

D T S & Associates LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GMR KASHI SMART METERS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **GMR KASHI SMART METERS LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from August 10, 2023 to March 31, 2024 and notes to the standalone financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss (including other comprehensive income), changes in equity and its cash flows for the period from August 10, 2023 to March 31, 2024.

Basis for Opinion

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

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

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

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

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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, the management of the Company 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 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 also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

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- 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.

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

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

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

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 Act, we give in the 'Annexure A', a statement on the matters specified in the paragraph 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 Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account;

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Continuation Sheet...

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- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
- e) On the basis of the 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The Company has not appointed any managerial personnel during the year under the Act, accordingly, reporting in accordance with the requirements of Section 197(16) of the Act does not arise.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - 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) Management has represented to us 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 persons or entities, 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) Management has represented to us 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.

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Continuation Sheet...

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- c) Based on our audit procedures conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management as mentioned above under paragraph (2)(h)(iv) (a) & (b) contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the period from August 10, 2023 to 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 audit we did not come across any instance of the audit trail feature being tampered with.

For D T S & Associates LLP

Chartered Accountants

Firm Registration Number: 142412W/W100595

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Sudhir Prabhu K

Partner

Membership No. 209589



UDIN: 24209589BKFXXCC4744

Place: Bengaluru

Date: May 04, 2024

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of GMR KASHI SMART METERS LIMITED of even date]

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- i) In respect of the Company's property, plant and equipment, right of use assets and intangible assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment (PPE).
(B) The Company does not have intangible assets during the period and as on balance sheet date. Hence, maintaining proper records for intangible assets does not arise.
 - b) The Company has a regular program of physical verification of its Property Plant and Equipment (PPE) by which PPE are verified once in a year, in accordance with this program, the Company during the year has done physical verification of PPE and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c) The company does not own any freehold immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) and the Company does not have any lease/sublease deed on leasehold land registered in the name of the company.
 - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii)
 - a) The Company is in the initial year of operation and does not have any inventory other than contract work- in-progress. Hence, question of physical verification of inventories does not arise.
 - b) The Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under Paragraph 3 (ii) (b) of the Order is not applicable.
- iii) On the basis of our examination of the records of the Company, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Consequently, the reporting requirement of provisions of paragraph 3 (iii) (a), (b) (c), (d), (e) & (f) of the Order is not applicable.
- iv) The Company during the year has not given any loans, investments, guarantees and security covered under section 185 and 186 of the Companies Act 2013, during the year. Consequently, the requirement of paragraph 3(iv) of the order is not applicable to the Company.
- v) The Company has not accepted any deposits and amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). There are no orders from Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal. Accordingly, the provision of paragraph 3(v) of the Order is not applicable to the Company.

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Continuation Sheet...

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- vi) The maintenance of cost records has not been specified by the Central Government under sub section (1) of Section 148 of the Act for the business activities carried out by the Company. Hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.
- vii) a) In our opinion, the Company during the year has generally been regular in depositing the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including employee's state insurance, provident fund, income-tax, goods and service tax, cess and other material statutory dues as applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of provident fund, employees' state insurance, goods and service tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- b) There are no dues of income tax, goods and service tax or cess or other material statutory dues which have not been deposited on account of any dispute.
- viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix) a) The Company has not taken any loan or other borrowing from banks, financial institutions and Government Authorities. Hence reporting under paragraph 3(ix)(a) of the Order is not applicable.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence requirement of paragraph 3(ix)(c) of the Order is not applicable to the Company.
- d) On an overall examination of the financial statements of the Company, the funds raised by the Company on short term basis from holding company is utilised for long term purposes towards margin deposits with Bank to the extent of Rs.388.89 Lakhs.
- e) On 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, associates or joint ventures hence, requirement of paragraph 3(ix)(e) of the Order is not applicable to the Company.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies hence requirement of paragraph 3(ix)(f) of the Order is not applicable to the Company.
- x) a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) hence requirement of paragraph 3(x)(a) of the Order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, hence requirement of paragraph 3(x)(b) of the Order is not applicable to the Company.

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Continuation Sheet...

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- xi) a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section 12 of section 143 of the Act has been filed by secretarial auditors or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up-to the date of this report.
- c) There are no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.
- xiii) In our opinion, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) The Company does not required to have an internal audit system as per the provision of the Act. Accordingly reporting under paragraph 3(xiv) (a) and (b) of the Order is not applicable to the Company.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected to its directors and hence provision of Section 192 of the Act is not applicable to the Company.
- xvi) a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) (a) of the Order is not applicable.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934. Accordingly, paragraph 3(xvi) (b) of the Order is not applicable.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi) (c) of the Order is not applicable.
- d) As represented by the management of the Company, the Group has two Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.
- xvii) The Company has incurred cash losses to the extent of Rs.384.92 Lakhs during the current financial year being the first year of operation.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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- xx) The Company is not liable to spend on Corporate Social responsibility for the year under audit in terms of the section 135 of the Act, hence reporting requirement under Paragraph 3 (xx) (a) and (b) of the Order are not applicable to the Company.
- xxi) In our opinion, Company is not required to prepare the consolidated financial statement under sub section 3 of section 129 of the Act. Therefore, provisions of Paragraph 3 (xxi) of the Order is not applicable to the Company.

For D T S & Associates LLP

Chartered Accountants

Firm Registration Number: 142412W/W100595

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Sudhir Prabhu K

Partner

Membership No. 209589



UDIN: 24209589BKFCC4744

Place: Bengaluru

Date: May 04, 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of GMR KASHI SMART METERS LIMITED of even date]

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to standalone financial statements of **GMR KASHI SMART METERS 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal controls 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 (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

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

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Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal control with reference to financial statements 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 D T S & Associates LLP

Chartered Accountants

Firm Registration Number: 142412W/W100595

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Sudhir Prabhu K

Partner

Membership No. 209589



UDIN: 24209589BKFXCC4744

Place: Bengaluru

Date: May 04, 2024

GMR Kashi Smart Meters Limited

CIN: U35109HR2023PLC114036

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note	Rupees in Lakhs March 31, 2024
ASSETS		
Non-current Assets		
Property, plant and equipment	2	21.48
Right of use Assets	3	90.95
Financial Assets		
Other financial assets	4	423.10
Income tax assets (net)	6	0.75
Total Non-Current Assets		536.28
Current Assets		
Inventories	7	424.55
Financial Assets		
Cash and cash equivalents	8	24.86
Other financial assets	4	2.45
Other current assets	5	258.49
Total Current Assets		710.35
TOTAL ASSETS		1,246.63
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	9	60.00
Other equity	10	(392.85)
Total Equity		(332.85)
LIABILITIES		
Non-current Liabilities		
Financial Liabilities		
Lease Liabilities	12	72.53
Provisions	13	3.34
Total Non-current Liabilities		75.87
Current Liabilities		
Financial Liabilities		
Borrowings	11	1,089.00
Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	14	-
b) Total outstanding dues of creditors other than (a) above	14	372.66
Lease Liabilities	12	14.86
Other current liabilities	15	26.55
Provisions	13	0.54
Current tax liabilities (net)	16	-
Deferred tax liabilities (net)	16	-
Total Current Liabilities		1,503.61
TOTAL EQUITY AND LIABILITIES		1,246.63

Material accounting policies

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

As per our report of even date

For D T S & Associates LLP

Chartered Accountants

Firm Registration No. : 142412W/W100595

KALLIANPUR
SUDHIR PRABHU**Sudhir Prabhu K**

Partner

Membership No.: 209589

Place : Bengaluru

Date: May 04, 2024

For and on behalf of the Board of Directors of
GMR Kashi Smart Meters LimitedAshis
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Director

DIN: 01872233

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Devtosh Chaturvedi

Director

DIN: 06427761

Place: New Delhi

Date: May 04, 2024

GMR Kashi Smart Meters Limited

CIN: U35109HR2023PLC114036

STATEMENT OF PROFIT AND LOSS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024

Particulars	Note	Rupees in Lakhs
		March 31, 2024
INCOME		
Other income	17	7.71
Total Income		7.71
EXPENSES		
Operating expenses	18	160.49
Changes in inventories	19	(424.55)
Employee benefit expenses	20	87.40
Other expenses	21	183.06
Total Expenses		6.40
Earnings before finance cost, tax, depreciation and amortisation expenses (EBITDA)		1.31
Finance costs	22	386.23
Depreciation and amortization expense	23	7.93
Profit / (loss) before tax		(392.85)
Tax Expense:		
Current Tax	16	-
Deferred tax	16	-
Profit / (loss) for the year		(392.85)
OTHER COMPREHENSIVE INCOME		
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>		
Re-measurement gains (losses) on defined benefit plans		-
Income tax effect		-
Other comprehensive income/(expenses) for the year, net of tax		-
Total comprehensive income for the year		(392.85)

Earnings per equity share: (face value of equity shares of Rs.10 each)

Basic	24	(65.48)
Diluted	24	(65.48)

Material accounting policies

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

As per our report of even date

For and on behalf of the Board of Directors of

For D T S & Associates LLP**GMR Kashi Smart Meters Limited**

Chartered Accountants

Firm Registration No. : 142412W/W100595

KALLIANPUR
SUDHIR
PRABHU

Sudhir Prabhu K

Partner

Membership No.: 209589

Place : Bengaluru

Date: May 04, 2024

Ashis Basu
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Ashis Basu

Director

DIN: 01872233

Place: New Delhi

Date: May 04, 2024

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Devtosh Chaturvedi

Director

DIN: 06427761

GMR Kashi Smart Meters Limited

CIN: U35109HR2023PLC114036

STATEMENT OF CHANGES IN EQUITY FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**A. Equity Share Capital**

Particulars	Note	Rupees in Lakhs
		March 31, 2024
Balance at the beginning of the year	9	-
Changes in equity share capital during the year	9	60.00
Balance at the end of the year	9	60.00

B. Other Equity

Particulars	Rupees in Lakhs		
	Reserves and surplus Retained earnings	Other comprehensive ve income	Total [Refer Note No.10]
Changes in equity for the year ended March 31, 2024			
Profit / (loss) for the year	(392.85)	-	(392.85)
Other comprehensive income	-	-	-
Re-measurement gains/(loss) on defined benefit plans	-	-	-
Effect on change in tax rate	-	-	-
Balance as at March 31, 2024	(392.85)	-	(392.85)

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

As per our report of even date

For D T S & Associates LLP

Chartered Accountants

Firm Registration No. : 142412W/W100595

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Sudhir Prabhu K

Partner

Membership No.: 209589

Place : Bengaluru

Date: May 04, 2024

For and on behalf of the Board of Directors of

GMR Kashi Smart Meters Limited

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Ashis Basu

Director

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Devtosh Chaturvedi

Director

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GMR Kashi Smart Meters Limited

CIN: U35109HR2023PLC114036

STATEMENT OF CASH FLOWS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024

Particulars	Rupees in Lakhs March 31, 2024
A CASH FLOW FROM OPERATING ACTIVITIES:	
Profit / (loss) before tax	(392.85)
Adjustments For :	
Depreciation and amortisation	7.93
Interest and finance charges	386.23
Interest income on bank deposit and others	(7.71)
	<u>(6.40)</u>
Adjustments for Movement in Working Capital:	
Decrease / (increase) in financial assets	(13.74)
Decrease / (increase) in other current/non-current assets	(258.49)
Decrease / (increase) in Inventories	(424.55)
Increase / (decrease) in trade payables	372.66
Increase / (decrease) in other current/non-current liabilities	26.55
Increase / (decrease) in Provision	3.88
Cash From/(used In) Operating activities	<u>(300.09)</u>
Tax (paid)/refund	(0.75)
Net Cash From/(used In) Operating activities	<u>(300.84)</u>
B CASH FLOW FROM INVESTING ACTIVITIES:	
Purchase of property, plant and equipment	(23.70)
Interest Income on bank deposit and others	0.74
Decrease/(increase) in Other Bank Balance	(410.50)
Cash From/(used In) Investing Activities	<u>(433.46)</u>
C CASH FLOW FROM FINANCING ACTIVITIES:	
Proceeds from issue of equity shares	60.00
Proceed from borrowings from holding company	1,089.00
Payment of Lease Liability	(7.24)
Interest and finance charges paid	(382.60)
Cash From/(used In) Financing Activities	<u>759.16</u>
D Net Increase / decrease in Cash and Cash Equivalents [A+B+C]	24.86
Cash and Cash Equivalents as at beginning of the year	-
Cash and Cash Equivalents as at end of the year	<u>24.86</u>
Components of Cash and Cash Equivalents:	
Balances with banks	
- Current account	24.86
Total	<u>24.86</u>

GMR Kashi Smart Meters Limited

CIN: U35109HR2023PLC114036

STATEMENT OF CASH FLOWS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024

Rupees in Lakhs

Particulars

March 31, 2024

Notes :

1 The above statement of cash flows has been prepared under the 'Indirect Method' as set out in the Ind AS-7 on Statement of Cash Flows as referred to in Section 133 of the Companies Act, 2013.

2 Changes in liabilities arising from financing activities

Particulars	Opening balance	Non-cash / accruals / fair value changes	Cash flows - inflows/ repayments	Closing Balance
For the year ended March 31, 2024				
Proceeds from issue of equity shares	-	-	60.00	60.00
Borrowings	-	-	1,089.00	1,089.00
Lease liability	-	94.63	(7.24)	87.39

3 This being the first year of operation, the Company has prepared its statement of cash flows for the first time from the date of incorporation (ie., August 10, 2023) till the balance sheet date. Hence, previous year figures are not given.

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

As per our report of even date

For D T S & Associates LLP

Chartered Accountants

Firm Registration No. : 142412W/W100595

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SUDHIR PRABHU
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Sudhir Prabhu K

Partner

Membership No.: 209589

Place : Bengaluru

Date: May 04, 2024

For and on behalf of the Board of Directors of

GMR Kashi Smart Meters Limited

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Ashis Basu

Director

DIN: 01872233

Place: New Delhi

Date: May 04, 2024

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Devtosh Chaturvedi

Director

DIN: 06427761

1 Company Overview and Material Accounting Policies:

1.1 Company Overview

GMR Kashi Smart Meters Limited (the Company) is promoted as a Special Purpose Vehicle (SPV) by GMR Smart Electricity Distribution Private Limited (formerly GMR Mining & Energy Private Limited), the holding Company, for the work of Appointment of Advance Metering Infrastructure Service Provider (AMISP) for Smart Pre-metering on DBFOOT basis under the Revamp Reform Linked Results based Distribution Sector Scheme (RDSS) at seven districts (Varanasi, Jaunpur, Ghazipur, Chandauli, Azamgarh, Mau and Ballia) of Purvanchal Vidyut Vitaran Nigam Limited (PuVVNL) Discom in Uttarpradesh. Project involves "Pre-paid smart metering solution at consumer, DT and feeder level including integration, supply and erection of armoured cable for consumer in high loss area and new requirement of software component".

The Company's Holding Company is GMR Smart Electricity Distribution Private Limited while ultimate Holding Company is GMR Power & Urban Infra Limited /GMR Enterprises Private Limited.

The standalone financial statements of the Company for the period ended March 31, 2024 were authorised for issue in accordance with a resolution of the Board of Directors on May 04, 2024.

1.2 Material accounting policies

The material accounting policies applied by the company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

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 standalone financial statements are presented in 'Indian Rupees' (INR) which is also the Company's functional currency and all values are disclosed to the nearest Rupees in Lakhs with two decimals (INR 00,000.00), except when otherwise indicated.

Summary of material accounting policies

a) Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of IND AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and the disclosure of contingent liabilities at the end of the reporting period and revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

b) Current versus non-current classification

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Schedule III notified under the Companies Act, 2013.

An asset has been classified as current if

- (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or
- (b) it is held primarily for the purpose of being traded; or
- (c) it is expected to be realized within twelve months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when

- (a) it is expected to be settled in the Company's normal operating cycle; or
- (b) it is held primarily for the purpose of being traded; or
- (c) it is due to be settled within twelve months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

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

c) Fair value measurement

The Company measures financial instruments 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:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

1 Company Overview and Material Accounting Policies:

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 prices (unadjusted) in active markets for identical assets or liabilities

Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 — Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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.

d) Revenue Recognition

Revenue from operations:

Finance income for concession arrangements under financial asset model is recognized using the effective interest method. Revenue including lumpsum revenue, service charges per meter per month are recognised under concession arrangements in each period as and when services are rendered.

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. Revenue is recognized upon transfer of control of promised products or services to customers. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

The revenue is recognised when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are initially recognised as revenue earned on account of service concession arrangements where revenue is recognised over the period of time as receipt of consideration is conditional on successful completion of performance obligations such as periodic maintenance services under the service concession arrangements. Once the performance obligation is fulfilled, the contract assets are classified as receivable under service concession arrangements.

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

Finance income and other income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

On disposal of current investments, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss. Such income is included under the head "other income" in the statement of profit and loss.

Dividend income is accounted for in the year in which the right to receive the same is established by the reporting date.

1 Company Overview and Material Accounting Policies:**e) Property, Plant & Equipment**

Property, Plant & 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.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

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 derecognised.

Machinery spares which are specific to a particular item of PPE 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.

Depreciation on PPE is provided on straight line method, up to the cost of the asset (net of residual value), in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013 which are as below:

Furniture and fixtures	10 years
Computers	3 years

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 of that 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.

f) Intangible assets

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.

The useful lives of intangible assets are assessed as either finite or indefinite.

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.

g) Financial Assets - Receivable towards the concession arrangement from the grantor

When the arrangement has a contractual right to receive cash or other financial asset from the grantor specifically towards the concession arrangement (in the form of grants) during the construction period or otherwise, such a right, to the extent eligible, is recorded as financial asset in accordance with Ind AS 109 "Financial Instruments," at amortized cost.

h) Taxes

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.

1 Company Overview and Material Accounting Policies:

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

Deferred tax is 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 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 after tax holiday period, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

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 asset to be recovered.

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 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.

i) Borrowing costs

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

j) Inventories

Contract work-in-progress represents contract expenses incurred in respect of construction projects under progress.

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

k) Leases

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

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

The Company is the lessee**Right-of-use assets**

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

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

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

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

1 Company Overview and Material Accounting Policies:**The Company is the lessor**

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

l) Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGUs) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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

m) Provisions, contingent liabilities, contingent assets and capital commitments**Contingent Liabilities**

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

Provisions

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's 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.

n) Retirement and other Employee Benefits

Short term employee benefits and defined contribution plans.

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund.

1 Company Overview and Material Accounting Policies:

The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

Compensated absences

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.

Defined benefit plans**Gratuity**

Gratuity is a defined benefit scheme. The cost of providing benefits under the scheme is determined on the basis of actuarial valuation under projected unit credit (PUC) method.

The company recognizes termination benefit as a liability and an expense when the company has a present obligation as a result of 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. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Remeasurements

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

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

o) 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.

i) 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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are only classified as Debt instruments at amortised cost.

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.

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.

1 Company Overview and Material Accounting Policies:

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company's of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- > The rights to receive cash flows from the asset have expired, or
- > 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 guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

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:

- > 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.
- > Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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:

- > Financial assets measured as at amortised cost: 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.

ii) 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, 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 etc.

1 Company Overview and Material Accounting Policies:

Subsequent measurement

Loans and borrowings

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 and security deposits received.

Derecognition

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

Offsetting of financial instruments

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

p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and in hand and the short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank Overdrafts are shown with in borrowings under Current Liabilities in the Balance Sheet.

For the purpose of the statement of cashflows, 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.

q) Foreign currencies

The financial statements are presented in INR, which is also the company's functional currency.

In preparing the financial statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

r) Earnings per share

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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.

1.3 Key accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimate and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which are estimate is revised and future periods affected.

Significant judgements and the estimates relating to the carrying values of assets and liabilities, provision for employee benefits and others provisions, commitments and contingencies and fair value measurements of investments.

i) Critical Accounting Estimates and Assumptions :

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Income tax

Significant management judgement is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note no.16.04

1 Company Overview and Material Accounting Policies:

b) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note no.25 for further disclosures.

c) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. [Refer note no.27]

d) Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at the interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates in India.

Further details about gratuity obligations are given in note no.33

ii) Significant judgements :

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimate and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

1.4 Introduction of new standards and amendments to existing standards

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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GMR Kashi Smart Meters Limited

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**2 Property, plant and equipment**

Particulars	Rupees in Lakhs		
	Computers	Furniture and Fixtures	Total
Gross block			
Additions	21.33	2.37	23.70
Disposals / Adjustments	-	-	-
As at March 31, 2024	21.33	2.37	23.70
Depreciation			
Charge for the year	1.75	0.47	2.22
Disposals / Adjustments	-	-	-
As at March 31, 2024	1.75	0.47	2.22
Net block			
As at March 31, 2024	19.58	1.90	21.48

Notes:

1 Assets are owned and are used for own use, unless otherwise mentioned.

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GMR Kashi Smart Meters Limited

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**3 Right of use Assets**

Particulars	Rupees in Lakhs	
	Leashold Buildings	Total
Gross block		
Additions	96.66	96.66
Disposals / Adjustments	-	-
As at March 31, 2024	96.66	96.66
Depreciation		
Charge for the period	5.71	5.71
Disposals / Adjustments	-	-
As at March 31, 2024	5.71	5.71
Net block		
As at March 31, 2024	90.95	90.95

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

For details of lease liability, refer note no.12 below.

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**4 Other financial assets**

Particulars	Rupees in Lakhs
	March 31, 2024
Non-current:	
Carried at amortised cost	
Unsecured, considered good	
Fixed deposits with banks [Refer note (a) below]	410.50
Interest accrued on deposits with banks	6.73
Security deposits	
with others	5.77
Deposit with government departments	0.10
Total	423.10
Current:	
Carried at amortised cost	
Unsecured, considered good	
Security deposits	
with others	2.45
Total	2.45
Total	425.55

Note:

a) Includes margin deposit of Rs.410.50 Lakhs kept against bank guarantee.

5 Other assets

Particulars	Rupees in Lakhs
	March 31, 2024
Current:	
Unsecured, considered good	
Advances other than capital advances	
Advance to suppliers of goods/services	
to related parties [Refer note no.34]	26.10
to others	4.27
Advance to employees for expenses	3.01
Prepaid expenses	119.05
Balances with government departments	106.06
Total	258.49

6 Income tax assets (net)

Particulars	Rupees in Lakhs
	March 31, 2024
Non-current:	
Advance income tax and tax deducted at source (net) [refer note no.16.03]	0.75
Total	0.75

7 Inventories

Particulars	Rupees in Lakhs
	March 31, 2024
Contract work in progress	424.55
Total	424.55

Notes:

a) Inventories represents contract expenses incurred in respect of projects-under-progress and are valued at lower of cost or net realizable value.

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**8 Cash and cash equivalents**

Particulars	Rupees in Lakhs
	March 31, 2024
Cash in hand	-
Balances with banks	
- Current account	24.86
Total	24.86

Particulars	Rupees in Lakhs
	March 31, 2024
Break-up of financial assets	
Financial assets carried at amortised cost	
Security deposit	8.22
Cash and cash equivalents	24.86
Fixed deposit with banks (including interest accrued)	417.23
Other financial assets	0.10
Total	450.41

9 Equity share capital

Particulars	Rupees in Lakhs
	March 31, 2024
Authorised	
50,00,000 equity shares of Rs.10 each	500.00
	500.00
Issued, subscribed and fully paid-up	
6,00,000 equity shares of Rs.10 each	60.00
Total	60.00

Notes:

a) Reconciliation of Shares Outstanding at the beginning and end of the reporting year

	March 31, 2024	
	Numbers	Rupees in Lakhs
Equity shares of Rs. 10 each		
Balance at the beginning of the year	-	-
Shares issued during the year	6,00,000	60.00
Balance at the end of the year	6,00,000	60.00

b) Terms 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 directors is subject to the approval of the shareholders 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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of the shareholders holding more than 5% shares of the Company

Name of Shareholder	Numbers	% of shares held
Equity shares of Rs. 10 each		
March 31, 2024		
GMR Smart Electricity Distribution Private Limited [GSEDPL] (including its nominees), the immediate holding Company	5,40,000	90.00%
Bosch Global Software Technologies Private Limited	60,000	10.00%

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

Name of Shareholder	Numbers	Rupees in Lakhs
Equity shares of Rs. 10 each		
March 31, 2024		
GMR Smart Electricity Distribution Private Limited [GSEDPL] (including its nominees), the immediate holding Company	5,40,000	54

GMR Kashi Smart Meters Limited

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024

e) Shareholding of promoters as at March 31, 2024

Name of the promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares
Fully paid up equity shares of INR 10 each				
GMR Smart Electricity Distribution Private Limited [GSEDPL], the immediate holding Company	-	5,39,940	5,39,940	89.99%
GMR Generation Assets Limited [Nominee of GSEDPL]	-	10	10	0.00%
GMR Solar Energy Private Limited [Nominee of GSEDPL]	-	10	10	0.00%
GMR Consulting Services Limited [Nominee of GSEDPL]	-	10	10	0.00%
GMR Green Energy Limited (Formerly known as GMR Green Energy Private Limited) [Nominee of GSEDPL]	-	10	10	0.00%
GMR Rajam Solar Power Private Limited [Nominee of GSEDPL]	-	10	10	0.00%
GMR Maharashtra Energy Limited [Nominee of GSEDPL]	-	10	10	0.00%

* Current year being first financial year since incorporation, hence % change during the year is not applicable.

f) As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

10 Other equity

Particulars	Rupees in Lakhs March 31, 2024
Surplus / (deficit) in the statement of Profit and Loss	
Opening balance	-
Add: Profit / (loss) for the year	(392.85)
Closing balance	(392.85)
Other comprehensive income	
Opening balance	-
Remeasurements gains/(loss) on defined benefit plans, net of tax effect	-
Closing balance	-
Total	(392.85)

Nature and purpose of reserve:

a) Retained Earnings

Retained Earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. No dividends are distributed by the Company during the year.

b) **Other Comprehensive Income** represents Re-measurement gains (losses) on defined benefit plans and its income tax effects if any.

11 Borrowings

Particulars	Rupees in Lakhs March 31, 2024
Short-term borrowings:	
Unsecured, at amortized cost	
Inter corporate deposits from Holding Company [Refer note (a) below]	1,089.00
Total	1,089.00

Notes:

a) Terms of Inter corporate deposits:

During the year, the company has received interest free unsecured loan from its holding company GMR Smart Electricity Distribution Private Limited which is repayable within 9 months or as per the mutual agreement between the parties.

GMR Kashi Smart Meters Limited

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**12 Lease Liabilities**

Operating lease commitments - Company as a Lessee : The Company has entered into certain cancellable and non-cancellable operating lease agreements mainly for office premises. The lease rentals paid during the year and the maximum obligation on the long term non-cancellable operating lease payable are as follows:

The following is the break-up of current and non-current lease liabilities as at March 31, 2024:

Particulars	Rupees in Lakhs March 31, 2024
Non-current lease liabilities	72.53
Current lease liabilities	14.86
Total	87.39

The movement in lease liabilities during the year ended March 31, 2024 is as follows:

Particulars	Rupees in Lakhs March 31, 2024
Opening balance	-
Lease Liability recognised during the year	91.00
Interest on lease liability	3.63
Payment of lease liabilities	(7.24)
Closing balance	87.39

Details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis is as follows:

Particulars	Rupees in Lakhs March 31, 2024
Repayable on demand/due	-
Less than one year	26.04
One to five years	94.35
More than five years	-
Total	120.39

Following amount has been recognised in statement of profit and loss:

Particulars	Rupees in Lakhs March 31, 2024
Amortisation on right to use asset	5.71
Interest on lease liability	3.63
Expenses related to short term/low value lease (included under other expenses)	3.10
Total	12.44

Note : For right of use assets refer note no.3 above.

13 Provisions

Particulars	Rupees in Lakhs March 31, 2024
Non-current:	
Provision for gratuity [Refer note no.33(b)]	0.93
Provision for leave encashment	2.41
Total	3.34
Current:	
Provision for leave encashment	0.54
Total	0.54
Total	3.88

GMR Kashi Smart Meters Limited

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**14 Trade payables**

Particulars	Rupees in Lakhs March 31, 2024
Current:	
Carried at amortised cost:	
Dues of micro enterprises and small enterprises [Refer Notes (a) below]	-
Dues of creditors other than micro enterprises and small enterprises	
Payable to related parties [Refer note no.34 below]	14.69
Dues to others	357.97
Total	372.66

Notes:**a) Details of dues of micro enterprises and small enterprises**

Dues to related parties [Refer note no.34]	-
Dues to others	-
Total	-

b) Trade payables ageing analysis

Particulars	Amount not Due	Outstanding for following periods from due date of payment				Rupees in Lakhs
		Trade payable ageing as at March 31, 2024				March 31, 2024
		< 1 year	1-2 years	2-3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises [MSME]	-	-	-	-	-	
Total outstanding dues of creditors other than MSME	-	372.66	-	-	-	
Disputed dues of MSME	-	-	-	-	-	
Disputed dues of creditors other than MSME	-	-	-	-	-	
Total	-	372.66	-	-	-	

c) There are no micro and small enterprises to which the company owes dues which are outstanding for more than 45 days as at March 31, 2024. 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.

Particulars	Rupees in Lakhs March 31, 2024
The principal amount due thereon remaining unpaid to any supplier as at the end of each accounting year	-
The interest amount due thereon remaining unpaid to any supplier as at the end of each accounting year	-
The amount of interest paid by the buyer under MSMED Act, 2006	-
Amounts of the payment made to the supplier beyond the appointed day during each accounting year	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-
The amount of interest accrued but not accounted and remaining unpaid at the end of accounting year; and	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-

d) The Company is in the process of reconciling the outstanding balances with vendors and any changes in the balance upon reconciliation shall be given effect in the ensuing year and the management is of the opinion that there will not be any significant effect on such reconciliation.

e) The fair value of Trade payables is not materially different from the carrying value presented.

f) Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 60 days terms.

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024

Break-up of financial liabilities		Rupees in Lakhs
Particulars		March 31, 2024
Financial liabilities carried at amortised cost		
Borrowings		1,089.00
Lease liability		87.39
Trade payables		372.66
Total		1,549.05
15 Other liabilities		
Particulars		Rupees in Lakhs
		March 31, 2024
Current:		
Statutory dues		26.55
Total		26.55

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024
16 Income Tax

The major components of income tax expense

16.01 Income tax expense in the statement of profit and loss comprises for the year:

Particulars	Rupees in Lakhs March 31, 2024
<u>Profit or loss section</u>	
Current Tax	-
Deferred Tax [Refer note no.16.04 below]	-
Income tax for earlier years	-
Tax expense / (credit) to Statement of Profit and Loss	-
<u>Other comprehensive income section (OCI)</u>	
Deferred tax related to items recognised in OCI during in the year:	
Re-measurement gains (losses) on defined benefit plans	-
Tax expense / (credit) to Other Comprehensive Income	-
Tax expense / (credit) to Total Comprehensive Income	-

16.02 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year:

Particulars		Rupees in Lakhs March 31, 2024
Profit / (loss) before tax	(PBT)	(392.85)
Applicable tax rate		26.00%
Tax effect of income / (loss)	(a)	(102.14)
<i>Adjustments:</i>		
Tax effect on non-taxable income		-
Tax effect on non-deductible expenses		1.41
	(b)	1.41
	(c)=(a+b)	(100.73)
Deferred tax asset /(liability) is not recognised as a matter of prudence [Refer note no.16.04 below]	(d)	100.73
Tax expense / (credit) to Statement of Profit and Loss	(e)=(c-d)	-
Effective tax rate for the year	(f)/PBT	0.00%

16.03 Provision for Income tax / Non-current tax assets

Particulars	Rupees in Lakhs March 31, 2024
Net current income tax asset/ (liability) at the beginning	-
Current tax payable for the year	-
Current taxes (paid)/refund (net)	(0.75)
Net current income tax liability (asset) at the end	(0.75)
The details of income tax assets and income tax liabilities	
Provision for Income tax (net)	-
Income tax assets (net)	(0.75)
Net current income tax liability (asset) at the end	(0.75)

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**16 Income Tax****16.04 Major components of deferred tax assets and liabilities**

Particulars	Rupees in Lakhs	
	For the year ended March 31, 2024	As at March 31, 2024
Deferred tax liability		
Property, plant and equipments	0.56	0.56
Right of use assets	23.65	23.65
Total	24.21	24.21
Deferred tax asset		
Contract work in progress	2.75	2.75
Security deposit	1.41	1.41
Right of use lease liability	21.86	21.86
Provision for leave encashment	0.77	0.77
Provision for gratuity	0.24	0.24
Provision for bonus	0.40	0.40
Unused tax losses	96.37	96.37
Unabsorbed tax depreciation	1.14	1.14
Total	124.94	124.94
Net deferred tax (assets) / liability	(100.73)	(100.73)
Deferred tax asset/(liability) not recognised as a matter of prudence	100.73	100.73
Net deferred tax (assets) / liability	-	-

16.05 The unused business loss and allowances is allowable in future period against taxable profit Rs. Nil

16.06 The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**17 Other income**

Particulars	Rupees in Lakhs
	March 31, 2024
Interest Income on Bank Deposit and others	7.47
Unwinding interest on security deposits	0.24
Total	7.71

18 Operating expenses

Particulars	Rupees in Lakhs
	March 31, 2024
Contracting expenses	160.49
Total	160.49

19 Changes in inventories

Particulars	Rupees in Lakhs
	March 31, 2024
Opening stock	
Contract work in progress	-
Less: Closing stock	
Contract work in progress	(424.55)
Total	(424.55)

20 Employee benefit expenses

Particulars	Rupees in Lakhs
	March 31, 2024
Salaries, perquisites & allowance	82.71
Contribution to provident and other funds	3.60
Gratuity expense	0.93
Staff welfare expenses	0.16
Total	87.40

21 Other expenses

Particulars	Rupees in Lakhs
	March 31, 2024
Utility Expenses	0.17
Rent	3.10
Rates and taxes	5.45
Repairs and maintenance	
- Others	1.11
Travelling and conveyance	10.75
Communication costs	0.31
Printing and stationery	0.11
Legal and professional fees	153.50
Payment to auditors [Refer note no. (a) below]	1.00
Staff recruitment and training cost	5.80
General expenses	1.76
Total	183.06

Notes:**a) Details of payment to auditors**

Statutory audit fee	1.00
Certification charges	-
Total	1.00

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**22 Finance costs**

Particulars	Rupees in Lakhs March 31, 2024
Interest measured at amortised cost	
Interest others	3.63
Other borrowing cost	382.60
Total	386.23
Details of finance cost (Interest measured at amortised cost)	
<i>Interest others</i>	
Interest on lease liability	3.63
<i>Other borrowing cost</i>	
Bank Guarantee charges and processing fee	382.58
Bank and other finance charges	0.02
Total	386.23

23 Depreciation and amortization expense

Particulars	Rupees in Lakhs March 31, 2024
Depreciation of property, plant and equipment [Refer note no.2]	2.22
Amortization of right of use assets [Refer note no.3]	5.71
Total	7.93

24 Earning per share (EPS)

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

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

Particulars	March 31, 2024
a) Nominal value of Equity shares (in Rupees per share)	10.00
b) Weighted average number of Equity shares at the year end (in Nos)	6,00,000
c) Profit attributable to equity holders of the Company for basic earnings (Rupees in Lakhs)	(392.85)
d) Basic/Diluted Earning per share of Rs 10/- each (in Rs.) [(c)/(b)]	(65.48)

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024

25 Disclosures on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Notes to the financial statements.

25.01 Financial instruments by category

Financial instruments comprise financial assets and financial liabilities.

The carrying value and fair value of financial instruments by categories are as follows

Particulars	Refer note no.	Rupees in Lakhs		
		As at March 31, 2024		
		Amortised cost	Fair value through profit or loss	Fair value through OCI
Financial assets:				
Security deposit	4	8.22	-	-
Cash and cash equivalents	8	24.86	-	-
Fixed deposit with banks (including interest accrued)	4	417.23	-	-
Other financial assets	4	0.10	-	-
Total		450.41	-	-
Financial liabilities:				
Borrowings	11	1,089.00	-	-
Trade payables	14	372.66	-	-
Lease liability	12	87.39	-	-
Total		1,549.05	-	-

Fair values

The following methods and assumptions were used to estimate the fair values:

25.02 Fair value hierarchy

The Company held the following assets and liabilities measured at fair value. The Company uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique

Level 1: quoted (unadjusted) 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; and

Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

a) The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2024:

Particulars	Rupees in Lakhs			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value through profit or loss:	-	-	-	-
Liabilities measured at fair value through profit or loss:	-	-	-	-

During the year ended March 31, 2024 there were no Assets/Liabilities measured at fair value through profit or loss and no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The Board of Directors considers the fair value of all other financial assets and liabilities to approximate their carrying value at the balance sheet date.

In view of all financial assets and liabilities are carried at amortised cost, there are no financial assets and liabilities to be fair valued under the fair value hierarchy.

26 Financial risk management

Financial Risk Factors

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets is Receivable under SCA, Cash and Cash equivalents, Investment and other bank balance.

In the course of its business, the Company's exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The Company's senior management is supported by the Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's senior management ensure that the company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The risk management policy is approved by the Board of Directors. The risk management frame work aims to :

NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024

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

26.01 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at March 31, 2024.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations, provisions.

The following assumptions have been made in calculating the sensitivity analysis.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company does not have exposure to the risk of changes in market interest rate. Borrowings at fixed rates expose the Company to fair value interest rate risk.

The Company analyses its interest rate exposure on a dynamic basis. The Company's policy is to manage its interest cost using only interest free/ fixed rate debts from related parties.

26.02 Commodity price risk

The Company is affected by the price volatility of certain commodities which is moderated by optimising the procurement for operating activities which require continuous procurement of operation and maintenance materials. Therefore the Company monitors its purchases closely to optimise the price.

26.03 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 receivables under concession agreement/other receivables, cash and cash equivalents provided by the Company. The carrying value of financial assets represents the maximum credit risk, which may be affected by the changes in the credit risk of the counter parties.

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Loans are non-derivative financial instruments which generate a fixed or variable interest income for the Company. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units for a specified time period.

The carrying values of the financial assets approximate its fair values. The above financial assets are not impaired as at the reporting date. Other financial assets are neither past due nor impaired at reporting date. The cash and cash equivalents are maintained with reputed banks. Hence the Company believes no impairment is necessary in respect of the above financial instruments.

26.04 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company's treasury department is responsible for liquidity, funding as well as settlement management.

Management monitors rolling forecasts of the Company's liquidity reserve on the basis of expected cash flow. This is generally carried out at by the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these; monitoring balance sheet liquidity ratios against internal and external regulatory requirements; and maintaining debt financing plans.

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024

The following are the contractual maturities of non-derivative financial liabilities, including the estimated interest payment on an undiscounted basis which therefore differs from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the year end.

Financial Liabilities Particulars	Rupees in Lakhs					
	Financial liabilities carrying value	Total amount payable	Repayable on demand/not due	Due within 1 year	Due between 1 to 5 years	Due after 5 years
As at March 31, 2024						
Borrowings	1,089.00	1,089.00	-	1,089.00	-	-
Lease liability	87.39	120.39	-	26.04	94.35	-
Trade payable	372.66	372.66	-	372.66	-	-
Other financial liabilities	-	-	-	-	-	-
Total	1,549.05	1,582.05	-	1,487.70	94.35	-

Excessive risk concentration

The Company needs to assess the risks in relation to excessive risk concentration and the measures adopted by the Company to mitigate such risks.

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 company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the company to manage risk concentrations at both the relationship and industry levels.

26.05 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.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

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 includes within net debt, borrowings, trade and other payables, less cash and cash equivalents.

The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt.

Particulars	Rupees in Lakhs	
		March 31, 2024
Debt - borrowings	(a)	1,089.00
Capital Components		
Equity Share Capital		60.00
Other equity		(392.85)
Total Capital	(b)	(332.85)
Capital and debt	(a+b)	756.15
Gearing ratio (%)	(a)/(a+b)	144.02%

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**27 Contingent liabilities and commitments**

Particulars	Rupees in Lakhs March 31, 2024
a. Contingent Liabilities (to the extent not provided for)	-
b. Capital and other Commitments	-

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

29 The Code of Social Security, 2020 ("Code") relating to employee benefits during employment and post employment received Presidential assent in September 2020. Subsequently the Ministry of Labour and Employment had released the draft rules on the aforementioned code. However, the same is yet to be notified. The Company will evaluate the impact and make necessary adjustments to the financial statements in the period when the code will come into effect.

30 The Management of the Company is of the opinion that no provision is required to be made in its books of account other than those already provided if any, with respect to any material foreseeable losses under the applicable laws, accounting standards or long term contracts. The Company does not have any derivative contracts. The Company does not have any financial assets or liabilities which are denominated in foreign currency as at the Balance Sheet date.

31 The Company is engaged primarily in business of service provider which includes consumer indexing, installation, operation and maintenance services for Smart Meter Project. As per the requirements of Ind AS 108, "Operating Segments", the principal revenue generating activities of the Company is from smart meters which is regulated by the DISCOMS. Accordingly, the management is of the view that the Company has a single reportable segment and the requirements of reporting on operating segments and related disclosures as envisaged in Indian Accounting Standard 108 is not applicable to the present activities of the Company.

32 The Company has initiated the process of Balance confirmations and is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management however does not expect any material difference affecting the current year's financial statements due to the same.

33 Employee Benefits**a) Defined Contribution Plans :**

The Company's Contribution to Provident and Pension Fund and Superannuation Fund charged to Statement of Profit and Loss are as follows :

Particulars	Rupees in Lakhs March 31, 2024
Contribution to provident fund and other funds [Refer note no.5(a)]	3.84
Contribution to Superannuation fund	-
Total	3.84

b) The disclosures required as per the revised Ind AS 19 are as under:

The following tables set out the funded status of the gratuity plans and the amounts recognised in the Company's financial statements as at March 31, 2024:

Particulars	Rupees in Lakhs March 31, 2024
i. Change in defined benefit obligation	
Defined benefit at the beginning	-
Current Service Cost	0.93
Past Service Cost	-
Interest expenses	-
Acquisition Cost/(Credit)	-
Remeasurements - Actuarial loss / (gain)	-
Benefits paid	-
Defined benefit at the end	0.93
ii. Change in fair value of plan assets:	
Fair value of Plan Assets at the beginning	-
Expected return on plan assets	-
Acquisition Adjustment	-
Actuarial gains/ (losses)	-
Contributions by employer	-
Benefits paid	-
Fair value of plan assets at the end	-
iii. Amount Recognized in the Balance Sheet	
Present Value of Obligation as at year end	0.93
Fair Value of plan assets at year end	-
Net (asset) / liability recognised	0.93

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024

Particulars	Rupees in Lakhs March 31, 2024
iv. Amount recognized in the Statement of Profit and Loss under employee benefit expenses.	
Current Service Cost	0.93
Past Service Cost	-
Service cost	0.93
Net interest on net defined benefit liability / (asset)	-
Total expense	0.93
v. Recognised in other comprehensive income for the year	
<i>Remeasurement of actuarial gains/(losses) arising from</i>	
- changes in experience adjustments	-
- changes in financial assumption	-
- changes in demographic assumptions	-
Actuarial (gains)/ losses	-
- return on plan assets excluding interest income	-
Actuarial (Gain) or Loss recognized in other comprehensive income	-
vi. Maturity profile of defined benefit obligation	
Within the next 12 months (next annual reporting period)	-
1-2 year	-
2-3 year	-
3-4 year	-
4-5 year	-
5-10 year	0.39
vii. Quantitative sensitivity analysis for significant assumptions is as below:	
Increase / decrease on present value of defined benefit obligation as at year end	
(i) one percentage point increase in discount rate	(0.12)
(ii) one percentage point decrease in discount rate	0.14
(iii) one percentage point increase in salary escalation rate	0.14
(iv) one percentage point decrease in salary escalation rate	(0.12)
(v) one percentage point increase in employee turnover rate	(0.04)
(vi) one percentage point decrease in employee turnover rate	0.04

Sensitivity Analysis Method

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by percentage, keeping all the other actuarial assumptions constant.

Risk Faced by Company:

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

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

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

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

viii. The major category of plan assets as a percentage of the fair value of total plan assets are Rs. Nil
ix. The weighted average assumptions used to determine net periodic benefit cost for the year ended March 31, 2024 are set out below:

	March 31, 2024
Discount rate (p.a.)	7.00%
Salary escalation Rate	6.00%
Retirement age	60 years
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) ULT

The estimates of future salary increases considered in the actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Expected employer contributions for the period ending 31 March 2025 Rs. Nil.

c) Leave Encashment

Liability towards Leave Encashment based on Actuarial valuation amounts to Rs. 2.95 Lakhs as at March 31, 2024.

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**34 List of Related Parties with whom transactions have taken place during the year:****a) Names of the related parties and description of relationship**

Relationship	Name of the related parties
Holding Company	GMR Smart Electricity Distribution Private Limited [GSEDPL]
Ultimate Holding Company	GMR Enterprises Private Limited [GEPL] GMR Power and Urban Infra Limited [GPUIL]
Fellow Subsidiary	GMR Agra Smart Meters Limited [GASML] GMR Triveni Smart Meters Limited [GTSML]
Key Management Personnel	Mr Ashis Basu, Non-executive director Mr Devtosh Chaturvedi, Non-executive director Mr Manoj Kumar Singh, Non-executive director

b) Details of the transactions with related parties are as follows :

Particulars	Relationship	Rupees in Lakhs March 31, 2024
A. Transactions entered during the year/period		
a. Contribution to Equity shares GSEDPL (including its nominees)	Holding Company	54.00
b. Borrowings GSEDPL	Holding Company	1,089.00
c. Sale of PPE to GASML	Fellow Subsidiary	14.22
GTSML	Fellow Subsidiary	7.90
d. Reimbursement of incorporation expenses GSEDPL	Holding Company	5.08
e. Reimbursement of Corporate guarantee cost (GST portion) GPUIL	Ultimate Holding Company	14.78
f. Corporate performance guarantee taken from GPUIL	Ultimate Holding Company	8,209.98
B. Closing balances with the above related parties		
a. Equity shares outstanding GSEDPL (including its nominees)	Holding Company	54.00
b. Borrowings GSEDPL	Holding Company	1,089.00
c. Other Payables GPUIL	Ultimate Holding Company	14.78
GSEDPL	Holding Company	5.08
d. Other receivables GSEDPL	Holding Company	0.09
GASML	Fellow Subsidiary	16.78
GTSML	Fellow Subsidiary	9.32
e. Corporate performance guarantee balance GPUIL	Ultimate Holding Company	8,209.98

Notes:

- Related Party Transactions given above are as identified by the Management.
- Commitments with related parties: As at year ended March 31, 2024, there is no commitment outstanding with any of the related parties.
- Terms and conditions of transactions with related parties
The transaction from related parties are made on terms equivalent to those that prevail in arm's length transactions as approved by the Board. Outstanding balances at the year-end are unsecured and settlements occurs in cash. There have been no guarantees provided or received for any related party receivables or payables other than disclosed above.

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024**35 Ratio Analysis**

SI	Ratios	Numerator	Denominator	March 31, 2024
a)	Current Ratio	Current Asset	Current liabilities	0.47
b)	Debt-Equity Ratio	Total Debt including lease liabilities and interest accrued thereon	Total Equity	(3.53)
c)	Debt Service Coverage Ratio	Earnings before Tax + Depreciation + Finance Cost including lease interest	Finance Cost including lease interest & Repayment of Loan and Lease Liability	0.003
d)	Return on Equity Ratio	Profit / (loss) after tax	Shareholders equity	In view of negative networth ratio is not given
e)	Inventory turnover ratio	Total expenses	Closing Inventories	0.02
f)	Trade/SCA Receivables turnover ratio	Revenue from operations	Average of service concession assets (SCA) receivables	NA
g)	Trade payables turnover ratio	Operating expenses, Employee benefits expense, Other expenses other than fair value changes	Trade payable	1.15
h)	Net capital turnover ratio	Total Income	Working Capital (current assets minus current liabilities)	-0.97%
i)	Net profit ratio	Net profit / (loss) after tax	Total Income	-5095.33%
j)	Return on Capital employed	Earning before Interest and taxes	Tangible net worth + Total Debt + Deferred Tax liabilities	-0.88%
k)	Return on investment	Interest Income	Investment (including deposit with banks)	1.82%

This being the first year of operation, previous year ratios are not given.

36 Other statutory information

- i) There are no balance outstanding on account of any transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- ii) The Company do not have any capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.
- iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- vi) The Company does not own any immovable property and accordingly the title deeds not held in name of the Company does not arise.
- vii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- viii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- ix) The Company has complied with the number of layers prescribed under clause 87 of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017.
- x) The Company does not have any scheme of arrangement that has been approved by the Competent Authority during the financial year in terms of sections 230 to 237 of the Companies Act, 2013.
- xi) The Company has neither transacted in Crypto or Virtual Currency during the year nor held any Crypto or Virtual Currency as at the Balance Sheet date.

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NOTES TO FINANCIAL STATEMENTS FOR PERIOD FROM AUGUST 10, 2023 TO MARCH 31, 2024

37 Salient aspects of Service Concession Arrangement

Purvanchal Vidyut Vitran Nigam Limited [PuVVNL] has appointed for GMR Kashi Smart Meters Limited for the work of "Advance metering Infrastructure Service Provider (AMISP) for Smart Pre-metering on DBFOOT basis under the Revamp Reform Linked Results based Distribution Sector Scheme (RDSS) at seven districts (Varanasi, Jaunpur, Ghazipur, Chandauli, Azamgarh, Mau and Ballia) of Purvanchal Vidyut Vitaran Nigam Limited (PuVVNL) Discom in Uttarpradesh.

The scope of work of AMISP shall include site survey, planning, designing, financing, engineering, etc. of various AMISP components; majorly Supply, installation, integration, testing and commissioning of Smart pre-paid metering along with installation and service cable, DTs and feeders, consumer indexing and any other relevant activity to carry out work of AMISP. AMISPs are expected to execute a difficult combination of hardware, services, retail interactions, data analytics, software development and integration, payment gateway integration, training and maintenance as part of their contractual obligations.

The overall completion period of work shall be 120 months (including 27 month of installation milestone) from the effective date of contract. The work shall be completed as per the implementation schedule.

Subject to the provisions of letter of award, Company is entitled for lumpsum payment on installation of meter in the month of installation, service charge per meter per month for balance period of contract and payment on supply and installation of cable. The contract price shall be equal to the total amounts payable by the DISCOM for each category of meter. The said total amount for each category of meter shall be computed by taking into account the total number of meters in such category, per meter rate for such meter as quoted in the bid, multiplied by months

The Company will maintain meter subsequent to installation for period 120 months.

The payments due to AMISP from the DISCOM shall be paid on monthly basis and for LT auxiliary will be paid on quarterly basis.

- 38 This being the first year of operation, the Company has prepared its financial statements for the first time from the date of incorporation (ie., August 10, 2023) till the balance sheet date. Hence, previous period/year figures are not given.

As per our report of even date

For D T S & Associates LLP

Chartered Accountants

Firm Registration No. : 142412W/W100595

KALLIANP
UR SUDHIR PRABHU
PRABHU

Sudhir Prabhu K

Partner

Membership No.: 209589

Place : Bengaluru

Date: May 04, 2024

For and on behalf of the Board of Directors of

GMR Kashi Smart Meters Limited

Ashis
Basu

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by Ashis Basu
Date: 2024.05.04
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Ashis Basu

Director

DIN: 01872233

Place: New Delhi

Date: May 04, 2024

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CHATURVEDI
Date: 2024.05.04
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Director

DIN: 06427761