GMR Solar Energy Private Limited
Corporate Identity Number (CIN):U40300DL2016PTC291702
Balance Sheet as at March 31, 2024

Amount in Hundreds

	Particulars	Notes	March 31, 2024	March 31, 2023
	ASSETS			
	Non-current assets			
	(a) Property, Plant and Equipment	3	25,24,890	26,80,312
	(b) Financial Assets			
	Other financial asset	5	52,558	52,558
	(b) Non current Tax Assets (Net)	6	3,821	579
	(d) Other Non- Current Assets	7	-	8,369
	Current assets			
	(a) Financial Assets			
	(i) Trade Receivables	8	35,887	61,282
	(ii) Cash and cash equivalents	9	3,66,938	2,50,376
	(iii) Bank balances other than (ii) above	10	1,30,620	-
	(iv) Loans	4	3,00,000	-
	(v) Other financial asset	5	66,146	47,704
	(b) Other current assets	7	1,457	14,267
	Total		**34,82,316**	**31,15,446**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	11	8,41,000	8,41,000
	(b) Other Equity	12	3,92,285	2,79,639
	LIABILITIES			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	13	17,69,270	14,62,654
	(b) Deferred Tax Liabilites	17	1,19,547	92,610
	Current liabilities			
	(a) Financial Liabilities			
	(i) Short term borrowings	13	1,47,452	41,129
	(ii) Trade Payables	14		
	Due to micro enterprises and small enterprises		1,94,836	3,87,314
	Due to others		17,287	7,287
	(iii) Other Financial liabilities	15	256	-
	(b) Other current liabilities	16	383	3,813
	Total		**34,82,316**	**31,15,446**

Corporate Information 1
Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements

As per our Report of even date

For SKN & Compaany
Chartered Accountants
Firm Registration Number: 0023323N

Pankaj Kukreja
Partner
Membership Number : 504343

Place: New Delhi
Date: April 26, 2024

For and on behalf of the Board of directors of
GMR Solar Energy Private Limited

Devtosh Chaturvedi
Director
DIN:06427761

Kannan Radhakrishnan
Director
DIN: 07479298

Place: New Delhi
Date: April 26, 2024

GMR Solar Energy Private Limited
Corporate Identity Number (CIN):U40300DL2016PTC291702
Statement of profit and loss for the year ended March 31, 2024

Amount in Hundreds

Particulars	Notes	March 31, 2024	March 31, 2023
REVENUE			
Revenue From Operations	18	4,97,282	2,78,910
Other Income	19	38,236	10,761
Total Revenue		**5,35,518**	**2,89,671**
EXPENSES			
Finance Costs	21	1,93,759	68,683
Depreciation and amortization expense	20	1,38,791	78,354
Other Expenses	22	63,385	78,084
Total expenses		**3,95,935**	**2,25,121**
Profit before exceptional items and tax		**1,39,583**	**64,550**
Exceptional Items		-	-
Profit/(loss) before tax		**1,39,583**	**64,550**
Tax expense:			
Current Tax		-	-
Deferred Tax	17	26,937	16,261
Profit/(loss) for the year		**1,12,646**	**48,289**
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		**1,12,646**	**48,289**
Earnings per equity share:			
Basic and diluted	23	1.34	0.84

Corporate Information 1
Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements

As per our Report of even date

For SKN & Compaany
Chartered Accountants
Firm Registration Number: 0023323N

Pankaj Kukreja
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DIN: 07479298

Place: New Delhi
Date: April 26, 2024

GMR Solar Energy Private Limited
Corporate Identity Number (CIN):U40300DL2016PTC291702
Statement of Cash Flows for the year ended March 31, 2024

Amount in Hundreds

	Particulars	March 31, 2024	March 31, 2023
A	**Cash Flow from Operating Activities**		
	Profit before tax	1,39,583	64,550
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation and amortisation	1,38,791	78,354
	Finance Costs	1,93,759	67,697
	Interest received on Bank Deposits/Loans	(38,236)	(6,017)
	Gain on Sale of Current Investments	-	(392)
	Notional Interest Income on Security Deposit	-	(147)
	Notional Interest expense on Lease Liability	-	986
	Gain on lease termination	-	(4,206)
	Operating Profit before Working Capital changes	**4,33,896**	**2,00,826**
	Working Capital Adjustments:-		
	(Decrease)/Increase in Other Current Liabilities	(3,430)	3,545
	Increase in Other Financial Liabilities	256	-
	(Decrease)/Increase in trade payable	(1,82,478)	3,88,978
	Decrease/(Increase) in other Assets	21,179	(19,185)
	(Increase) in other Financial Assets	(18,442)	(48,004)
	Decrease/(Increase) in Trade Receivables	25,394	(40,931)
	Cash Generated From Operations	**2,76,375**	**4,85,230**
	Less : Direct Tax paid (net of refunds)	(3,242)	(579)
	Net Cash Flow from Operating Activities (A)	**2,73,133**	**4,84,651**
B	**Cash Flow from Investing Activities:**		
	Purchase of property, plant and equipment, intangible assets	16,631	(19,36,267)
	(Investment)/Redemption in Mutual Funds	-	21,316
	Increase in Loans & Advances given	(3,00,000)	-
	Investment in Fixed Deposits	(1,30,620)	(50,000)
	Gain on Sale of Current Investments	-	392
	Interest on fixed deposit/Loans given	38,236	6,017
	Net cash flow (used in) / from investing activities (B)	**(3,75,753)**	**(19,58,542)**
C	**Cash Flow from Financing Activities:**		
	Proceeds/(Repayment) of Term Loans (Net)	4,19,855	12,07,203
	Proceeds from Share Allotment	-	6,00,000
	Finance costs paid	(2,00,674)	(93,704)
	Lease Liability Rental Payments	-	(11,902)
	Net cash flow from / (used in) in financing activities (C)	**2,19,182**	**17,01,596**
D	**Net Increase/ (decrease) In cash and cash equivalents (A + B + C)**	**1,16,562**	**2,27,705**
	Cash and cash equivalents (Opening)	2,50,376	22,671
	Cash and cash equivalents (Closing)	3,66,938	2,50,376

	CASH AND CASH EQUIVALENTS	March 31, 2024	March 31, 2023
	Cash on hand		
	Balances with banks		
	- on current accounts	2,36,292	89,129
	- deposit accounts	1,30,647	1,61,247
	Total cash and cash equivalents	**3,66,938**	**2,50,376**

The above Cash Flow Statement 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.

As per our Report of even date

For SKN & Compaany
Chartered Accountants
Firm Registration Number: 0023323N

Pankaj Kukreja
Partner
Membership Number : 504343

Place: New Delhi
Date: April 26, 2024

For and on behalf of the Board of directors of
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Devtosh Chaturvedi
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Director
DIN: 07479298

Place: New Delhi
Date: April 26, 2024

GMR Solar Energy Private Limited
Corporate Identity Number (CIN):U40300DL2016PTC291702
Statement of changes in equity

Amount in Hundreds

	Attributable to the equity holders of the parent			Total equity
	Equity share capital	Retained earnings	Total	
As at 31 Mar 2022	2,41,000	2,31,350	2,31,350	**4,72,350**
Profit for the year/ additions	6,00,000	48,289	48,289	6,48,289
Other comprehensive income	-	-	-	-
As at 31 Mar 2023	8,41,000	2,79,639	2,79,639	11,20,639
Profit for the year/ additions	-	1,12,646	1,12,646	1,12,646
Other comprehensive income	-	-	-	-
As at 31st March 2024	**8,41,000**	**3,92,285**	**3,92,285**	**12,33,285**

For SKN & Compaany
Chartered Accountants
Firm Registration Number: 0023323N

For and on behalf of the Board of directors of
GMR Solar Energy Private Limited

Pankaj Kukreja
Partner
Membership Number : 504343

Place: New Delhi
Date: April 26, 2024

Devtosh Chaturvedi
Director
DIN:06427761

Place: New Delhi
Date: April 26, 2024

Kannan Radhakrishnan
Director
DIN: 07479298

GMR Solar Energy Private Limited
Corporate Identity Number (CIN):U40300DL2016PTC291702
Notes to Financial Statements for the year ended March 31 2024

Corporate Information and Significant Accounting Policies:

1 Corporate Information:

GMR Solar Energy Private Limited was incorporated under the provisions of the Companies act, 2013, having its Registered Office at New Shakti Bhawan, Building No. 302 New Udaan Bhawan Complex, Opp. Terminal-3, IGI Airport, New Delhi – 110037 and was promoted by GMR Enterprises Private Limited, the holding company, to develop and operate 2 MW Solar Energy based Power Plant at International Cargo Terminal, IGI airport, New Delhi and 5MW Solar Energy based Power Plant at GMR GOA International Airport .

The Company has achieved COD on 25th Feb'2017 for 2 MW project. The entire power generated is being sold to Celebi Delhi Cargo Terminal Management India Pvt Ltd as per PPA terms. During the year the company has achieved COD on 25th Dec, 2022 for 5 MW project. The entire power generated is being sold to GMR Goa International Airport Limited.

The financial statements were authorised for issue in accordance with a resolution of the directors passed in the Board Meeting held on Date: April 26, 2024

2 Significant Accounting Policies

a) Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 (the 'Act') (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.
Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The stand-alone financial statements are presented in Rs '00s , except when otherwise indicated.

b) Summary of significant accounting policies

i) Use of estimates

The preparation of financial statements in conformity with IND AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of 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.

ii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
a) Expected to be realised or intended to be sold or consumed in normal operating cycle
b) Held primarily for the purpose of trading
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is treated as current when:
a) It is expected to be settled in normal operating cycle
b) It is held primarily for the purpose of trading
c) It is due to be settled within twelve months after the reporting period, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

iii) Property, Plant & Equipments:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost including goverment grants and decommissioning costs less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items such as purchase price, freight, duties, levies. 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.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized 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 recognized in the consolidated statement of profit or loss as and when incurred.

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

Corporate Information and Significant Accounting Policies:

Depreciation and amortisation

The depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Act except on case of plant and machinery in case of power generating units dedicated for generation of power under CERC tariff regulations where the useful life of the asset is considered as 25 years as prescribed by CERC being the regulatory authority in the energy sector, as against 40 years as per Schedule II of the Act.

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

Asset Type	***Estimated useful life (in years)***
Plant & Machinery (2MW)	*25*
Plant & Machinery (5MW)	*20*
Computers (5MW)	*3*
Electrical Appliances (5MW)	*10*

* - Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets.

Leasehold land from Government Authorities are amortised as per Central Electricity Regulatory Commission at rates specified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation.

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

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.

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. Machinery spares which are specific to a particular item of Property , Plant & Equipments and whose use is expected to be irregular are capitalized as Property , Plant & Equipments.

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 and having a value of more than 0.50 Million.

iv) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

v) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

vi) Government grants

Government grants are recognised where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the grant relates to an asset, the cost of the asset shown at gross value and grant there on is treated as capital grant which is recognised as income in the statement of profit and loss over the period and proportion in which depreciation is charged. Revenue grants are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

Corporate Information and Significant Accounting Policies:

vii) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee :

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. 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. Contingent rents are recognised as revenue in the period in which they are earned.

Contingent rentals are recognised as expenses in the periods in which they are incurred.
Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless either:
a. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
b. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

viii) Inventories

Inventories are valued as follows:
Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis and includes all applicable costs in bringing goods to their present locations and condition.

ix) Impairment of non-financial assets

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. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining 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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of twenty to twenty five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the twenty fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Corporate Information and Significant Accounting Policies:

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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

Intangible assets with indefinite useful lives (if available) are tested for impairment annually as at December 31st at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

x) 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 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.

xi) Decommissioning liability

The Company records a provision for decommissioning costs on power plant projects, where decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax risk free rate. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

xii) Retirement and other Employee Benefits

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, pension fund, superannuation fund etc. are defined contribution scheme. The Company has no obligation, other than the contribution payable.

The Company recognizes contribution payable 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 pre-payment will lead to, for example. a reduction in future payment or a cash refund.

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

Past service costs are recognised in profit or loss on the earlier of:
a. The date of the plan amendment or curtailment, and
b. The date that the Company recognises related restructuring costs.

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

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

Corporate Information and Significant Accounting Policies:

xiii) Financial Instruments - Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

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

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

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

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

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

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

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

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

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

Derecognition

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

Corporate Information and Significant Accounting Policies:

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

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

Impairment of financial assets

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

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

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

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

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

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

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

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

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

a) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

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

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Corporate Information and Significant Accounting Policies:

xiv) Financial Instruments - Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

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

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

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

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

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

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.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Corporate Information and Significant Accounting Policies:

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

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

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

xv) Revenue Recognition

a) Revenue from energy units sold is recognised on accrual basis as per the terms of the Power Purchase Agreement (PPA) and Letter of Intent (LOI) [collectively hereinafter referred to as 'the PPAs'] . Revenue includes unbilled revenue accrued up to the end of the accounting year.

b) Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to the customers based on the units of energy delivered and rates agreed with customers.

c) Revenue from sale of power is net of prompt payment rebate eligible to the customers.

d) Claims for delayed payment charges and any other claims, which the Company is entitled to under the PPAs, are accounted for in the year of acceptance by the customers. Similarly Commission, liquidated damages and any other charges are accounted for in the year of acceptance.

e) Interest is recognized using the time proportion method based on rates implicit in the transaction. Dividend income is accounted for in the year in which the right to receive the same is established by the reporting date.

xvi) Cash and cash equivalents
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Cash dividend and non-cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

Corporate Information and Significant Accounting Policies:

xvii) Foreign currencies

The financial statements are presented in INR, which is also the company's functional currency.
Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

- Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

xviii) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

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

Corporate Information and Significant Accounting Policies:

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

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

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

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

a) Disclosures for valuation methods, significant estimates and assumptions
b) Contingent consideration
c) Quantitative disclosures of fair value measurement hierarchy
d) Investment in unquoted equity shares (discontinued operations)
e) Property, plant and equipment under revaluation model
f) Investment properties
g) Financial instruments (including those carried at amortised cost)

xix) Taxes on income

Current income tax

Tax expense comprises current and deferred tax.

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

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:
a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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

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

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

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

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

Corporate Information and Significant Accounting Policies:

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

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

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

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

xx) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

xxi) Significant 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. 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 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.

i. **Taxes**

Deferred Tax Assets are recognised for unused tax losses to the extent that it is possible that taxable Profits will be available against which the losses can be utilised. Significant Management Judgement is required to determine the amount of Deferred tax assets can be recognised, based upon the likely timing and the level of future Tax profits together with future tax planing strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

ii. **Contingencies**

Contingent Liabilities may arise from the ordinary course of business in relation to claims against the Company. 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 exercisee of significant judgement and the use of estiamtes regarding teh outcome of future events.

ii. **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.

xxii) Recent accounting pronouncements

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

GMR Solar Energy Private Limited
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Notes to Financial Statements for the year ended March 31 2024

3 Property, Plant and equipment*

Amount in Hundreds

Particulars	Freehold land	Plant and machinery	Computers	Electrical Appliance	Vehicle	Total
Deemed Cost						
As at March 31,2022	-	10,17,994	-	-	-	10,17,994
Additions	11,280	19,15,227	922	8,838	-	19,36,267
Disposals	-	-	-	-	-	-
As at March 31,2023	**11,280**	**29,33,220**	**922**	**8,838**	**-**	**29,54,260.38**
Additions	-	-	-	-	8,369	8,369
Disposals	-	25,000	-	-	-	25,000
As at March 31,2024	**11,280**	**29,08,220**	**922**	**8,838**	**8,369**	**29,37,629**
Depreciation						
As at March 31,2022	-	2,07,503	-	-	-	2,07,503
Charge for the year	-	65,906	221	317	-	66,445
Deductions	-	-	-	-	-	-
As at March 31,2023	**-**	**2,73,410**	**221**	**317**	**-**	**2,73,948**
Charge for the year		1,36,477	307	884	1,122	1,38,791
Deductions	-		-	-	-	-
As at March 31,2024	**-**	**4,09,887**	**529**	**1,201**	**1,122**	**4,12,739**
Net block						
As at March 31,2024	**11,280**	**24,98,333**	**393**	**7,637**	**7,246**	**25,24,890**
As at March 31,2023	**11,280**	**26,59,811**	**700**	**8,521**	**-**	**26,80,312**

* All property, plant and equipment are pledged as security against loan amount received from REC Limited.

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Notes to Financial Statements for the year ended March 31 2024

4 Loans

Amount in Hundreds

	Non Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Loans to group companies - Unsecured*	-	-	3,00,000	-
	-	**-**	**3,00,000**	

(*) Represents Inter Corporate Deposit given to group company "GMR Smart Electricity Distribution Private Limited" at 12.5% p.a rate of interest for a period of 12 months.

5 Other Financial Asset

Amount in Hundreds

	Non Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Security Deposits	2,558	2,558	2,195	11,800
Int Accrued on Bank Deposits	-	-	11,368	1,950
Interest due on ICD	-	-	17,106	-
Bank Deposits more than One Year	50,000	50,000	-	-
Unbilled Revenue	-	-	35,477	33,954
	52,558	**52,558**	**66,146**	**47,704**

6 Tax Asset/(Liability)

Amount in Hundreds

	Non Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Advance income tax (net of provision for current tax)	3,821	579	-	-
	3,821	**579**	**-**	**-**

7 Other non current assets /Other current assets

Amount in Hundreds

	Non Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Capital advances				
Secured				
Unsecured, considered good				
Capital advances to others	-	8,369		-
	-	**8,369**		
Provision for doubtful advances	-	-	-	-
Total (A)	**-**	**8,369**	**-**	**-**
Advances other than capital advances				
Unsecured, considered good				
Advance to employees	-	-	303	553
	-	-	**303**	**553**
Provision for doubtful advances	-	-	-	-
Total (B)	**-**	**-**	**303**	**553**
Other advances				
Prepaid expenses	-	-	1,153	13,392
Balance with government authorities	-	-	-	322
	-	-	1,153	13,714
Provision for doubtful advances	-	-	-	-
Total (C)	**-**	**-**	**1,153**	**13,714**
Total (A+B+C)	**-**	**8,368.59**	**1,456.52**	**14,266.59**

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Notes to Financial Statements for the year ended March 31 2024

8 Trade receivables

Amount in Hundreds

	March 31, 2024	March 31, 2023
Current		
Considered Good- Secured	-	-
Considered Good- Unsecured	35,887	61,282
Credit Impaired	-	-
	35,887	**61,282**

Trade Receivables aging schedule as at 31st March, 2024

Amount in Hundreds

Particulars	Outstanding for following periods from due date of payment#						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables							
(a) Considered good	18,710	17,177	-	-	-	-	35,887
(b) Credit Impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables							
(a) Considered good	-	-	-	-	-	-	-
(b) Credit Impaired	-	-	-	-	-	-	-
Total (i) + (ii)	**18,710**	**17,177**	**-**	**-**	**-**	**-**	**35,887**

Where Due date of provision in not available date of transaction has been considered

Trade Receivables aging schedule as at 31st March 2023

Amount in Hundreds

Particulars	Outstanding for following periods from due date of payment#						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables							
(a) Considered good	16,269	45,013	-	-	-	-	61,282
(b) Credit Impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables							
(a) Considered good	-	-	-	-	-	-	-
(b) Credit Impaired	-	-	-	-	-	-	-
Total (i) + (ii)	**16,269**	**45,013**	**-**	**-**	**-**	**-**	**61,282**

Where Due date of provision in not available date of transaction has been considered

9 Cash and Cash Equivalents

Amount in Hundreds

Particulars	March 31, 2024	March 31, 2023
Cash and cash equivalents		
Cash on hand	-	-
Balances with Banks		
In current accounts	2,36,292	89,129
Deposits with original maturity of less than three months	1,30,647	1,61,247
	3,66,938	**2,50,376**

10 Bank balances other than above

Amount in Hundreds

Particulars	March 31, 2024	March 31, 2023
Balances with Banks		
Deposits with original maturity of less than One Year but greater than 3 months	1,30,620	-
	1,30,620	**-**

GMR Solar Energy Private Limited
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Notes to Financial Statements for the year ended March 31 2024

11 Share Capital

Particulars	March 31, 2024	March 31, 2023
Authorised :		
90,00,000 equity shares of Rs. 10 each	9,00,000	9,00,000
	9,00,000	**9,00,000**
Issued :		
84,10,000 equity shares of Rs.10 each fully paid up	8,41,000	8,41,000
	8,41,000	**8,41,000**
Subscribed and Paid-up		
84,10,000 equity shares of Rs.10 each fully paid up	8,41,000	8,41,000
Total	**8,41,000**	**8,41,000**

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

Equity Shares	March 31, 2024		March 31, 2023	
	In Numbers	Amounts in Hundred	In Numbers	Amounts in Hundred
At the beginning of the year	84,10,000	8,41,000	24,10,000	2,41,000
Issued during the year	-	-	60,00,000	6,00,000
Outstanding at the end of the year	**84,10,000**	**8,41,000**	**84,10,000**	**8,41,000**

b. Terms/Rights Attached to equity Shares

The company has only one class of shares having a per value of Rs.10 per share. Each holder of equity is entitled to one vote per share. In the event of liquidation of the company the holder of equity shares would be entitled to receive remaining assets of the company after distribution of all preferrential amounts.

c. Shares held by holding /ulitmate holding company /holding company and/or their subsidiaries/associates.

Name of Shareholder	March 31, 2024		March 31, 2023	
	No. of Shares held	Amount	No. of Shares held	Amount
GMR Enterprises Private Limited, the immediate holding company.*	84,10,000	8,41,000	84,10,000	8,41,000
	84,10,000	**8,41,000**	**84,10,000**	**8,41,000**

d. Details of Shareholders holding more than 5% of equity shares in the Company

Name of Shareholder	March 31, 2024		March 31, 2023	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
GMR Enterprises Private Limited, the immediate holding company.*	84,10,000	100%	84,10,000	100%
	84,10,000	**100%**	**84,10,000**	**100%**

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.

e. Details of promoter shareholding

Name of promoter*	March 31, 2024			March 31, 2023		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
GMR Enterprises Private Limited	84,09,999	100	Nil	84,09,999	100	Nil
Mr. Ravi Majeti, Nominee of GMR Enterprises Private Limited	1	-	-	1	-	-

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

GMR Solar Energy Private Limited
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Notes to Financial Statements for the year ended March 31, 2024

12 Other Equity

Amount in Hundreds

Particulars	March 31, 2024	March 31, 2023
Surplus in the statement of profit and loss		
Balance at the beginning of the year	2,79,639	2,31,350
Profit during the year	1,12,646	48,289
Balance at the end of the year	3,92,285	2,79,639
Total	**3,92,285**	**2,79,639**

13 Borrowings

Amount in Hundreds

Particulars	March 31, 2024		March 31, 2023	
	Non Current	Current Maturities	Non Current	Current Maturities
Secured Borrowings				
Term Loans from financials institutions# ^	17,69,270	1,47,452	14,62,654	41,129
Total	**17,69,270**	**1,47,452**	**14,62,654**	**41,129**

The Company has taken Term Loan from REC Limited for 2MW project. The loan sanctioned amount is of Rs.7.13 Cr out of which Rs. 6.62 Cr has been disbursed. The loan is disbursed in two tranches (i) 2.9 Cr in previous year and Interest rate is 9.20% Per annum as on 31st March 2024 (ii) 3.72 Cr during the current year and Interest rate is 8.70% Per annum as on 31st March 2024. The tranch 1 is repayable in 113 structured monthly installments and whereas tranch 2 is repayable in 106 structured monthly installments. The Loan is secured by way of exclusive charge on all company's movable assets including Plant & machinery, receivables, monies including bank accounts and claims of all kinds etc.

^ The Company has taken Term Loan from REC Limited for 5MW project. The loan sanctioned amount is of Rs.13.94 Cr which is received in 2 tranches (i) Rs. 12.55 Cr has been disbursed in previous year and interest rate is 9.95% Per annum as on 31st March 2024 (ii) Rs. 1.39 Cr is disbursed in current year and interest rate is 9.45% Per annum as on 31st March 2024. The Loan is repayable in 180 structured monthly installments. The Loan is secured by way of exclusive charge on all company's movable assets including Plant & machinery, receivables, monies including bank accounts and claims of all kinds etc.

14 Trade Payable

Amount in Hundreds

Particulars	March 31, 2024	March 31, 2023
Outstanding dues of micro enterprises and small enterprises	1,94,836	3,87,314
Outstanding dues of trade payables other than micro enterprises and small enterprises	17,287	7,287
Total	**2,12,123**	**3,94,601**

Trade Payables aging schedule as at March 31, 2024 Amount in Hundreds

Particulars	Others	Outstanding for following periods from due date of payment#					Total
	Unbilled*	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Payable							
(a) MSME	-	1,94,836	-	-	-	-	1,94,836
(b) Others	17,009	-	278	-	-	-	17,287
(ii) Disputed Trade Payable							
(a) MSME	-	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-	-
Total (i) + (ii)	17,009	1,94,836	278	-	-	-	2,12,123

Trade Payables aging schedule as at March 31, 2023 Amount in Hundreds

Particulars	Others	Outstanding for following periods from due date of payment#					Total
	Unbilled*	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Payable							
(a) MSME	91,916	2,95,386	12	-	-	-	3,87,314
(b) Others	5,225	1,911	150	-	-	-	7,287
(ii) Disputed Trade Payable							
(a) MSME	-	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-	-
Total (i) + (ii)	97,142	2,97,298	162	-	-	-	3,94,601

* Provision for expenses is certain and not related to any litigation

Where Due date of provision in not available date of transaction has been considered

15 Other Financial Liabilities

Total

	Non Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Other financial liabilities at amortised cost				
Non Trade Payables	-	-	256	-
Total	**-**	**-**	**256**	**-**

16 Other Liabilities

Amount in Hundreds

	Non Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Statutory liabilities				
Statutory dues for TDS/GST payable	-	-	383	3,813
Total	**-**	**-**	**383**	**3,813**

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Notes to Financial Statements for the year ended March 31 2024

17 Deffered tax Asset / (Liability)

A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate(s), disclosing also the basis on which the applicable tax rate(s) is (are) computed

Deferred tax:

Amount in Hundreds

	Balance Sheet		**Statement of profit and loss**	
	March 31, 2024	**March 31, 2023**	**March 31, 2024**	**March 31, 2023**
Deferred tax liability:				
Impact of difference between tax depreciation and depreciation charged for the financial reporting	(3,61,346)	(2,48,465)	(1,12,882)	-
Right of Use Asset	-	-	-	10,860
Brought Forward Losses	-	-	-	63,482
Disallowances U/s 43A			-	(20)
Total deferred tax liability (A)	**(3,61,346)**	**(2,48,465)**	**(1,12,882)**	**74,322**
Deferred tax asets:				
Impact of difference between tax depreciation and depreciation charged for the financial reporting	-	-	-	(79,107)
Lease Liability	-	-	-	(11,476)
Brought Forward Losses	2,41,800	1,55,855	85,945	-
Disallowances U/s 43A	-	-	-	-
Total deferred tax assets (B)	**2,41,800**	**1,55,855**	**85,945**	**(90,583)**
Net Deferred Tax (Liability)/Asset	**(1,19,547)**	**(92,610)**	**(26,937)**	**(16,261)**

Reconciliations of deferred tax liabilities/assets(net)

	March 31, 2024	**March 31, 2023**
Opening balance	92,610	76,349
Tax (income)/expense during the period recognised in profit or loss	26,937	16,261
Deferred taxes acquired in business combinations	-	-
Closing balance	**1,19,547**	**92,610**

i. 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.

GMR Solar Energy Private Limited

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Notes to Financial Statements for the year ended March 31 2024

18 Revenue From Operations

Amount in Hundreds

Particulars	March 31, 2024	March 31, 2023
Sale of Electrical Energy	4,97,282	2,78,910
Total	**4,97,282**	**2,78,910**

19 Other Income

Amount in Hundreds

Particulars	March 31, 2024	March 31, 2023
Interest Income on Bank Deposits	8,677	3,771
Notional Interest income on Fair Valuation of Deposit	-	147
Gain on Sale of Investment	-	392
Interest Received-Margin Money	10,529	2,245
Interest on Income Tax Refund	23	
Interest on Loan	19,007	
Miscellaneous income	-	4,206
Total	**38,236**	**10,761**

20 Depreciation and amortization expense

Amount in Hundreds

Particulars	March 31, 2024	March 31, 2023
Depreciation of tangible assets	1,38,791	66,445
Depreciation on right to use asset	-	11,909
Total	**1,38,791**	**78,354**

21 Finance Costs

Amount in Hundreds

Particulars	March 31, 2024	March 31, 2023
Interest expense:		
Interest on Term Loan	1,87,180	60,806
Interest on Others	-	986
Finance Charges	6,579	6,891
Total	**1,93,759**	**68,683**

22 Other expenses

Amount in Hundreds

Particulars	March 31, 2024	March 31, 2023
O&M Expenses	34,352	34,648
Rent	-	2,696
Rates and Taxes	349	3,566
Office Maintainence	478	127
Communication Expenses	-	129
Travelling & Conveyance	2,908	240
Payment to Auditors	944	969
Printing & Stationery	29	225
Insurance	4,048	2,207
Professional & Consultancy	19,969	29,650
Repair & Maintenance others	263	3,542
Meeting and seminar	44	85
Total	**63,385**	**78,084**

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Notes to Financial Statements for the year ended March 31 2024

Amount in Hundreds

Particulars	March 31, 2024	March 31, 2023
Payment to Auditors (Included in other expenses above)		
As Auditor		
Statutory Audit fee	944	969
Total	**944**	**969**

23 Calculation of Earning per share (EPS):

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

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

Particulars	**March 31, 2024**	**March 31, 2023**
a. Nominal value of Equity shares (in Rupees per share)	10	10
b. Total No. of Equity Shares outstanding at the Beginning of the year	84,10,000	24,10,000
c. Add: Shares allotted during the year	-	60,00,000
d. Total No. of Equity Shares outstanding at the end of the year	84,10,000	84,10,000
e. Weighted average number of Equity shares at the year end (in Nos)	84,10,000	57,60,959
f. Profit attributable to equity holders of the Company for basic earnings (in Rs.)	1,12,64,558	48,28,860
g. Basic/Diluted Earning per share of Rs 10/- each (in Rs.) [(f)/(g)]	1.34	0.84

24 Commitments and Contingencies

There are no commitments and contingent liabilities as on March 31,2024 (March 31,2023:- Nil)

25 Employee Benefits

As there are no employees, the company has not determined the liability for gratuity and long term compensated absences in accordance with revised IND AS 19.

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

a. parties where control exists

Holding Company	GMR Enterprises Private Limited
Fellow Subsidiaries/Associates/Joint Ventures	GMR Goa International Airport Limited Celebi Delhi Cargo Terminal Management India Pvt Ltd GMR Generation Asset Limited GMR Smart Electricity Distribution Private Limited
Key Management Personnel	Mr. Devtosh Chaturvedi (Joined on 29-08-2022) Mr. Kannan Radhakrishnan (Joined on 19-07-2022) Mr. Nikhil Dujari (Resigned on 29-08-2022) Mr. Ashok Kumar Prusty, Director (Resigned on 08-08-2022)

b. Details of the transactions are as follows : *

Amount in Hundreds

Particulars	**March 31, 2024**	**March 31, 2023**
a. Sale of Power-(Incomes)		
-Celebi Delhi Cargo Terminal Management India Pvt Ltd	1,54,566	1,82,941
-GMR Goa International Airport Limited	3,42,715	95,969
b. Water charges-(Expenses)		
-Celebi Delhi Cargo Terminal Management India Pvt Ltd	8,369	2,310
c. Interest on Loan (Capitalized)		
-GMR Generation Asset Limited	-	6,370
d. Share Capital raised		
-GMR Generation Asset Limited	-	6,00,000
e. Loan Taken		
-GMR Generation Asset Limited	-	8,15,000
f. Loan Repaid		
-GMR Generation Asset Limited	-	8,15,000
g. Loan Given		
-GMR Smart Electricity Distribution Private Limited	3,00,000	-
h Interest received on loan		
-GMR Smart Electricity Distribution Private Limited	19,007	-

* - Related Party Transactions given above are as identified by the Management.

c. Closing balances with the above related parties:

Amount in Hundreds

Particulars	**March 31, 2024**	**March 31, 2023**
I) GMR Enterprises Private Limited (Liability)		
a) Share Capital	8,41,000	8,41,000
II) Celebi Delhi Cargo Terminal Management India Pvt Ltd		
a) Receivable towards Sale of Power	35,887	31,146

III) GMR Goa International Airport Limited		
a) Receivable towards Sale of Power	-	30,135
b) Unbilled Revenue	35,477	33,954
IV) GMR Smart Electricity Distribution Private Limited		
a) Interest amount due	17,106	-
b) Loan Given	3,00,000	-

27 Pending Litigations:

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

28 Foreseeable losses:

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

29 Micro Small and Medium Enterprises

The Management is in continuous process of obtaining confirmations from its vendors regarding their registrations under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). Under the MSMED Act, 2006 which came into force with effect from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of information and records available with the company, the following disclosures are made for the amounts due to Micro, Small and Medium Enterprises. Further, in view of the management, the impact of interest, if any, that may be payable in accordance with the provision of the Act are not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	March 31, 2024	March 31, 2023
a) (i) Principal amount due to the enterprises remaining unpaid to supplier	1,94,836	3,87,314
a) (ii) Interest due thereon to the enterprises remaining unpaid to supplier	-	-
b) Amount of Interest due and payable for the period of delay in making payment (which has been paid but not beyond the appointed date during the year) but without adding the interest specified under the MSMED Act	-	-
c) Payment made to the enterprises beyond appointed date under Section 16 of MSMED	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act	-	-

30 Segment Reporting:

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

31 Income tax expenses in the statement of profit and loss consist of the following:

	March 31, 2024	March 31, 2023
Tax expenses		
(a) Current tax	-	-
(b) Adjustments of tax relating to earlier periods	-	-
(c) Deferred tax	26,937	16,261
Total taxes	26,937	16,261

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

		March 31, 2024	March 31, 2023
a.			
	Profit before tax	1,39,583	64,550
	Applicable tax rates in India (% Rate)	22.88%	22.88%
	Computed tax charge	**31,936**	**14,769**
	Tax effect of items that are not taxable/deductable in determining taxable profit:		
	(a) Unutilized / (Utilized) tax Losses and Depreciation	77,449	63,985
	(b) Others-Ind AS Adjustments	1,370	535
	(c) Effect of Depreciation	(1,10,756)	(76,382)
	(d) Preliminary Expenses allowed U/s 35D	-	(183)
	(e) Effect of Lease Rent	-	(2,723)
	Current Tax expense as reported	-	-
b.	**Adjustment of Tax related to PY's**	-	-
c.	**Tax effect of temporary differences recognised through P&L**	**26,937**	**16,261**
d.	**Total Tax Expense for the year (a+b+c)**	**26,937**	**16,261**

32 Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Group 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 accounting policies, to the financial statements.

(a) Financial assets and liabilities

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

As at March 31, 2024

Amount in Hundreds

Particulars	Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets					
(i) Trade receivables	-	-	35,887	35,887	35,887
(ii) Cash and cash equivalents	-	-	3,66,938	3,66,938	3,66,938
(iii) Bank balances other than (ii) above			1,30,620	1,30,620	1,30,620
(iv) Loans			3,00,000	3,00,000	3,00,000
(v) Other financial assets	-	-	1,18,703	1,18,703	1,18,703
Total	**-**	**-**	**9,52,149**	**9,52,149**	**9,52,149**
Financial liabilities					
(i) Borrowings	-	-	19,16,723	19,16,723	19,16,723
(ii) Trade Payables			2,12,123	2,12,123	2,12,123
(iii) Other Financial Liability			256	256	256
Total	**-**	**-**	**21,29,102**	**21,29,102**	**21,29,102**

As at March 31, 2023

Amount in Hundreds

Particulars	Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets					
(iii) Trade receivables	-	-	61,282	61,282	61,282
(iv) Cash and cash equivalents	-	-	2,50,376	2,50,376	2,50,376
(iii) Bank balances other than (ii) above	-	-	-	-	-
(iv) Loans	-	-	-	-	-
(v) Other financial assets	-	-	1,00,261	1,00,261	1,00,261
Total	**-**	**-**	**4,11,919**	**4,11,919**	**4,11,919**
Financial liabilities					
(i) Borrowings	-	-	15,03,783	15,03,783	15,03,783
(ii) Trade Payables	-	-	3,94,601	3,94,601	3,94,601
(iii) Other Financial Liability	-	-	-	-	-
Total	**-**	**-**	**18,98,384**	**18,98,384**	**18,98,384**

33 Financial risk management objectives and policies

The Companies primary financial liabiliities comprises of borrowings, Trade and other pauables and other financial liabilities. The main purpose of thesdefinancial liabilities is to finance the Company operation's. The Company's principal financial assets include Trade and other receivables, cash and cash equivalents and other financial assets that are derived directly from its operations. In the course of its business, the Company is exposed primarily to fluctuations in interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

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

Market risk
(a) Market risk- 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’s exposure to the risk of changes in market interest rates relates primarily to the Company’s long-term and short-term debt obligations with floating interest rates.

Interest rate sensitivity
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company’s profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax
As at 31st March,2024		
INR	+50	8,551
INR	-50	(8,551)
As at 31st March,2023		
INR	+50	4,566
INR	-50	(4,566)

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

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs. 9,52,148.94 and Rs. 4,11,919.00 as at March 31, 2024 and March 31, 2023 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments and other financial assets.

Customer credit risk is managed by each business unit subject to the Company’s established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company does not hold collateral as security.
The Company’s exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at March 31, 2024 and March 31, 2023.

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

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

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

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through convertible debentures, non-convertible debentures, bonds and other debt instruments. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carries no or low market risk.

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

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

(Amount In Hundreds)

Particulars	0-1 year	1 to 5 years	> 5 years	Total
31st March, 2024				
Borrowings (including Current maturities)	3,43,22,601	12,45,18,049	15,55,06,116	31,43,46,766
Trade payables	2,12,123	-	-	2,12,123
Other financial liability	256	-	-	256
Total	**3,45,34,980**	**12,45,18,049**	**15,55,06,116**	**31,45,59,145**
31st March, 2023				
Borrowings (including Current maturities)	1,77,190	9,02,348	15,00,990	25,80,529
Trade payables	3,94,601	-	-	3,94,601
Other financial liability	-	-	-	-
Total	**5,71,792**	**9,02,348**	**15,00,990**	**29,75,130**

Excessive risk concentration

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

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

34 Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using 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).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(Amount in Hundreds)

Particulars	Total	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
March 31,2024				
Financial Assets				
Investment in Mutual Funds	-	-	-	-
Financial Liabilities	-	-	-	-
March 31,2023				
Financial Assets				
Investment in Mutual Funds	-	-	-	-
Financial Liabilities	-	-	-	-

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Derivative contracts are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(iii) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

(iv) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(v) There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2024 and March 31, 2023 .

35 Capital management

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

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

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

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

Amount in Hundreds

Particulars	**March 31, 2024**	**March 31, 2023**
Borrowings other than convertible preference shares	19,16,723	15,03,783
Total debt (i)	**19,16,723**	**15,03,783**
Capital components		
Equity share capital	8,41,000	8,41,000
Other equity	3,92,285	2,79,639
Total Capital (ii)	**12,33,285**	**11,20,639**
Capital and borrowings (iii = i + ii)	**31,50,008**	**26,24,422**
Gearing ratio （%) (i / iii)	**60.85%**	**57.30%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

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

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Notes to Financial Statements for the year ended March 31 2024

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

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

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

39 **Financial Ratios**

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

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance (in %)
Current ratio	Current assets	Current liabilities	2.50	0.96	159.54% *
Debt-equity ratio	Total debt [Non-current borrowings + Current borrowings]	Total equity	1.55	1.34	-15.82%
Debt service coverage ratio	Earnings before depreciation and amortisation and interest [Earnings = Profit after tax + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Interest expense (including capitalised) + Principal repayment (including prepayments)	1.56	1.35	15.61%
Return on equity ratio	Profit after tax	Average of total equity	9.57%	6.06%	57.87% ##
Inventory turnover ratio	Costs of materials consumed	Average inventories	NA	NA	NA
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	10.24	6.83	49.79% ^
Trade payables turnover ratio	Purchases + other expenses	Average trade payables	0.21	12.10	-98.27% ^^
Net capital turnover ratio	Revenue from operations	Working capital [Current assets - Current liabilities]	0.92	-17.53	-105.25% @
Net profit ratio	Profit after tax	Revenue from operations	21.03%	16.67%	26.18% $
Return on capital employed	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Capital employed [Total assets - Current liabilities + Current borrowings]	14.44%	7.75%	86.30% $
Return on investment	Income generated from Investment	Avg. Investment	0.00%	3.68%	-100.00% $$

Reason for variances of more than 25% from last year are as per below:-
* Increase in current assets and decrease in current liability from last year resulted into improved current ratio.
Revenue is started for 5 MW plant, hence, there is a increase in return on equity.
^ Decrease in trade receivable and improved revenue resulted into positive trade receivables turnover ratio.
^^ Decrease in trade payables resulted into negative trade payables turnover ratio.
@ Improvement in working capital resulted into positive net capital turnover ratio.
$ During the year revenue increased due to full year operation of 5MW project which resulted into higher net profit ratio and return on capital employed.
$$ No investment made by the company during the year. Hence, not applicable

For SKN & Compaany
Chartered Accountants
Firm Registration Number: 0023323N

Pankaj Kukreja
Partner
Membership Number : 504343

Place: New Delhi
Date: April 26, 2024

For and on behalf of the Board of directors of
GMR Solar Energy Private Limited

Devtosh Chaturvedi
Director
DIN:06427761

Kannan Radhakrishnan
Director
DIN: 07479298

Place: New Delhi
Date: April 26, 2024