave, which is expected to be utilized within the next 12 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/losses are immediately taken to the statement of profit and loss and are not deferred.

The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non—current liability.

ix) Defined benefit plans

Gratuity is a defined benefit scheme which is funded through policy taken from Life insurance corporation of India and Liability (net of fair value of investment in LIC) is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. 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 salary) for each completed year of service. The cost of providing benefits under the scheme is determined on the basis of actuarial valuation under projected unit credit (PUC) method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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

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

x) Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

xi) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

xii) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
a. Debt instruments at amortised cost
b. Debt instruments at fair value through other comprehensive income (FVTOCI)
c. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI: A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:
a. The rights to receive cash flows from the asset have expired, or
b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on;
a) Trade receivables or contract revenue receivables; and
b) All lease receivables resulting from transactions

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

a) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
b) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:
a) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

c) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.
The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

xiii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss : Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings : This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss

xiv) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, 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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

xv) Fair value measurement

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

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 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.

For assets and liabilities that are recognised in the 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.

The Company's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the Company's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management after discussion. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every five years. The management decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Valuation Committee, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Valuation Committee and the Company's external valuers present the valuation results to the Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

a) Disclosures for valuation methods, significant estimates and assumptions
b) Contingent consideration
c) Quantitative disclosures of fair value measurement hierarchy
d) Investment in unquoted equity shares (discontinued operations)

xvi) Revenue recognition

Revenue from sale of energy is recognized on accrual basis in accordance with the provisions of the Power Purchase Agreement (PPA), after Commercial Operation Date and includes unbilled revenue accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers.

The Claims for delayed payment charges and any other claims, which the Company is entitled to under the PPAs, are accounted for in the year of acceptance.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, 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.

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 (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividends: Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

xvii) Taxes on income

Current income tax

Tax expense comprises current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except:

a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

► When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

► When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961 issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

xviii) Earnings per share

Basic Earnings Per Share is caiculated 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.

xix) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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(Amount in Hundreds)

3	Non Current Financial Assets-Investment in Subsidiaries	31-Mar-24	31-Mar-23
	Unquoted Equity Instruments		
	5,40,000 (March 31, 2023: NIL) Equity shares of Rs 10 each fully paid up in GMR Kashi Smart Meters Limited	54,000	-
	3,82,500 (March 31, 2023: NIL) Equity shares of Rs 10 each fully paid up in GMR Agra Smart Meters Limited	38,250	-
	4,28,940 (March 31, 2023: NIL) Equity shares of Rs 10 each fully paid up in GMR Triveni Smart Meters Limited	42,894	-
		-	
	Total Unquoted Investments	**135,144**	**-**

(Amount in Hundreds)

4	Other non current assets /Other current assets	Non Current		Current	
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	Capital advances			-	-
				-	-
	Total (A)			-	-
	Advances other than capital advances				
	Secured				
	Unsecured, considered good			-	
	Advance to suppliers			15,130	
	Advance to employees			6	
				-	-
	Total (B)			15,136	-
	Other advances				
	Prepaid expenses			-	-
	Balance with government authorities			5,912	200,000
	Other recoverables			1,698	
	Total (C)			7,610	200,000
	Total (A+B+C)			**22,746**	**200,000**

(Amount in Hundreds)

5	Current Financial Assets-Cash and cash equivalents	31-Mar-24	31-Mar-23
	Balance with bank on current accounts	26,688	301
	Deposits with banks	-	-
		26,688	**301**

(Amount in Hundreds)

6	Current Financial Assets-Loans	Non Current		Current	
	Other Loans	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	Unsecured, considered good				
	Loan to related party			3,031,500	-
	Unsecured, considered doubtful				
	Loan to related party				
	Provision for doubtful loans				
	Provision for doubtful loans - related party				
				3,031,500	**-**

(Amount in Hundreds)

7	Current Financial Assets - Other Financials Assets	Non Current		Current	
	Advances recoverable in cash or kind	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	Interest accrued on fixed deposits			-	
	Interest accrued on Inter corporate loans and deposits		-		
	Receivables - Others			16,484	
	Security deposit with others	405,000			
		405,000	**-**	**16,484**	**-**

8 Share capital

(Amount in Hundreds)

Authorised Share Capital :	31-Mar-24	31-Mar-23
100,000 Equity shares of Rs.10 each	10,000	10,000
Issued & Subscribed and Paid-up		
50,000 (March 31,2023 :50,000) Equity shares of Rs.10 each	5,000	5,000

a) Reconcillation of the number of the shares outstanding at the beginning and at the end of the year

Subscribed & paid up Share Capital :	31-Mar-24	31-Mar-24	31-Mar-23	31-Mar-23
	No of shares	Amount in Rs	No of shares	Amount in Rs
Balance at the beginning of the year	50,000	5,000	50,000	5,000
increased/(decreased) during the year	-	-	-	-
Outstanding at the end of the year	50,000	5,000	50,000	5,000

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pay dividend in indian rupees. The dividend proposed by the Board of director is subject to the approval of the shareholder in ensuing Annual General meeting.

In 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 prefrential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding/ultimate holding company and/ or their subsidiaries/associates

Out of equity issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries / associates are as below:

Particulars	31-Mar-24	31-Mar-23
GMR Power & Urban Infra Limited		
50,000,(31st March, 2023: 50,000) equity shares of Rs. 10/- each fully paid	5,000	5,000

d) Details of shareholders holding more than 5% shares in the company

Particulars	31-Mar-24		31-Mar-23	
	No	% holding in	No	% holding in
GMR Power Urban Infra Limited	50,000	100%	50,000	100%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest,the above shareholding represent both legal and beneficial ownership of shares.

e) There are no shares reserved for issue under options and contracts/commitments for the sale of shares /disinvestment

f) No Shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the reporting date

9 Other Equity

(Amount in Hundreds)

Retained Earnings	31-Mar-24	31-Mar-23
Surplus in the statement of profit and loss		
Balance as per last financial statements	(155,124)	(113,986)
Add: Net profit for the year	(323,239)	(41,139)
Net surplus in the statement of profit and loss	(478,363)	(155,124)
Equity component of financial instruments		
Equity component of related party loan*	-	-
Other adjustments	-	
Total Other Equity	**(478,363)**	**(155,124)**

*These amounts relate to initial recognition of related party transactions at fair value. These represent the amount of difference between the fair value at inception and transaction amount of such transaction.

(Amount in Hundreds)

10	Current Financial Liabilties	Non Current		Current	
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	Unsecured loan from related party	-	-	3,751,125	336,815
	Security Deposit Received from Vendor	69,800	-	-	-
		69,800	**-**	**3,751,125**	**336,815**

The Company has accepted interest free intercorporate deposits from its holding company which is repayable on demand or such other time as may be mutually agreed between the parties, interest rate being nil and the Company has paid back all the loan taken till 30th Sep. 2023.

(Amount in Hundreds)

11	Trade payables	Non Current		Current	
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	Other trade payables:				
	Due to Related parties:	101	12		-
	Due to others		-	-	-
		101	**12**	**-**	**-**

(Amount in Hundreds)

12	Current Financial Liabilties-Other financial liabilties	31-Mar-24	31-Mar-23
	Non Trade payable	26,944	378
	Interest accrued on debt and borrowings	258,530	12,853
		285,474	**13,231**

13	Other current liabilities	31-Mar-24	31-Mar-23
	Others	-	-
	TDS Payable	5,582	368
		5,582	**368**

14	Provisions	31-Mar-24	31-Mar-23
	Provision for Expenses	-	-
		-	**-**

GMR SMART ELECTRICITY DISTRIBUTION PRIVATE LIMITED (Formerly GMR Mining & Energy Private Limited)

Notes to financial statements for the period ended March 31, 2024

(Amount in Hundreds)

15 Other Income

	31-Mar-24	31-Mar-23
Interest Income on Bank deposits and others	11,568	
Interest Income on ICD	-	
Mangement Fee - Other Income	1,200	
Miscllaneous Income:	-	-
	12,768	**-**

16 Employee Benefits Expense

	31-Mar-24	31-Mar-23
Salaries, wages and bonus	2,646	
Contribution to provident and other funds	67	
Staff welfare expenses	1,411	-
	4,124	**-**

17 Finance cost

	31-Mar-24	31-Mar-23
Interest Cost	250,642	13,015
Bank Charges	856	604
	251,498	**13,618**

18 Other expenses

	31-Mar-24	31-Mar-23
Rates and taxes	1,147	14,029
Bidding Expen-Non Ca	1,947	7,080
Travel and Conveyace	1,198	-
Legal and professional fees	46,165	5,986
Logo Fee	12	12
Office Mainteance	20,605	-
Payment to auditor (Refer details below)	590	413
Bank Charges	4	1
Business Promossion Expenses	2,549	-
Meeting and Food	6,167	-
	80,385	**27,520**

Payment to auditor

	31-Mar-24	31-Mar-23
As auditor:		
Audit fee	590	413
Limited review	-	-
Tax Audit Fee	-	-
	590	**413**

GMR SMART ELECTRICITY DISTRIBUTION PRIVATE LIMITED (Formerly GMR Mining & Energy Private Limited)
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19 Calculation of Earning per share (EPS):

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year. There is no dilutive potential ordinary shares as at March 31, 2024 and March 31, 2023. Thus, diluted EPS equals basic EPS.

The following reflects the income and share data used in the basic / diluted EPS computations:

(Amount in Hundreds)

Particulars	March 31, 2024	March 31, 2023
a. Nominal value of Equity shares (in Rupees per share)	10	10
b. Total No. of Equity Shares outstanding at the beginning of the year	50,000	50,000
c. Add: Shares allotted during the year	-	-
d. Total No. of Equity Shares outstanding at the end of the year	50,000	50,000
b. Weighted average number of Equity shares at the year end (in Nos)	50,000	50,000
c. Profit attributable to equity holders of the Company for basic earnings (Rupees)	(323239)	(41139)
d. Basic/Diluted Earning per share of Rs 10/- each (in Rs.) [(c)/(b)]	(646.48)	(82.28)

20 List of Related parties with whom transactions have taken place during the year:

a. parties where control exists

Holding Company	GMR Power and Urban Infra Limited (GPUIL)
Enterprises having control over the company	GMR Power and Urban Infra Limited (GPUIL) GMR Enterprises Private Limited (GEPL)
Key Management Personnel	Mr. Ashis Basu, Director Mr.Nikhil Dujari, Director Mr. Manoj Kumar Dixit, Director
Other entities	GMR Generation Assets Limited [GGAL] GMR Energy Trading Limited (GETL) GMR Solar Energy Pvt Limited [GSEPL] GMR Power Urban Infra Limited [GPUIL] GMR Kashi Smart Meters Limited [GKSML] GMR Triveni Smart Meters Limited [GTSML] GMR Agra Smart Meters Limited [GASML]

b. Details of the transactions are as follows : *

(Amount in Hundreds)

Particulars	March 31,2024	March 31,2023
a. Interest Cost on Loans (Expenses)		
GMR Generation Assets Limited [GGAL]	93,822	13,015
GMR Energy Trading Limited [GETL]	23,081	-
GMR Solar Energy Pvt Limited [GSEPL]	19,007	-
GMR Power Urban Infra Limited [GPUIL]	114,732	-
b. Logo Fees-Expenses		
GMR Enterprises Pvt Ltd [GEPL]	12	12

c. Closing balances with the above related parties:

(Amount in Hundreds)

Particulars	March 31,2024	March 31,2023
a. Equity Share Capital held by		
GMR Power Urban Infra Limited [GPUIL]	5,000	5,000
b. Equity component of Loan		
GMR Power Urban Infra Limited [GPUIL]	34,591	34,591
c. Loan given		
GMR Kashi Smart Meters Limited [GKSML]	1,089,000	-
GMR Triveni Smart Meters Limited [GTSML]	945,000	-
GMR Agra Smart Meters Limited [GASML]	997,500	-
d. Loan taken		
GMR Generation Assets Limited [GGAL]	329,125	336,815
GMR Energy Trading Limited [GETL]	152,000	-
GMR Solar Energy Pvt Limited [GSEPL]	300,000	-
GMR Power Urban Infra Limited [GPUIL]	2,970,000	-
e. Interest accrued Payable to		
GMR Generation Assets Limited [GGAL]	106,206	-
GMR Energy Trading Limited [GETL]	20,773	-
GMR Solar Energy Pvt Limited [GSEPL]	17,106	-
GMR Power Urban Infra Limited [GPUIL]	114,445	-
g. Logo Fees Payable		
GMR Enterprises Pvt Ltd [GEPL]	12	12
h. Other Payable		
GMR Kashi Smart Meters Limited [GKSML]	89	-

21 Expenditure in Foreign Currency – Nil

The Company does not have any pending litigations which would impact its financial position.

22 Deferred tax assets and liability are being offset as they relate to taxes on income levied by the same governing taxation laws. Deferred tax asset has not been recognized because on brought forward losses as there is no probability/convincing or other evidence that sufficient taxable profits will be available against which DTA will be adjusted.

23 Pending Litigations:

The Company does not have any pending litigations which would impact its financial position

24 Foreseeable losses :

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

25 There are no micro and small enterprises to which the company owes dues which are outstanding for more than 45 days as at 31 St March 2024 and 31st March 2023. This information as required to be disclosed under the Micro Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

26 Segment Reporting:

The company is engaged primarily in the business of setting and running of Power Plants. As the basic nature of the activities is governed by the same set of risk and returns these have been grouped as a single business segment. Accordingly separate primary and secondary segment reporting disclosures as envisaged in indian Accounting Standard (Ind AS-108) on Segmental Reporting issued by the ICAI are not applicable to the present activities of the company

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Notes to Financial Statements For the year ended March 31,2024

27 Financial Assets & Liabilities

The carrying value and fair value of each category of financial assets and liabilities as at March 31,2024 and March 31,2023

As at March 31,2024 **(Amount in Hundreds)**

Particulars	Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets					
(i) Investments (other than investments in associates and joint ventures)	-	-	135,144	135,144	135,144
(ii) Loans	-	-	3,031,500	3,031,500	3,031,500
(iii) Trade receivables	-	-	-	-	-
(iii) Cash and cash equivalents	-	-	26,688	26,688	26,688
(v) Bank Balances other than cash and cash equivalents	-	-	-	-	-
(iv) Other financial assets	-	-	444,230	444,230	444,230
Total	**-**	**-**	**3,637,562**	**3,637,562**	**3,637,562**
Financial liabilities					
(i) Borrowings	-	-	3,751,125	3,751,125	3,751,125
(ii) Lease Liabilities			-	-	-
(iii) Trade Payables	-	-	285,474	285,474	285,474
(iv) Other financial liabilities	-	-	-	-	-
Total	**-**	**-**	**4,036,599**	**4,036,599**	**4,036,599**

As at March 31,2023 **(Amount in Hundreds)**

Particulars	Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets					
(i) Investments (other than investments in associates and joint ventures)	-	-	-	-	-
(ii) Loans	-	-	-	-	-
(iii) Trade receivables	-	-	301	301	301
(iii) Cash and cash equivalents	-	-	-	-	-
(v) Bank Balances other than cash and cash equivalents	-	-	-	-	-
(iv) Other financial assets	-	-	-	-	-
Total	**-**	**-**	**301**	**301**	**301**
Financial liabilities					
(i) Borrowings	-	-	336,815	336,815	336,815
(ii) Lease Liability			-	-	-
(iii) Trade Payables	-	-	13,243	13,243	13,243
(iv) Other financial liabilities	-	-	-	-	-
Total	**-**	**-**	**350,058**	**350,058**	**350,058**

28 Financial risk management objectives and policies

The Companies primary financial liabiliities comprises of borrowings, Trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company operation's. The Company's principal financial assets include Inter corporate deposits, Trade and other receivables, cash and cash equivalents and other financial assets that are derived directly from its operations.In the course of its business, the Company is exposed primarily to fluctuations in 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.

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, derivatives and financial guarantees provided by the Company.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs. /- and Rs. /- as at March 31, 2024 and March 31, 2023 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, Loans, investments and other financial assets."

Customer credit risk is managed by each business unit subject to the Company’s established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company does not hold collateral as security.

The Company’s exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at March 31, 2024(March 31, 2023 " Nil ").

With respect to trade receivables / unbilled revenue, the Company has constituted the terms to review the receivables on a 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 the 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.

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 invests its surplus funds in bank fixed deposit and in mutual funds, which carries 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 etc.

The following table shows a maturity analysis of the anticipated cash flows including 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.

(Amount in Hundreds)

Particulars	0-1 year	1 to 5 years	> 5 years	Total
March 31,2024				
Borrowings	3,751,125	-	-	3,751,125
Other financial liabilities	69,800	-	-	69,800
Lease Liability (including current maturities)	-	-	-	-
Trade payables	285,474	-	-	285,474
Interest	-	-	-	-
Total	**4,106,399**	**-**	**-**	**4,106,399**
March 31,2023				
Borrowings (other than convertible preference shares)	336,815	-	-	336,815
Other financial liabilities	-	-	-	-
Lease Liability (including current maturities)	-	-	-	-
Trade payables	13,243	-	-	13,243
Interest	-	-	-	-
Total	**350,058**	**-**	**-**	**350,058**

(i) The above excludes any financial liabilities arising out of financial guarantee contract.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the policies and procedures of the Company include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

29 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, 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.

(Amount in Hundreds)

Particulars	31st March, 2024	31st March, 2023
Borrowings other than convertible preference shares	3,751,125	336,815
Total debt (i)	**3,751,125**	**336,815**
Capital components		
Equity share capital	5,000	5,000
Other equity	(478,363)	(155,124)
Total Capital (ii)	**(473,363)**	**(150,124)**
Capital and borrowings (iii = i + ii)	**3,277,762**	**186,690**
Gearing ratio（%) (i / iii)	**114.44%**	**180.41%**

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 would permit the bank to immediately call loans and borrowings. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

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

GMR SMART ELECTRICITY DISTRIBUTION PRIVATE LIMITED (Formerly GMR Mining & Energy Private Limited)
Corporate Identity Number (CIN): U40100KA2005PTC037308
Notes to Financial Statements For the year ended March 31,2024

30 a) The Company, at any point in time during the year has not entered into derivative contracts and there are no derivative contracts outstanding as at March 31, 2024.

b) The Company does not have any financial assets or liabilities which are denominated in foreign currency as at the Balance Sheet date.

31 Figures of the previous year wherever necessary, have been regrouped, reclassified and rearranged to conform with those of the current year.

32 **Financial Ratios**

The ratios for the year ended 31 March 2024 and 31 March 2023 are as follows :

Particulars	**Numerator**	**Denominator**	**As at March 31, 2024**	**As at March 31, 2023**	**Variance (in %)**
Current ratio	Current assets	Current liabilities	0.77	0.09%	- 891.45
Debt-equity ratio	Total debt [Non-current borrowings + Current borrowings]	Total equity	(7.92)	(2.24)	-253.21% *
Debt service coverage ratio	Earnings before depreciation and amortisation and interest [Earnings = Profit after tax + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Interest expense (including capitalised) + Principal repayment (including prepayments)	-	- 2.69	-100.00%
Return on equity ratio	Profit after tax	Average of total equity	0.00%	0.00%	NA
Inventory turnover ratio	Costs of materials consumed	Average inventories	NA	NA	NA
Trade receivables	Revenue from operations	Average trade receivables	NA	NA	NA
Trade payables turnover ratio	Purchases + other expenses	Average trade payables	714.81	-	NA
Net capital turnover ratio	Revenue from operations	Working capital [Current assets - Current liabilities]	NA	NA	NA
Net profit ratio	Profit after tax	Revenue from operations	NA	NA	NA
Return on capital employed	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Capital employed [Total assets - Current liabilities + Current borrowings]	0.00%	0.00%	NA
Return on investment	Income generated from Investment	Avg. Investment	0.00%	0.00%	NA

Reason for variances of more than 25% from last year are as per below:-
* Due to decrease in total debt and increase in profit resulting into decrease in Debt equity ratio.
# Due to increase in profitability for the year resulting into increase in return on equity.
$ Due to reduction in finance cost in current year results into higher profit and hence improved net profit ratio.

33 **Note on Audit Trail to be given in notes by company**:

Proviso to Rule 3(1) of Companies (Accounts) Rules, 2014 cast the responsibility on the Company's management that uses accounting software for maintaining its books of account, to 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.

Management confirms that it has evaluated and assessed the adequacy and effectiveness of the company's procedures for complying to the above requirements prescribed for audit trails and it further confirms that it has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention and also the same is not disabled.

The company is utilizing SAP software for maintaining books of accounts and the software has inherent audit trail function and also there is no option for making changes to the previously passed entries by the users. Management also confirms that no authorization is given to users for disabling the audit trial and periodic back ups are taken as per statutory requirements and the company has SAP back up policy.

For Girish Murthy & Kumar
Chartered Accountants
Firm Registration Number: 000934S

ACHYUTHA VENKATA SATISH KUMAR

A.V.Satish Kumar
Partner
Membership no.: 26526
Place: Bangalore
Date: 3rd May 2024

For and on behalf of the Board of directors of
GMR Smart Electricity Distribution Private Limited

NIKHIL DUJARI
Digitally signed by NIKHIL DUJARI
Date: 2024.05.03 18:38:39 +05'30'

Nikhil Dujari
Director
DIN No: 07684905
Place: Delhi
Date: 3rd May 2024

MANOJ KUMAR DIXIT
Digitally signed by MANOJ KUMAR DIXIT
Date: 2024.05.03 18:44:13 +05'30'

Manoj Kumar Dixit
Director
DIN No.09355400