INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EDCL POWER PROJECTS LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the accompanying financial statements of EDCL Power Projects Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in Basis for Qualified Opinion paragraph below, the aforesaid financial statements give the information required by the Companies Act, 2013 (" the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR QUALIFIED OPINION

Attention is drawn to the following notes of the financial statements:

a. Note no. 14.1 regarding outstanding amount of Rs. 143.00 Lakhs in respect of loan (including interest accrued thereon).

b. Note no. 22.1 regarding non-provision of interest, pending finalisation of terms and conditions of the loan and determination of amount thereof, in respect of loan of Rs. 2,000.00 Lakhs taken from a body corporate by the Company;

c. Note no. 43 regarding non-reconciliation of certain debit and credit balances including loans, advances, creditors, with confirmation thereof.

Adjustments/ impact with respect to above have not been ascertained by the management and as such cannot be commented upon by us.

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note no. 45 of the financial statements, wherein the accumulated losses of the Company have exceeded its paid-up share capital resulting in negative net worth which indicate that material uncertainty exist that may cast significant doubt on the Company's ability to continue as a going concern. However, for reasons more fully described in the aforesaid note, the accounts of the Company have been prepared as a going concern.

Our opinion on the financial statements is not modified in respect of this matter.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report with respect to the above.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards notified under section 133 of the Act read with relevant rules, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) Except for the effects of the matter described in Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   d) Except for the effects of the matter described in Basis for Qualified Opinion section above, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
   e) The matters described in the Basis for Qualified Opinion section above, in our opinion, may not have an adverse effect on the functioning of the Company;
   f) On the basis of the written representations received from the directors as at 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
   g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses qualified opinion on the adequacy and operating effectiveness of the Company's internal control; and

3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), in our opinion and to the best of our information and according to the explanations given to us:

   i. Pending litigations (other than those already recognized in the financial statements) having material impact on the financial position of the Company have been disclosed in the financial statements as required in terms of accounting standards and provisions of the Act– refer note no. 36(A) to the financial statements;

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

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

   iv. a. The management has represented that, to the best of its knowledge and belief as disclosed in note no. 46 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b. The management has represented that, to the best of its knowledge and belief as disclosed in note no. 46 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v. The Company has not declared or paid any dividend and has also not proposed any dividend during the year and as such requirements for complying with the provisions of section 123 of the Act in this respect are not applicable to the Company.

4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, no remuneration (including sitting fees) has been paid/ payable by the Company to its Directors during the current financial year and accordingly, the provisions of section 197 of the Act is not applicable to the Company.

FOR A L P S & CO.
CHARTERED ACCOUNTANTS
FIRM'S REGISTRATION NO: 313132E

Sd/-
A.K.KHETAWAT
(PARTNER)
MEMBERSHIP NO. 052751
UDIN: 22052751AKAFXX6605

PLACE: Kolkata
DATE: 26th May, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of M/s EDCL Power Projects Limited)

i. In respect of the Company's property, plant and equipment and intangible assets

a. A. The Company has maintained proper records showing full particulars, including quantitative details and situations of its property, plant and equipment;

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

b. During the year, property, plant and equipment have been physically verified by the management according to a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification;

c. According to the information and explanations given to us and based on our examination of the relevant records of the Company, the title deeds of all immovable properties (other than properties where the Company is lessee and lease agreements are duly executed in favour of the lessee), as disclosed in note no. 5 on property, plant and equipment to the financial statements, are held in the name of the Company as on the balance sheet date, except for the following freehold land where title deeds are yet to be registered in the name of the Company:

(Rs. in Lakhs)

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held since which date	Reason for not being held in the name of the company.
Freehold Land	62.80	Energy Development Company Limited	Promoter/ Holding Company	16th August, 2006	Property acquired on demerger

d. The Company has not revalued any of its property, plant and equipment during the year. The Company does not have any intangible assets and right-of-use assets. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable;

e. According to the information and explanations given to us and as represented by the management, no proceedings have been initiated during the year or are pending against the Company as at the 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, as amended from time to time. Accordingly, reporting under paragraph 3(i)(e) of the Order is not applicable.

ii. According to the information and explanations given to us and based on our examination of the books of account of the Company:

a. The inventories of the Company have been physically verified by the management during the year at reasonable intervals and in our opinion coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and nature of its inventory. The discrepancies noticed on physical verification of inventories were not 10% or more in aggregate for each class of inventory and have been properly dealt with in the books of the account;

b. The Company has not been sanctioned working capital limits from banks and financial institutions at any point of time during the year. Accordingly, reporting under paragraph 3(ii)(b) of the Order is not applicable.

iii. The Company has not made investments or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, reporting under paragraph 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to the loans granted. As the company has not granted any loan to directors or to parties wherein directors are interested provisions of section 185 is not applicable to the company.

v. According to the information and explanation given to us and based on our examination of the books and records of the Company, the Company has neither accepted any deposits or amount deemed to be deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Accordingly, reporting under paragraph 3(v) of the order is not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us, the Company is not required to maintain cost records prescribed by the Central Government under section 148(1) of the Companies Act, 2013. Accordingly, reporting under paragraph 3(vi) of the Order is not applicable.

vii. According to the information and explanations given to us and based on our examination of the books of account:

a. During the year, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable to it. There are no undisputed amounts in respect of goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable;

b. The details of statutory dues referred to in sub clause (vii)(a) above, which have not been deposited on account of any dispute are as follows:

Name of the Statute	**Nature of Dues**	**Amount (Rs. in Lakhs)**	**Period to which the amount relates**	**Forum where dispute is pending**
The Income Tax Act, 1961	Income Tax	631.84	AY 2004-2005 AY 2014-2015 AY 2013-2014	CIT(A)

viii. In our opinion and on the basis of information and explanations given to us and as represented by the management, we have neither come across nor have been informed of transactions which were previously not recorded in books of account and that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 and accordingly reporting under paragraph 3 (viii) of the Order is not applicable.

ix. In our opinion and on the basis of information and explanations given to us and based on our examination of the books of account of the Company:

a. During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender except interest accrued and due on borrowings Rs. 514.09 Lakhs;

b. The Company has not been declared wilful defaulter by any bank or financial institution or any other lenders;

c. During the year, no term loan has been availed by the Company and accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable;

d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company;

e. The Company does not have any investment in subsidiaries, associates or joint ventures and accordingly reporting under paragraph 3(ix)(e) of the Order is not applicable;

f. The Company does not have any investment in subsidiaries, associates or joint ventures and accordingly reporting under paragraph 3(ix)(f) of the Order is not applicable.

x. According to the information and explanations given to us and based on our examination of the books of account of the Company:

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

b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year and accordingly, reporting under paragraph 3(x)(b) of the Order is not applicable.

xi. a. During the course of our examination of books and records of the Company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have been informed of any such cases by the management;

b. According to the information and explanations given to us and based on our examination of the books and records of the Company, no report under sub-section (12) of section 143 of the Act, in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended from time to time) has been filed with the Central Government. Accordingly, reporting under paragraph 3(xi)(b) of the Order is not applicable;

c. According to the information and explanation given to us and based on our examination of the books of account of the company, no whistle blower complaints have been received during the year by the company. Accordingly reporting under paragraph 3(xi)(c) of the Order is not applicable.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the Nidhi Rules, 2014 is not applicable to it, hence, the reporting under paragraph 3(xii)(a, b, & c) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with provisions of sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. The Company has appointed a firm of Chartered Accountants to carry out the internal audit of the Company. In our opinion and according to the information and explanations given to us the internal audit system is commensurate with the size and nature of its business. We have considered, during the course of our audit, the reports of the internal auditor for the period under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 “Using the work of Internal Auditors”.

xv. According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and hence, reporting under paragraph 3(xv) of the Order is not applicable.

xvi. According to the information and explanations given to us and based on our examination of the books and records of the Company:

a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934;

b. The Company has not conducted any non-banking financial or housing finance activities during the year;

c. The Company is not a Core Investment Company (hereinafter referred to as “CIC”) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016, as amended from time to time, issued by the Reserve Bank of India and hence, reporting under paragraph 3(xvi)(c) of the Order is not applicable; and

d. In our opinion and based on the representation received from the management, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under paragraph 3(xvi)(d) of the Order is not applicable.

xvii. Based on the examination of the books of accounts we report that the Company has not incurred cash losses in the current financial year covered by our audit or in the immediately preceding financial year.

xviii. There has been no resignation of statutory auditors during the year and hence, reporting under paragraph 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and based on the financial ratios (refer note no. 42A to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither given any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanation given to us and based on our examination of the books of account, the requirement for making expenditure towards corporate social responsibility activities is not applicable as per the criteria specified under section 135 of the Act read with relevant rules issued thereunder from time to time and accordingly, reporting under paragraph 3(xx)(a&b) of the Order is not applicable.

xxi. The Company does not have any subsidiaries, associate or joint ventures hence reporting under paragraph 3(xxi) of the Order is not applicable.

FOR A L P S & CO.
CHARTERED ACCOUNTANTS
FIRM'S REGISTRATION NO.: 313132E

Sd/-
A.K.KHETAWAT
(PARTNER)
MEMBERSHIP NO. 052751
UDIN: 22052751AKAFXX6605

PLACE: Kolkata
DATE: 26th May, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in point (g) of paragraph 2 under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of M/s EDCL Power Projects Limited)

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

We have audited the internal financial controls with reference to financial statements of EDCL Power Projects Limited ("the Company") as at 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

BASIS FOR QUALIFIED OPINION

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the Company's internal financial controls with reference to financial statements as at 31st March, 2022:

- The Company did not have an appropriate internal control system in relation to granting of loans to companies, including ascertaining economic substance and business rationale of the transactions, establishing segregation of duties and determining credentials of the counter parties (refer note no. 14.1 to the financial statements);
- With respect to inter corporate deposits, the Company did not have appropriate system to evaluate the credit worthiness of the parties and recoverability of monies given including interest thereon and also ensuring the compliances with respect to provisions of the Act so that these are not considered to be prejudicial to the interest of the Company;
- The internal financial controls relating to application of appropriate policies and procedures that provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles were not operating effectively which resulted in non-provision of interest expense as indicated in note no. 22.1 to the financial statements;
- Non-reconciliation of certain debit and credit balances including loans, advances, creditors, with confirmation thereof (refer note no. 43 to the financial statements).

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

QUALIFIED OPINION

In our opinion, to the best of our information and according to the explanations given to us, except for the effects/ possible effects of the material weaknesses described in Basis for Qualified Opinion section above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, an adequate and effective internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Company for the year ended 31st March, 2022, and these material weaknesses have affected our opinion on the said financial statements of the Company and we have issued qualified opinion on the financial statements of the Company.

FOR A L P S & CO.
CHARTERED ACCOUNTANTS
FIRM'S REGISTRATION NO: 313132E

Sd/-
A.K.KHETAWAT
(PARTNER)
MEMBERSHIP NO. 052751
UDIN: 22052751AKAFXX6605

PLACE: Kolkata
DATE: 26th May, 2022

EDCL POWER PROJECTS LIMITED
CIN: U74140WB2002PLC095242
Balance Sheet as at 31st March, 2022

(Rs. in Lakhs)

Particulars	Note no.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	5	2,146.74	2,273.75
(b) Financial assets			
(i) Other financial assets	6	22.23	21.11
(c) Non-current tax assets (net)	7	3.69	2.89
(d) Deferred tax assets (net)	8	337.72	336.52
(e) Other non-current assets	9	0.32	1.36
Total non-current assets		**2,510.70**	**2,635.63**
(2) Current assets			
(a) Inventories	10	9.25	3.90
(b) Financial assets			
(i) Trade receivables	11	44.48	84.80
(ii) Cash and cash equivalents	12	182.77	30.46
(iii) Bank balances other than cash and cash equivalents	13	200.00	-
(iv) Loans	14	143.00	138.11
(v) Other financial assets	15	23.52	23.19
(c) Other current assets	16	6.17	10.65
Total current assets		**609.19**	**291.11**
TOTAL ASSETS		**3,119.89**	**2,926.74**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	17	375.00	375.00
(b) Other equity	18	(548.72)	(749.24)
TOTAL EQUITY		**(173.72)**	**(374.24)**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	252.09	2,553.25
(b) Provisions	20	8.25	13.17
(c) Other non-current liabilities	21	-	73.21
Total non-current liabilities		**260.34**	**2,639.63**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	2,338.51	-
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	23	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		101.09	87.52
(iii) Other financial liabilities	24	514.09	485.05
(b) Other current liabilities	25	79.55	88.74
(c) Provisions	26	0.03	0.04
Total current liabilities		**3,033.27**	**661.35**
TOTAL LIABILITIES		**3,293.61**	**3,300.98**
TOTAL EQUITY AND LIABILITIES		**3,119.89**	**2,926.74**

Significant accounting policies and other accompanying notes 1 - 48 form an integral part of the financial statements

As per our report of even date attached
For A L P S & CO.
Chartered Accountants
Firm's Registration No.: 313132E

For and on behalf of the Board of Directors

Sd/-
Satyendra Pal Singh
Director
DIN: 01055370

Sd/-
Pankaja Kumari Singh
Director
DIN: 00199454

A. K. Khetawat
Partner
Membership No.: 052751

Sd/-
Richa Jain
Company Secretary

Sd/-
Vishal Sharma
Director
DIN: 08773037

Sd/-
Aman Jain
Director
DIN: 08187995

Place: Kolkata
Date: 26th May, 2022

Place: New Delhi
Date: 26th May, 2022

EDCL POWER PROJECTS LIMITED
CIN: U74140WB2002PLC095242
Statement of Profit and Loss for the year ended 31st March, 2022

(Rs. in Lakhs, except otherwise stated)

Sl. No.	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(I)	Revenue from operations	27	608.51	401.00
(II)	Other income	28	92.83	83.19
(III)	**Total Income (I + II)**		**701.33**	**484.19**
(IV)	**EXPENSES:**			
	(a) Employee benefits expense	29	112.57	109.06
	(b) Finance costs	30	144.26	307.23
	(c) Depreciation and amortization expense	31	129.49	127.57
	(d) Other expenses	32	118.35	107.78
	Total expenses (IV)		**504.67**	**651.64**
(V)	**Profit/ (Loss) before tax (III - IV)**		**196.66**	**(167.45)**
(VI)	**Tax Expense:**			
	Current Tax	33	-	-
	Deferred tax - charge / (credit)		(1.46)	(41.03)
	Total tax expense (VI)		**(1.46)**	**(41.03)**
(VII)	**Profit/ (Loss) for the year (V - VI)**		**198.12**	**(126.42)**
(VIII)	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss		1.03	1.41
	(ii) Income tax relating to items that will not be reclassified to profit or loss	33.2	0.26	0.37
	Total Other comprehensive income for the year (net of tax) (i - ii)	33A	**0.77**	**1.04**
(IX)	**Total comprehensive income for the year (comprising Profit/(Loss) and other comprehensive income for the year) (VII + VIII)**		**198.89**	**(125.38)**
(X)	**Earnings per share (Face value of equity share Rs. 10 each)**			
	Basic and Diluted (Rs.)	35	5.28	(3.37)

Significant accounting policies and other accompanying notes 1-48 form an integral part of the financial statements.

As per our Report of even date attached
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Firm's Registration No.: 313132E

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DIN: 08187995

Place: Kolkata
Date: 26th May 2022

Place: New Delhi
Date: 26th May 2022

EDCL POWER PROJECTS LIMITED
CIN: U74140WB2002PLC095242
Statement of Changes in Equity for the year ended 31st March, 2022

(i) Equity share capital

(Rs. in Lakhs)

Particulars	Amount
As at 31st March, 2020	**375.00**
Movement during the year	-
As at 31st March, 2021	**375.00**
Movement during the year	-
As at 31st March, 2022	**375.00**

(ii) Other equity

(Rs. in Lakhs)

Particulars	Reserves and surplus				Total
	Capital reserve	Capital redemption reserve	Deemed equity	Retained earnings	
As at 31st March, 2020	**240.00**	**75.00**	**14.90**	**(956.13)**	**(626.23)**
Loss for the year	-	-	-	(126.42)	(126.42)
Other comprehensive income for the year	-	-	-	1.04	1.04
Total comprehensive income for the year	-	-	-	**(125.38)**	**(125.38)**
Additions during the year	-	-	2.37	-	2.37
As at 31st March, 2021	**240.00**	**75.00**	**17.27**	**(1,081.51)**	**(749.24)**
Profit for the year				198.12	198.12
Other comprehensive income for the year				0.77	0.77
Total comprehensive income for the year	-	-	-	**198.89**	**198.89**
Additions during the year			1.63	-	1.63
As at 31st March, 2022	**240.00**	**75.00**	**18.90**	**(882.62)**	**(548.72)**

Significant accounting policies and other accompanying notes 1-48 form an integral part of the financial statements.

As per our Report of even date attached
For A L P S & CO.
Chartered Accountants
Firm's Registration No.: 313132E

For and on behalf of the Board of Directors

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Aman Jain
Director
DIN: 08187995

Place: Kolkata
Date: 26th May 2022

Place: New Delhi
Date: 26th May 2022

EDCL POWER PROJECTS LIMITED
CIN: U74140WB2002PLC095242
Cash Flow Statement for the year ended 31st March, 2022

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
(A) Cash Flow From Operating Activities				
Net Profit/ (Loss) before tax		**196.66**		**(167.45)**
Adjustments for:				
Depreciation and amortization expense	129.49		127.57	
Interest Income	(6.54)		(4.23)	
Amortisation of deferred gain on fair valuation of financial instruments	(73.21)		(71.63)	
Financial Assets written off	5.86		4.22	
Interest Expense	144.26	199.86	307.23	363.16
Operating Profit before Working Capital Changes		**396.52**		**195.71**
Movement in Working Capital:				
(Increase)/ Decrease in Inventories	(5.35)		2.78	
(Increase)/ Decrease in Trade and other receivables	39.67		(71.47)	
(Decrease)/ Increase in Trade, other payables and provisions	0.49	34.80	(2.39)	(71.08)
Cash generated in operations		**431.33**		**124.63**
Direct Taxes paid (Net of refund)		(0.81)		-
Net Cash generated from Operating Activities (A)		**430.52**		**124.63**
(B) Cash flow from Investing Activities				
Additions to Property, Plant and Equipment	(2.48)		(11.10)	
Loan given	-		(100.00)	
Fixed deposits placed with bank	(200.00)		-	
Interest received	0.52	(201.96)	-	(111.10)
Net Cash utilized in Investing Activities (B)		**(201.96)**		**(111.10)**
(C) Cash flow from Financing Activities				
Proceeds from/(Repayment of) Borrowings (Net)	(73.00)		25.72	
Interest Paid	(3.23)	(76.23)	(21.12)	4.60
Net Cash generated from/ (utilized in) Financing Activities (C)		**(76.23)**		**4.60**
Net changes in Cash and Cash Equivalents (A + B + C)		**152.33**		**18.13**
Cash and Cash equivalents as at the beginning of the year		30.46		12.33
Cash and Cash equivalents as at the end of the year		**182.80**		**30.46**

Notes:

(1) The above Cash Flow Statement has been prepared by the indirect method as set out in Indian Accounting Standard 7 "Statement of Cash Flows".

(2) Cash and cash equivalents as at the Balance Sheet date consists of:

(Rs. in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Balance with Banks in Current Accounts	181.15		28.80	
Cash on hand	1.62	182.77	1.66	30.46
Total		**182.77**		**30.46**

(3) Reconciliation of Company's liabilities arising from Financing Activities:

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	Cash flows(*)	Non-Cash Flows	As at 31st March, 2022
Borrowings (Refer Note No. 19 & 22)				
Preference Shares	225.08	-	27.01	252.09
Loan from Holding Company	87.14	(73.00)	6.69	20.83
Loan from Other Bodies Corporate	2,241.03	-	76.65	2,317.68
Deemed Equity (Refer Note No. 18)	17.27	-	1.63	18.90
Interest accrued on borrowings (Refer Note No. 24)				
Loan from Other Bodies Corporate	485.05	-	29.04	514.09
Total	**3,055.57**	**(73.00)**	**141.02**	**3,123.59**

(*)Includes cash flows on account of both principal and interest.

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	Cash flows(*)	Non-Cash Flows	As at 31st March, 2021
Borrowings (Refer Note No. 19 & 22)				
Preference Shares	200.97	-	24.11	225.08
Loan from Holding Company	141.53	(77.61)	23.22	87.14
Loan from Other Bodies Corporate	2,079.03	103.33	58.67	2,241.03
Deemed Equity (Refer Note No. 18)	14.90	-	2.37	17.27
Interest accrued on borrowings (Refer Note No. 24)				
Loan from Other Bodies Corporate	315.79	-	169.26	485.05
Total	**2,752.22**	**25.72**	**277.63**	**3,055.57**

(*)Includes cash flows on account of both principal and interest.

Significant accounting policies and other accompanying notes 1-48 form an integral part of the financial statements.

As per our Report of even date attached
For A L P S & CO.
Chartered Accountants
Firm's Registration No.: 313132E

For and on behalf of the Board of Directors

Sd/-
Satyendra Pal Singh
Director
DIN: 01055370

Sd/-
Pankaja Kumari Singh
Director
DIN: 00199454

A. K. Khetawat
Partner
Membership No.: 052751

Sd/-
Richa Jain
Company Secretary

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Vishal Sharma
Director
DIN: 08773037

Sd/-
Aman Jain
Director
DIN: 08187995

Place: Kolkata

Place: New Delhi

Date: 26th May 2022

EDCL POWER PROJECTS LIMITED
Notes to the financial statements for the year ended 31st March, 2022

Note 1 – Corporate Information

EDCL Power Projects Limited ("the Company") is a public limited company domiciled and incorporated in India under the provisions of Companies Act. The registered office of the company is at at EDCL HOUSE 1A, Elgin Road, Kolkata, West Bengal – 700020. The company is primarily engaged in generation and sale of bulk power to electricity board.

Note 2 – Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act"). The Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

2.2 Application of new and revised standards

The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

The Ministry of Corporate Affairs (MCA) vide Notification dated 18th June, 2021 has issued Companies (Indian Accounting Standard) Amendment Rules, 2021. The Company has applied the following standards and amendments for the first time during the year ended 31st March 2022. These amendments had no impact on the financial statements of the Company.

a. The amendment under Ind AS 38 and Ind AS 37 clarifies that the definition of "asset" under Ind AS 38 and the definition of "liability" under Ind AS 37 are not revised following the revision of the definition of "asset" and "liability" in the Conceptual Framework respectively.

b. Reference to the "Framework for Preparation and Presentation of Financial Statements" with Ind AS has been substituted with reference to the "Conceptual Framework" under Ind AS 1, Ind AS 8, and Ind AS 34.

c. Certain amendments have been made under Ind AS 115 to maintain consistency with the number of paragraphs of IFRS 15.

d. In the definition of "recoverable amount", for the words "fair value less costs to sell", the words "fair value less costs of disposal" have been substituted. The consequential amendments are made in Ind AS 105, Ind AS 16, and Ind AS 28.

2.3 Recent Pronouncements

Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) vide Notification dated 23rd March, 2022 has issued Companies (Indian Accounting Standard) Amendment Rules, 2022. These amendments to the extent relevant to the Company's operations include:

Amendment to Ind AS 16 which clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of the cost of an item of property, plant, and equipment.

Other amendments in various standards, including Ind AS 37, Ind AS 101, Ind AS 103, Ind AS 109, and Ind AS 41 "Agriculture", have not been listed above since these are not relevant to the Company.

Even though the Company will evaluate the impact of the above, none of these amendments are vital in nature and are not likely to have a material impact on the Company's financial statements.

Note 3 – Significant Accounting Policies

3.1 Basis of preparation

The Financial Statements have been prepared under the historical cost convention on accrual basis except certain financial instruments that are measured in terms of relevant Ind AS at fair value/amortised costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind AS 1 "Presentation of Financial Statements" and in Division II of Schedule III to the Companies Act, 2013. Having regard to the nature of business being carried out by the Company, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

The functional currency of the Company is determined as the currency of the primary economic environment in which it operates. Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal Lakhs except otherwise stated.

3.2 Measurement of Fair Values

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

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

For Financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant observable and unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.3 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost which comprise its purchase price and any cost of bringing the assets to its working condition for its intended use. In case of construction/erection of property, plant and equipment, cost comprise those costs that relate directly to the specific asset and those that are attributable to the construction/erection activities in general and can be allocated to the specific assets. Cost includes machinery, spares, interests and pre-operative expenses.

Pre-operative expenditure related to and incurred during implementation of capital project is included under Capital Work-in-progress and the same is allocated to the respective PPE on completion of its construction / erection. Interest on borrowing related to qualifying asset is worked out on the basis of actual utilization of funds out of project specific loans and / or other borrowings to the extent identifiable with the qualifying asset and are capitalized with the cost of qualifying assets.

Subsequent cost are included in the assets 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.

Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

Depreciation

Depreciation on assets of generating plant and machinery, building and roads, hydraulic works, transmission lines, transformers and cable network has been provided on straight line method over useful life as per the implementation/other agreement with the authorities. Erection and maintenance tools are depreciated over a period of five years on pro rata basis.

Other assets have been depreciated on written down value method at the rate and in the manner specified in Schedule II to the Companies Act, 2013.

Based on above, the estimated useful lives of various assets have been arrived as follows:

Category of PPE	**Useful life (in years)**
Assets attributable to Generation of electricity	
Assets of generating plant and machinery, building and roads, hydraulic works, transmission lines, transformers and cable network	30
Assets other than those attributable to Generation of electricity	
Plant and Equipment	5 – 12
Furniture and Fixtures	5 – 10
Office equipment	3 – 15
Vehicles	8

The residual value of an item of Property, Plant and Equipment (other than those attributable to Generation of electricity) has been kept at ≤ 5% of the cost of the respective assets.

Depreciation methods, useful lives and residual values are reviewed and adjusted as appropriate, at the end of each reporting date.

3.4 Derecognition of Tangible Assets

An item of Tangible Asset is de-recognised upon disposal or when no future economic benefits are expected to arise from its continued use. Any gain or loss arising on the disposal or retirement of an item of Tangible Asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 Leases

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

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) Company has the right to direct the use of the asset.

At the date of commencement of the lease, Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), low-value leases and where the agreement contain the clause for cancellation of agreement without any penalty. For these short-term, low-value or cancellable leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

3.6 Impairment of Tangible Assets

Tangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost to disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

3.7 Financial Instruments – Financial assets and Financial liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within twelve months or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortised Cost, at Fair Value through Profit and Loss (referred to as "FVTPL") or at Fair Value through Other Comprehensive Income (referred to as "FVTOCI") depends on the objective and contractual terms to which they relate. Classification of financial instruments is determined on initial recognition.

(i) Cash and Cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash and cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortised cost using Effective Interest Rate (referred to as "EIR") method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit and loss (FVTPL)

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

(vi) Impairment of financial assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset. The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to twelve month expected credit losses.

Loss allowances for financial assets measured at amortised costs are deducted from the gross carrying amount of the assets.

(vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the assets carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to retained earnings.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

3.8 Inventories

Inventories are valued at cost or estimated net realisable value, whichever is lower. Cost of inventory comprising stores, spares and consumables are determined applying weighted average method.

3.9 Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium. Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.11 Employee Benefits

Short term employee benefits: Employee benefits are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the related service is rendered.

Defined Contribution Plan: Contribution to defined contribution plans such as Provident Fund etc, is being made in accordance with statute and are recognised as and when incurred.

Defined Benefit Plan: Contribution to defined benefit plans consisting of contribution to gratuity fund are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the Balance Sheet with a corresponding debit or credit to Retained Earnings through Other Comprehensive Income in the period in which they occur.

Other Long Term Employee Benefits: Other long term employee benefits consisting of Leave Encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gains and losses are recognised in Other Comprehensive Income.

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

3.12 Revenue Recognition

Revenue from Operations

Revenue is measured based on the consideration that is specified in the contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over the products or services to a customer.

Sale of Power

Generally, revenue in respect of sale of electricity generated is accounted for on delivery to the grid in accordance with tariff provided in Power Purchase Agreement (PPA) read with the regulations of State Electricity Regulatory Commission.

Other Income

Interest Income

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

3.13 Borrowing Cost

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment which is capitalized to the cost of the related assets. A qualifying PPE is an asset that necessarily takes a substantial period of time to get ready for its intended use.

3.14 Taxes on income

Income tax expense representing the sum of current tax expense and the net charge of the deferred taxes is recognized in the profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current Tax

Current tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Advance tax and provisions are presented in the balance sheet after setting off advance tax paid and income tax provision for the current year.

Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income.

Deferred Tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

Deferred Tax Asset & Liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities & where deferred tax assets & liabilities relate to income tax levied by the same taxation authority.

Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited to the profit and loss, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

3.15 Earnings per share

Basic Earnings per share is calculated by dividing the net profit/loss for the year by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the net profit/loss for the year and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.17 Segment Reporting

The identification of operating segment is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Company and for which discrete financial information is available. Operating segments of the Company comprises one segment ‘generation of electricity’.

Note 4 - Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the financial statements in conformity with the recognition and measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognised prospectively. Actual results may differ from these estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

The application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

4.1 Depreciation and impairment loss on property, plant and equipment.

Depreciation on assets of generating plant and machinery, building and roads, hydraulic works, transmission lines, transformers and cable network has been provided on straight line method over useful life as per the implementation/other agreement with the authorities. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation to be recorded during any reporting period. This reassessment may result in change in such expenses in future periods.

The company reviews its carrying value of its Tangible Assets whenever there is objective evidence that the assets are impaired. In such situation assets recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflects the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted.

4.2 Impairment allowances on financial assets

The Company evaluates whether there is any objective evidence that financial asset including trade and other receivables are impaired and determines the amount of impairment allowance as a result of the inability of the concerned parties to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables, historical write-off experience and these factors are subject to variations leading to consequential impact on the amounts considered in the financial statements.

4.3 Application of “Service concession arrangements” accounting

In assessing the applicability of the service concession arrangement with respect to hydro power plants of the Company, the management has exercised significant judgement considering the ownership of the assets and consideration there against, operational capabilities and ability to sell the power generated to the consumer and determine the rate in this respect, in concluding that the arrangements with the Company as such do not meet the criteria for recognition as service concession arrangements.

4.4 Current Tax and Deferred Tax

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

The extent to which deferred tax assets can be recognised is based on the assessment of the probability of the Company’s future taxable income against which the deferred tax assets can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic benefits.

4.5 Defined benefit obligations (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

4.6 Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

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Notes to financial statements as at 31st March, 2022

5 Property, plant and equipment

(Rs. in Lakhs)

Particulars	Freehold land	Buildings and roads	Plant and equipment	Hydraulic works	Transmission lines, transformers & cables, networks, etc (Refer note no. 5.1)	Office equipment	Furniture and fixtures	Motor vehicle	Total
Gross block									
As at 31st March, 2020	**62.80**	**461.35**	**1,227.61**	**1,033.31**	**109.14**	**1.88**	**1.48**	**0.04**	**2,897.61**
Additions/adjustments	-	-	11.10	-	-		-	-	11.10
Disposals/adjustments	-	-	-	-	-		-	-	-
As at 31st March, 2021	**62.80**	**461.35**	**1,238.71**	**1,033.31**	**109.14**	**1.88**	**1.48**	**0.04**	**2,908.71**
Additions/adjustments	-	-	-	-	-	2.48	-	-	2.48
Disposals/adjustments	-	-	-	-	-	-	-	-	-
As at 31st March, 2022	**62.80**	**461.35**	**1,238.71**	**1,033.31**	**109.14**	**4.36**	**1.48**	**0.04**	**2,911.19**
Accumulated depreciation									
As at 31st March, 2020	**-**	**81.64**	**221.39**	**182.86**	**19.32**	**1.04**	**1.12**	**0.02**	**507.39**
Charge during the year (Refer note no. 31)	-	20.39	56.28	45.68	4.82	0.35	0.05	-	127.57
Disposals/adjustments	-	-	-	-	-	-	-	-	-
As at 31st March, 2021	**-**	**102.03**	**277.67**	**228.54**	**24.14**	**1.39**	**1.17**	**0.02**	**634.96**
Charge during the year (Refer note no. 31)	-	20.39	57.88	45.68	4.82	0.69	0.03	-	129.49
Disposals/adjustments	-							-	-
As at 31st March, 2022	**-**	**122.42**	**335.55**	**274.22**	**28.96**	**2.08**	**1.20**	**0.02**	**764.45**
Net block (1 - 2)									
As at 31st March, 2021	**62.80**	**359.32**	**961.04**	**804.77**	**85.00**	**0.49**	**0.31**	**0.02**	**2,273.75**
As at 31st March, 2022	**62.80**	**338.93**	**903.16**	**759.09**	**80.18**	**2.28**	**0.28**	**0.02**	**2,146.74**

5.1 Transmission Lines, transformers and cables, networks etc. include Power evacuating facilities put up in relation to the Hydro Electric Generating Station, which has been handed over to the Electricity Board for transmission of electricity and maintenance thereof.

5.2 Property, plant and equipment includes Rs. 2,071.43 Lakhs (31st March, 2021 - Rs. 2,198.02 Lakhs) pertaining to Power Generating plant which in terms of implementation agreement with various authorities will be handed over on completion of effective useful life of the assets in terms of respective agreements.

5.3 The title deeds of immovable properties are held in the name of the Company except as given below:

Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the company
Freehold Land	62.80	Energy Development Company Limited	Holding Company	16th August, 2006	Pursuant to demerger, title deed is pending to be transferred in the name of the Company as at the balance sheet date.

6 Other financial assets - non-current

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
At amortised cost		
Unsecured, considered good		
Security deposits	21.48	20.36
Bank deposits (having original maturity more than 12 months) (Refer note no. 6.1)	0.75	0.75
Total	**22.23**	**21.11**

6.1 Bank deposits represent balances in margin money accounts deposited with Sales Tax Authorities.

7 Non-current tax assets (net)

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Tax deducted at source	3.69	2.89
Total	**3.69**	**2.89**

8 Deferred tax assets (net)

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred tax assets (Refer note no. 8.1)	563.51	571.67
Deferred tax liabilities (Refer note no. 8.1)	225.79	235.15
Deferred tax assets (net)	**337.72**	**336.52**

8.1 Components of Deferred tax liabilities/(assets) are as follows:

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	Charge/ (credit) recognised in profit or loss	Charge/ (credit) recognised in other comprehensive income	As at 31st March, 2022
(A) Tax effect of items constituting deferred tax assets				
Timing difference with respect to property, plant and equipment	9.80	3.63	-	6.17
Expenses allowable on payment basis under Income Tax Act, 1961	5.52	1.20	-	4.32
Impairment on trade receivables	3.33	3.33	-	-
Unabsorbed depreciation	553.02	-	-	553.02
Total Deferred tax assets (A)	**571.67**	**8.16**	**-**	**563.51**
(B) Tax effect of items constituting deferred tax liabilities				
Fair valuation of financial liabilities and financial assets	233.24	(9.62)	-	223.62
Remeasurement of defined benefit plan	1.91	-	0.26	2.17
Total Deferred tax liabilities (B)	**235.15**	**(9.62)**	**0.26**	**225.79**
Deferred tax assets (net) (A - B)	**336.52**	**(1.46)**	**0.26**	**337.72**

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	Charge/ (credit) recognised in profit or loss	Charge/ (credit) recognised in other comprehensive income	As at 31st March, 2021
(A) Tax effect of items constituting deferred tax assets				
Timing difference with respect to property, plant and equipment	10.47	0.67	-	9.80
Expenses allowable on payment basis under Income Tax Act, 1961	4.68	(0.84)	-	5.52
Impairment on trade receivables	3.33	-	-	3.33
Unabsorbed depreciation	519.44	(33.58)	-	553.02
Total Deferred tax assets (A)	**537.92**	**(33.75)**	**-**	**571.67**
(B) Tax effect of items constituting deferred tax liabilities				
Fair valuation of financial liabilities and financial assets	240.52	(7.28)	-	233.24
Remeasurement of defined benefit plan	1.54	-	0.37	1.91
Total Deferred tax liabilities (B)	**242.06**	**(7.28)**	**0.37**	**235.15**
Deferred tax assets (net) (A - B)	**295.86**	**(41.03)**	**0.37**	**336.52**

9 Other non-current assets

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred loss on fair valuation of financial instruments	0.32	1.36
Total	**0.32**	**1.36**

10 Inventories
(At lower of cost or net realisable value)
(As taken, valued and certified by the management)

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Stores, spares and consumables [including goods in transit- Rs. 6.18 Lakhs (31st March, 2021 - Nil)]	9.25	3.90
Total	**9.25**	**3.90**

11 Trade receivables

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
At amortised cost		
Unsecured, considered good	44.48	84.80
Unsecured, credit impaired	12.80	12.80
	57.28	**97.60**
Less: Impairment allowances for doubtful receivables	12.80	12.80
Total	**44.48**	**84.80**

11.1 Trade receivables are normally settled on terms of 60 days of credit period.

As at 31st March, 2022 (Rs. in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed, considered good	44.48	-	-	-	-	-	44.48
Undisputed, credit impaired	-	-	-	-	-	12.80	12.80
Trade receivables (gross)	**44.48**	**-**	**-**	**-**	**-**	**12.80**	**57.28**
Less: Impairment allowances for doubtful receivables							(12.80)
Trade receivables (net)							**44.48**

As at 31st March, 2021 (Rs. in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed, considered good	29.89	54.91	-	-	-		84.80
Undisputed, credit impaired	-	-	-	-	-	12.80	12.80
Trade receivables (gross)	**29.89**	**54.91**	**-**	**-**	**-**		**97.60**
Less: Impairment allowances for doubtful receivables							(12.80)
Trade receivables (net)							**84.80**

11.2 Since there is no change in impairment allowances for doubtful receivables during current year and previous year, hence movement is not disclosed for the same.

11.3 No trade receivables are due from directors or other officers of the company either severally or jointly with any other person nor due from firms or private companies respectively in which any director is a partner, director or a member.

12 Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance with banks in current accounts	181.15	28.80
Cash on hand	1.62	1.66
Total	**182.77**	**30.46**

13 Bank balances other than cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Bank deposit having original maturity of more than 3 months and up to 12 months	200.00	-
Total	**200.00**	**-**

14 Loans - current

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Loan to body corporate (Refer note no. 14.1)	143.00	138.11
Total	**143.00**	**138.11**

14.1 Loan of Rs. 143.00 Lakhs (including interest accrued thereon) recoverable from a company is lying outstanding as on 31st March, 2022. Pending recovery of the said amount, no provision against this has been considered necessary.

15 Other financial assets - current

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
At amortised cost		
Unsecured, considered good		
Interest receivable on financial assets measured at amortised cost	1.37	1.35
Other receivables (Refer note no. 15.1 and 15.2)	22.15	21.84
Total	**23.52**	**23.19**

15.1 Includes Rs. 6.17 Lakhs (31st March, 2021 - Rs. 5.66 Lakhs) recoverable from Holding company.

15.2 Includes Rs. 15.89 Lakhs (31st March, 2021 - Rs. 15.72 Lakhs) recoverable from Related parties.

16 Other current assets

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured, considered good		
Balances with government authorities	0.52	0.52
Prepaid expenses	4.12	3.68
Other advances	0.49	0.59
Deferred loss on fair valuation of financial instruments	1.04	5.86

Total	**6.17**	**10.65**

17 Equity share capital

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorised		
40,00,000 (31st March, 2021 - 40,00,000) equity shares of Rs. 10 each	400.00	400.00
Total	**400.00**	**400.00**
Issued, subscribed and paid up		
37,50,000 (31st March, 2021 - 37,50,000) equity shares of Rs. 10 each fully paid up	375.00	375.00
Total	**375.00**	**375.00**

17.1 The Company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity is entitled to one vote per share. The dividend, if any proposed by the Board of Directors of the Company is subject to approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by them.

17.2 Reconciliation of outstanding number of equity shares

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
At the beginning of the year	3,750,000	3,750,000
Movement during the year	-	-
At the end of the year	**3,750,000**	**3,750,000**

17.3 37,49,994 (31st March, 2021 - 37,49,994) equity shares of the Company are held by the Holding company "Energy Development Company Limited".

17.4 Shareholders holding more than 5% shares :-

Name of the shareholders	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	% shareholding	Number of shares	% shareholding
Energy Development Company Limited	3,749,994	100.00%	3,749,994	100.00%

17.5 Details of shares held by promoters:
As at 31st March, 2022

Name of the Promoter	Number of shares	% of total shares	% change during the year
Energy Development Company Limited	3,749,994	100.00%	-
Amar Singh	1	0.00%	-
Pankaja Kumar Singh	1	0.00%	-
Total	**3,749,996**	**100.00%**	**-**

As at 31st March, 2021

Name of the Promoter	Number of shares	% of total shares	% change during the year
Energy Development Company Limited	3,749,994	100.00%	-
Amar Singh	1	0.00%	-
Pankaja Kumar Singh	1	0.00%	-
Total	**3,749,996**	**100.00%**	**-**

18 Other equity

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital reserve (Refer note no. 18.2)	240.00	240.00
Capital redemption reserve (Refer note no. 18.3)	75.00	75.00
Deemed equity (Refer note no. 18.4)	18.90	17.27
Retained earnings (Refer note no. 18.5)	(882.62)	(1,081.51)
Total	**(548.72)**	**(749.24)**

18.1 Refer Statement of Changes in Equity for movement in balances of items of other equity.

Nature and purpose of reserves:

18.2 Capital reserve

It represents subsidy received from Ministry of New and Renewable Energy, Government of India for setting up of Ullankal Small Hydro Power Project.

18.3 Capital redemption reserve

It represents reserve created for the purpose of redemption of preference share which shall be utilised by the Company in accordance with the provisions of Companies Act, 2013 (as amended from time to time).

18.4 Deemed equity

It comprises of the difference between the fair value and the transaction value of loan received from Holding Company.

18.5 Retained earnings

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the Company. Any actuarial gains/ losses arising on defined benefit plan have been recognised in Retained earnings.

19 Borrowings - non-current

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
8% Non-cumulative redeemable preference shares (Refer note no. 19.1 to 19.5)	252.09	225.08
Unsecured		
From related party		
Holding company	-	87.14
Other body corporate	-	376.23
From others		
Body corporate	-	1,864.80

Total	**252.09**	**2,553.25**

19.1 As per Indian Accounting Standard 109 "Financial Instruments", non-cumulative redeemable preference shares are classified as financial liabilities if principal amount is redeemable. Accordingly, 1,10,00,000 8% non-cumulative redeemable preference shares (31st March, 2021 - 1,10,00,000 preference shares) having face value of Rs. 10 each fully paid up are classified as financial liabilities and thus included in borrowings and 8% interest provided thereof.

(Rs. in Lakhs)

19.2

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorised		
1,10,00,000 (31st March 2021 - 1,10,00,000) 8% non-cumulative redeemable preference shares of Rs. 10 each	1,100.00	1,100.00
Total	**1,100.00**	**1,100.00**
Issued, subscribed and paid up		
1,10,00,000 (31st March, 2021 - 1,10,00,000) 8% non-cumulative redeemable preference shares of Rs. 10 each fully paid up (redeemable within 20 years from the date of allotment of 11th February, 2015)	1,100.00	1,100.00
Total	**1,100.00**	**1,100.00**

19.3 8% Non-cumulative redeemable preference share would carry 8% fixed dividend on outstanding unredeemed portion of the amount. In the event of liquidation of the Company before redemption of the said preference shares, the holders of these shares will have priority over equity shares in the payment of dividend and repayment of capital.

19.4 Reconciliation of outstanding number of preference shares

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
At the beginning of the year	11,000,000	11,000,000
Movement during the year	-	-
At the end of the year	**11,000,000**	**11,000,000**

19.5 Shareholders holding more than 5% of shares

Entire preference shares are held by Startrack Vinimay Private Limited.

20 Provisions - non-current

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits (Refer note no. 29.1)		
Gratuity	2.58	5.40
Leave encashment	5.67	7.77
Total	**8.25**	**13.17**

21 Other non-current liabilities

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred gain on fair valuation of financial instruments	-	73.21
Total	**-**	**73.21**

22 Borrowings - current

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured		
From related party		
Holding company	20.83	-
Other body corporate	389.10	-
From others		
Body corporate	1,928.58	-
Total	**2,338.51**	**-**

22.1 Terms and conditions including interest in respect of loan of Rs. 2,000.00 Lakhs taken from a body corporate have not been renewed by the Company. No interest, pending determination of amount thereof has been recognised

23 Trade payables

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
At amortised cost		
Payable for goods and services		
Total outstanding dues of micro enterprises and small enterprises (Refer note no. 23.1)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note no. 23.3)	101.09	87.52
Total (Refer note no. 23.2)	**101.09**	**87.52**

23.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the MSME Act) and hence disclosure relating to amounts unpaid as at the year end together with interest paid/ payable under the MSME Act has not been given.

23.2 **Ageing schedule of trade payables is as follows:**

As at 31st March, 2022 (Rs. in Lakhs)

Particulars	Current but not due	Unbilled dues	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Undisputed dues of others	8.46	12.53	9.85	25.08	20.89	24.28	101.09
Total	**8.46**	**12.53**	**9.85**	**25.08**	**20.89**	**24.28**	**101.09**

As at 31st March, 2021 (Rs. in Lakhs)

Particulars	Current but not due	Unbilled dues	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Undisputed dues of others	7.29	9.54	25.52	20.89	7.59	16.69	87.52
Total	**7.29**	**9.54**	**25.52**	**20.89**	**7.59**	**16.69**	**87.52**

23.3 Includes Rs. 3.21 Lakhs (31st March, 2021 - Rs. 1.46 Lakhs) payable to Holding Company.

24 Other financial liabilities - current

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest accrued and due on borrowings (Refer note no. 24.1)	514.09	485.05
Total	**514.09**	**485.05**

24.1 Includes Rs. 90.70 Lakhs (31st March, 2021 - Rs. 61.66 Lakhs) payable to related parties.

25 Other current liabilities

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred gain on fair valuation of financial instruments	73.21	73.21
Statutory dues (includes TDS, GST, PF, ESI, etc)	6.34	15.53
Total	**79.55**	**88.74**

26 Provisions - current

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits		
Leave encashment (Refer note no. 29.1)	0.03	0.04
Total	**0.03**	**0.04**

27 Revenue from operations

(Rs. in Lakhs)

Particulars	**For the year ended 31st March, 2022**	**For the year ended 31st March, 2021**
Sale of power		
Hydro power (Refer note no. 27.1)	608.51	401.00
Total	**608.51**	**401.00**

27.1 Total number of units generated and sold (In million units)

Hydro power	25.36 m.u	16.70 m.u

28 Other income

(Rs. in Lakhs)

Particulars	**For the year ended 31st March, 2022**	**For the year ended 31st March, 2021**
Interest income		
on financial assets measured at amortised cost	6.54	4.23
Other non-operating income (net of expenses directly attributable to such income)		
Amortisation of deferred gain on fair valuation of financial instruments	73.21	71.63
Income from insurance claim	13.08	-
Miscellaneous income	-	7.33
Total	**92.83**	**83.19**

29 Employee benefits expense

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and wages (Refer note no. 29.1)	102.78	94.82
Contribution to provident and other funds (Refer note no. 29.1)	1.93	6.27
Staff welfare expense	7.86	7.97
Total	**112.57**	**109.06**

29.1 As per Indian Accounting Standard 19 "Employee Benefits" the disclosure of Employee Benefits as defined in the standard are given below:

(A) Defined contribution scheme:

Contribution to defined contribution schemes, recognised for the year are as under:

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Employer's contribution to provident fund	0.96	0.90
Employer's contribution to pension fund	2.13	2.16
Total	**3.10**	**3.06**

(B) Defined benefit scheme:

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligations is determined based on actuarial valuation using projected unit credit method which recognises each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation for leave encashment is recognised in the same manner as Gratuity.

(i) Changes in fair value of defined benefit obligation

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Gratuity (funded)		
Liability at the beginning of the year	23.65	23.96
Interest cost	1.64	1.55
Service cost	2.23	2.15
Acquisition cost	(4.26)	-
Actuarial (gain)/ loss on obligations	(1.30)	(1.72)
Benefits paid	-	(2.29)
Liability at the end of the year	**21.96**	**23.65**
Leave encashment (unfunded)		
Liability at the beginning of the year	7.81	7.59
Interest cost	0.54	0.49
Current service cost	1.14	1.13
Acquisition cost	(1.20)	-
Actuarial (gain)/ loss on obligations	(2.59)	(0.72)
Benefits paid	-	(0.68)
Liability at the end of the year	**5.70**	**7.81**

(ii) Changes in fair value of plan assets

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Gratuity (funded)		
Fair value of Plan assets at the beginning of the year	18.25	19.47
Interest income	1.28	1.25
Acquisition adjustment	-	-
Contributions by the Company	0.12	0.13
Benefits paid	-	(2.29)
Actuarial gain/ (loss) on plan assets	(0.27)	(0.31)
Fair value of plan assets at the end of the year	**19.38**	**18.25**

(iii) Actual return on plan asset

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Gratuity (funded)		
Expected return on plan assets	1.28	1.25
Actuarial gain/ (loss) on plan assets	(0.27)	(0.31)
Actual return on plan assets	**1.01**	**0.94**

(iv) Amount recognized in Balance Sheet

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	As at 31st March, 2021
Gratuity (funded)		
Liability at the end of the year	21.96	23.65
Fair value of plan assets at the end of the year	19.38	18.25
Liability/ (asset) recognised in the Balance Sheet	**2.58**	**5.40**
Leave encashment (unfunded)		
Liability at the end of the year	5.70	7.81
Fair value of plan assets at the end of the year	-	-
Liability recognised in the Balance Sheet	**5.70**	**7.81**

(v) Components of Defined benefit cost

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Gratuity (funded)		
Service cost	2.23	2.15
Interest cost	1.64	1.55
Interest income on plan asset	(1.28)	(1.25)
Net actuarial (gain)/ loss on remeasurement recognised in Other comprehensive income	(1.03)	(1.41)
Total Defined benefit cost recognised in Profit and Loss and Other comprehensive income	**1.56**	**1.04**
Leave encashment (unfunded)		
Current service cost	1.14	1.13
Interest cost	0.54	0.49
Interest income on plan asset	-	-
Net Actuarial (gain)/ loss on remeasurement recognised in Other comprehensive income	(2.59)	(0.72)
Total Defined benefit cost recognised in Profit and Loss and Other comprehensive income	**(0.91)**	**0.90**

(vi) Balance Sheet reconciliation

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Gratuity (funded)		
Opening net liability/ (asset)	5.40	4.49
Expenses as above	1.56	1.04
Acquisition cost	(4.26)	-
Employers contribution	(0.12)	(0.13)
Net liability/ (asset) recognized in Balance Sheet	**2.58**	**5.40**
Leave encashment (unfunded)		
Opening Net Liability	7.81	7.59
Expenses as above	(0.91)	0.90
Acquisition cost	(1.20)	-
Benefits paid	-	(0.68)
Employers contribution	-	-
Net liability recognized in Balance Sheet	**5.70**	**7.81**

(vii) Principal actuarial assumption as at the Balance Sheet date

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Discount rate	7.20%	6.90%
Salary increase	7.00%	7.00%
Mortality rate	IALM (2006-2008) Ult	IALM (2006-2008) Ult
Retirement age (years)	60	60

(viii) Recognised in Other comprehensive income : Gratuity

(Rs. in Lakhs)

Particulars	**For the year ended 31st March, 2022**	**For the year ended 31st March, 2021**
Actuarial (gain)/ loss arising from :		
Change in Financial assumptions	(0.94)	(0.35)
Change in Experience adjustments	(0.36)	(1.37)
Return on Plan Assets (greater)/ less than discount rate	0.27	0.31
Amount recognised in Other comprehensive income	**(1.03)**	**(1.41)**

(ix) Current and non current bifurcation as at the Balance Sheet date

(Rs. in Lakhs)

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Gratuity (funded)		
Current liability/ (asset)	-	-
Non Current liability/ (asset)	2.58	5.40
Total liability/(asset)	**2.58**	**5.40**
Leave encashment (unfunded)		
Current liability	0.03	0.04
Non current liability	5.67	7.77
Total Liability	**5.70**	**7.81**

(x) Sensitivity analysis

(Rs. in Lakhs)

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Gratuity (funded)		
Discount rate		
+1%	(2.82)	(3.14)
-1%	3.34	3.74
Salary growth rate		
+1%	3.31	3.70
-1%	(2.85)	(3.16)
Leave encashment (unfunded)		
Discount rate		
+1%	(0.70)	(1.03)
-1%	0.83	1.24
Salary growth rate		
+1%	0.83	1.23
-1%	(0.71)	(1.04)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

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(xi) Estimate of expected benefit payments (undiscounted)

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Gratuity (funded)		
Within 1 year	0.11	0.11
1-2 year	0.13	0.13
2-3 year	0.17	0.16
3-4 year	0.21	0.21
4-5 year	1.86	0.26
5-10 years	2.21	3.97
Leave encashment (unfunded)		
Within 1 year	0.03	0.04
1-2 year	0.04	0.05
2-3 year	0.05	0.06
3-4 year	0.06	0.07
4-5 year	0.67	0.08
5-10 years	0.53	1.20

(xii) Estimate of expected employer contribution

Particulars	As at 31st March, 2022	As at 31st March, 2021
Gratuity (funded)		
Within 1 year	1.92	2.23
Leave encashment (unfunded)		
Within 1 year	N/A	N/A

(xiii) Weighted average duration of defined benefit obligation

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Gratuity (funded)		
Duration (in years)	15	15
Leave encashment (unfunded)		
Duration (in years)	14	15

(xiv) Average number of people

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Average number of people employed (Gratuity funded)	19	21

Notes: (As certified by Independent actuary)

1 Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on assets have been considered based on relevant economic factors such as inflation, seniority, promotion, market growth and other factors as applicable to the period over which the obligation is expected to be settled.

2 The expected return on plan assets is based on market expectation at the beginning of the year. The rate of return on long term Government Bonds is taken as reference for this purpose.

3 In respect of funded gratuity, the funds are managed by the insurer and therefore the percentage or amount that each major category constitutes the fair value of total plan assets and effect thereof on overall expected rate of return on asset is not ascertainable.

30 Finance costs

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest expenses on borrowings from related parties		
Holding company	8.32	25.59
Other body corporate	45.15	38.58
Interest expenses on borrowings from others		
Body corporate	63.78	216.94
Interest on preference shares	27.01	24.12
Interest on others (Refer note no. 29.1)	-	2.00
Total	**144.26**	**307.23**

30.1 Represents interest on late payment of statutory dues

31 Depreciation and amortisation

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation of Property plant and equipment (Refer note no. 5)	129.49	127.57
Total	**129.49**	**127.57**

32 Other expenses

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cost of power purchased	0.08	0.63
Stores and spares consumed	15.08	9.70
Rent (Refer note no. 32.1 and 32.2)	10.55	6.00
Repairs and maintenance		
Plant and equipment	13.05	30.26
Others	0.32	0.37
Rates and taxes	15.32	15.72
Travelling expenses	7.21	1.92
Insurance	4.36	3.45
Payment to auditor		
Statutory audit	0.50	0.50
Legal and professional charges	24.36	23.20
Security services	7.49	7.44
Telephone, fax, postal etc.	0.62	0.72
Office expenses	10.72	2.55
Financial assets written off	5.86	4.22
Miscellaneous expenses	2.83	1.10
Total	**118.35**	**107.78**

32.1 The Company has a cancellable operating lease arrangement for office accommodation with a lease period of five years which can be further extended after mutual consent and agreement. The lease agreement can be terminated after giving a notice as per terms of the lease by either of the party. Expenditure incurred on account of operating lease rentals during the year and recognised in the Statement of Profit and Loss amounts to Rs. 10.50 Lakhs (31st March, 2021 - Rs. 6.00 Lakhs)

32.2 The Company has incurred Rs. 0.05 Lakhs (31st March, 2021 - Nil) towards rental expenses relating to leases of low value assets.

33 Components of tax expense

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current Tax		
In respect of the current year	-	-
Total Current tax expense recognised in the current year	-	-
Deferred Tax		
In respect of the current year	(1.46)	(41.03)
Total Deferred tax charge/ (credit) recognised in the current year	**(1.46)**	**(41.03)**
Total Tax expense/ (credit) recognised in the current year	**(1.46)**	**(41.03)**

33.1 Reconciliation of Income tax expense for the year with accounting profit is as follows:

In the absence of taxable profits during the year ended 31st March, 2022 and 31st March, 2021, reconciliation of income tax expense has not been provided for the same.

33.1.1 In pursuance to Section 115BAA of the Income Tax Act, 1961 announced by the Government of India through Taxation Laws (Amendment) Ordinance, 2019, Company has an irrevocable option of shifting to a lower tax rate along with consequent reduction in certain tax incentives including lapse of accumulated MAT credit. The Company has not exercised this option and continues to recognise the taxes on income for the year ended 31st March, 2022 as per the existing provisions.

33.2 Income tax recognised in other comprehensive income

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit plans	0.26	0.37
Total income tax recognised in other comprehensive income	**0.26**	**0.37**
Bifurcation of the income tax recognised in Other Comprehensive Income into:		
Items that will not be reclassified to profit or loss	0.26	0.37
Items that will be reclassified to profit or loss	-	-

33A Components of Other comprehensive income

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans (net of tax)	0.77	1.04
Total	**0.77**	**1.04**

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34 Details of Related Party transactions in accordance with Indian Accounting Standard 24 "Related Party Disclosures"

(A) Name of the Related Parties and their relationship with the Company:

	Relationship with the Company	Name of the Related Parties
(i)	**Holding Company**	Energy Development Company Limited
(ii)	**Fellow Subsidiaries through Holding company**	Ayyappa Hydro Power Limited Eastern Ramganga Valley Hydel Projects Company Private Limited Sarju Valley Hydel Projects Company Private Limited EDCL Arunachal Hydro Project Private Limited
(iii)	**Key Managerial Personnel (KMP)**	
	Executive Director	Mr. Satyendra Pal Singh (Upto 31st December, 2021)
	Non-Executive Director & Promoter	Mrs. Pankaja Kumari Singh
	Non-Executive Director	Mr. Vinod Kumar Sharma (Upto 26th November, 2021)
	Non-Executive Director	Ms. Disha Kumari Singh (w.e.f. 14th December, 2021)
	Non-Executive Director	Mr. Satyendra Pal Singh (w.e.f. 1st January, 2022)
	Non-Executive Director	Mr. Praveen Singh (ceased to be Director w.e.f. 31st August, 2020)
	Non Executive Independent Director	Mr. Tarun Chaturdevi (ceased to be Non-Executive Independent Director w.e.f 1st July, 2020)
	Non Executive Independent Director	Mr. Rohit Pandit
	Non Executive Independent Director	Mr. Aman Jain (Appointed w.e.f. 30th June, 2020)
	Non Executive Independent Director	Mr. Vishal Sharma (Appointed w.e.f. 30th June, 2020)
(iv)	**Individuals having significant influence directly or indirectly (Promoter and their relatives)**	Pankaja Kumari Singh (Promoter) Amar Singh (deceased on 1st August, 2020)
(v)	**Enterprises over which individuals mentioned in (iv) above exercises significant influence**	Startrack Vinimay Private Limited Sarvottam Caps Private Limited Chekoplast (India) Private Limited
(vi)	**Enterprises over which individuals mentioned in (iii) above exercises significant influence**	EDCL Infrastructure Limited (ceased to be related party w.e.f. 1st July, 2020)

(B) Details of Transactions with Related Parties during the year and the Balances outstanding thereof as at the Balance Sheet date are

(I) Details of Transactions with Holding Company

(i) Transactions during the year

(Rs. in Lakhs)

Particulars	**For the year ended 31st March, 2022**	**For the year ended 31st March, 2021**
Unsecured Loan repaid (net)	73.00	77.61
Interest Expense	8.32	25.59
Expenses incurred by the party on behalf of the company	1.75	1.46
Expenses incurred by the company on behalf of the party	0.52	4.95

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(ii) Balances outstanding as at the Balance Sheet date

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured Loans (Borrowings - Non Current)	20.83	87.14
Other Advances (Other Financial Assets - Current)	6.17	5.66
Deemed Equity (Other Equity)	18.90	17.27
Trade Payables	3.21	1.46

(II) Details of transactions with Fellow Subsidiaries through Holding Company

(i) Transactions during the year

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Expenses incurred by the company on behalf of the party		
Ayyappa Hydro Power Limited	0.16	8.84
EDCL Arunachal Hydro Project Private Limited	-	0.02

(ii) Balances outstanding as at the Balance Sheet date

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Other Advances (Other Financial Assets - Current)		
Ayyappa Hydro Power Limited	15.87	15.70
EDCL Arunachal Hydro Project Private Limited	0.02	0.02

(III) Details of transactions with Key Managerial Personnel

(i) Transactions during the year

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Remuneration		
Satyendra Pal Singh	7.38	7.73

(ii) There are no outstanding balances as at the Balance Sheet date.

(IV) Details of transactions with companies under significant influence of Promoters and their relatives

(i) Transactions during the year

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Expenses		
Sarvottam Caps Private Limited	45.15	38.58

(ii) Balances outstanding as at the Balance Sheet date

(Rs. in Lakhs)

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Unsecured Loan (Borrowings - Non Current)		
Sarvottam Caps Private Limited	389.10	376.23
Interest accrued (Other Financial Liabilities - Current)		
Sarvottam Caps Private Limited	90.70	61.66
Payable towards rent		
Chekoplast (India) Private Limited	9.72	9.72

Notes:

1 The above Related Party information is as identified by the Management and relied upon by the auditor.

2 In respect of above parties, there is no provision for doubtful debts as on 31st March 2022 and 31st March, 2021 respectively and no amount has been written off or written back during the year in respect of debts due from/to them.

3 **Terms and conditions of transactions with Related Parties**

All transactions from related parties are made in the ordinary course of business. For the year ended 31st March, 2021 and 31st March, 2020 respectively, the Company has not recorded impaiment of receivables relating to amounts owned by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

35 Earnings Per Share

(Rs. in Lakhs, except otherwise stated)

Particulars	**For the year ended 31st March, 2022**	**For the year ended 31st March, 2021**
Net Profit/ (Loss) for the year	198.12	(126.42)
Weighted Average Number of Equity Shares issued	3,750,000	3,750,000
Basic and Diluted (Rs.)	5.28	(3.37)

36 Contingent liabilities and commitments (to the extent not provided for)

(A) Contingent liabilities

(Rs. in Lakhs)

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Claims against the company not acknowledged as debts		
Income Tax matters under disputes and pending in appeal		
Demand from Income tax authority under section 147 of the Income Tax Act,1961	631.84	-

The Company's pending litigation comprise of proceedings with income tax authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have material impact on its financial position. Future cash outflows if any in respect of above are dependent upon the outcome of the decision/ judgements.

(B) Commitments - Nil (31st March, 2021 - Nil)

37 Disclosures as required by Indian Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets"

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurence or non occurence of one or more future events not wholly within the control of the entity. During the normal course of business, unresolved claims remains outstanding. The inflow of economic benefits, in respect of such claims cannot be meausred due to uncertainties that surrounds the related events and circumstances.

38 Segment Reporting

The Company is engaged primarily in the business of “generation of electricity” and all other activities are incidental thereto. Further, the Company operates entirely in the domestic market where its operations are governed by the same set of risks and returns. Accordingly the separate primary and secondary segment reporting disclosure as envisaged in Indian Accounting Standard 108 "Operating Segments" is not applicable to the Company.

39 Capital management

The Company follows a capital management strategy. The primary objective is to ensure that Company maintains a healthy capital ratio in order to support its business operations, have sufficient financial flexibility for borrowing requirements, if any, in future and to maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders.

The company also uses Gearing ratio to monitor capital. Gearing ratio is net debt divided by total capital. The Gearing ratios are as follows:

Gearing ratio

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total borrowings	**2,590.60**	**2,553.25**
Less: Cash and cash equivalents (including bank balances other than cash and cash equivalents)	382.77	30.46
Net debt (A)	**2,207.83**	**2,522.79**
Total equity	(173.72)	(374.24)
Total equity and net debt (B)	2,034.11	2,148.55
Gearing ratio (A/B)	**1.09**	**1.17**

40 Disclosure on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contains 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 note no. 3.7 to the financial statements.

(A) Fair value measurement

The following table shows the carrying amount and fair values of financial assets and liabilities by category:

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Measured at amortised cost		
Financial assets (non-current)		
Security deposits	21.48	20.36
Bank deposits (having original maturity of more than 12 months)	0.75	0.75
Total (a)	**22.23**	**21.11**
Financial assets (current)		
Trade receivables	44.48	84.80
Cash and cash equivalents	182.77	30.46
Bank balances other than cash and cash equivalents	200.00	-
Loan to body corporate	143.00	138.11
Other financial assets	23.52	23.19
Total (b)	**593.77**	**276.56**
Total financial assets (a + b)	**616.00**	**297.67**

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Measured at amortised cost		
Financial liabilities (non-current)		
Borrowings	252.09	2,553.25
Total (a)	**252.09**	**2,553.25**
Financial liabilities (current)		
Borrowings	2,338.51	-
Trade payables	101.09	87.52
Interest accrued on borrowings	514.09	485.05
Total (b)	**2,953.69**	**572.57**
Total financial liabilities (a + b)	**3,205.78**	**3,125.82**

(B) Fair valuation techniques

The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

(1) The fair value of cash and cash equivalents, trade receivables, trade payables, borrowings, other current financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments. The Board considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

(2) Long term debt has been contracted at fixed rates of interest. The carrying value of such long term debt approximate their fair value.

41 Financial risk management objectives and policies

The Company's activities expose it to the following risks:

(a) Credit risk
(b) Liquidity risk
(c) Market risk

(a) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Trade receivables of the company mainly comprises of receivables from state electricity boards and hence such risk is negligible. The company has a policy to monitor such risk on an ongoing basis.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of receivables.

The carrying amount of respective financial assets recognised in the financial statements (net of impairment losses) represents the Company's maximum exposure to credit risk.

(b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

(Rs. in Lakhs)

Particulars	Less than 1 year	1 year - 3 years	More than 3 years	Total
As at 31st March, 2022				
Borrowing from holding company	-	20.83	-	20.83
Borrowing from other bodies corporate	2,300.00	-	-	2,300.00
Preference shares	-	-	1,100.00	1,100.00
Trade payables	101.09	-	-	101.09
Interest accrued and due on borrowings	514.09	-	-	514.09
Total	**2,915.18**	**20.83**	**1,100.00**	**4,036.01**
As at 31st March, 2021				
Borrowing from holding company	-	93.83	-	93.83
Borrowing from other bodies corporate	-	2,300.00	-	2,300.00
Preference shares	-	-	1,100.00	1,100.00
Trade payables	87.52	-	-	87.52
Interest accrued and due on borrowings	485.05	-	-	485.05
Total	**572.57**	**2,393.83**	**1,100.00**	**4,066.40**

The Company has current financial assets which will be realised in ordinary course of business. The Company monitors its rolling forecast of its liquidity requirements to ensure it has sufficient cash to meet expected operational requirements.

The Company relies on mix of borrowings and operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

(c) Market risk

Market risk is the risk or uncertainty arising from possible market price movements resulting in fluctuation of the fair value of future cash flows of a financial instrument. The major components of Market risks are foreign currency risk, interest rate risk and other price risk.
Financial instruments affected by market risk includes borrowings.

(i) Foreign currency risk

The company does not have transaction in foreign currency and accordingly it is not exposed to foreign currency risk. There are no outstanding derivative contracts as at 31st March, 2022.

(ii) Interest rate risk

The Company's debt exposure includes borrowings from Holding Company and other bodies corporate. Borrowings from Holding Company are strategic in nature and accordingly, do not carry any interest component. Borrowings from other bodies corporate are subject to fixed interest rate which can be modified upon mutual agreement between the parties involved. Hence, the Company does not have any significant exposure to interest rate risk.

(iii) Other price risk

The company is not exposed to any other price risk.

42A Ratio analysis and its elements

Sl. No.	Ratio	Numerator	Denominator	2021 - 2022	2020 - 2021	% change with respect to previous year	Reason for variance (where change is more than 25%)
(1)	Current ratio	Current assets	Current liabilities	0.20	0.44	(54.55%)	Increase in current liabilities
(2)	Debt-equity ratio	Borrowings	Total equity	(173.72)	(374.24)	(53.58%)	Increase in profitability
(3)	Debt service coverage ratio	Profit after tax + Depreciation and amortisation + Finance costs	Finance costs	3.27	1.00	227.00%	Increase in profitability
(4)	Return on equity ratio	Profit after tax	Average total equity	(72.31%)	40.42%	(278.90%)	Increase in profitability
(5)	Inventory turnover ratio	Revenue from operations	Average inventory	92.55	75.81	22.08%	
(6)	Trade receivables turnover ratio	Revenue from operations	Closing trade receivables	13.68	4.73	189.22%	Increase in revenue from operations
(7)	Trade payables turnover ratio	Total purchases	Closing trade payables	1.36	1.40	(2.99%)	
(8)	Net capital turnover ratio	Revenue from operations	Working capital	(0.25)	(1.08)	(76.82%)	Increase in current liabilities
(9)	Net profit ratio	Net profit after tax	Revenue from operations	0.33	(0.32)	(203.13%)	Increase in profitability
(10)	Return on capital employed	Profit before tax + Interest on borrowings	Tangible net worth + Borrowings - Deferred tax assets	18.54%	8.72%	112.52%	Increase in profitability
(11)	Return on investment	Not Applicable					

42B The Company, neither had any transactions during the years ended 31st March, 2022 and 31st March, 2021 with companies, which have been struck off by the Registrar of Companies, nor any balance is outstanding from such companies as at the end of reporting year.

43 Various debit and credit balances including in respect of loans, advances, creditors are subject to confirmation and consequential reconciliation thereof.

44 Income Tax Authorities had conducted search under Section 132 of the Income Tax Act, 1961 at the Company's Registered Office. Information and details as required are being provided to the authorities. Outcome of the proceeding and its impact, if any, is currently not ascertainable.

45 The accumulated losses of the Company as at 31st March, 2022 have exceeded its paid-up share capital resulting in negative networth. The Company's current liabilities have exceeded its current assets as at 31st March, 2022. Necessary funds are being infused from time to time by its Promoter to meet for any shortfall in liquidity position of the Company. Based on the above, the Company is confident of its ability to meet the funds requirement and to continue its business as a going concern and accordingly, the financial statements have been prepared on that basis.

46 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

47 The Schedule III to the Companies Act 2013 vide notification dated 24th March, 2021 issued by Ministry of Corporate Affairs (MCA) has been amended with effect from 1st April, 2021 and these financial statements have been prepared giving effect to the said amendments. Accordingly, comparative figures of the previous year have been regrouped/ rearranged/ reclassified and disclosed wherever applicable to make them comparable with those of the current years' figures.

48 These financial statements have been approved by the Board of Directors of the Company on 26th May, 2022 for issue to the shareholders for their adoption.

As per our report of even date attached
For A L P S & CO.
Chartered Accountants
Firm's Registration No.: 313132E

A. K. Khetawat
Partner
Membership No.: 052751

For and on behalf of the Board of Directors

Sd/-
Satyendra Pal Singh
Director
DIN: 01055370

Sd/-
Pankaja Kumari Singh
Director
DIN: 00199454

Sd/-
Richa Jain
Company Secretary

Sd/-
Vishal Sharma
Director
DIN: 08773037

Sd/-
Aman Jain
Director
DIN: 08187995

Place: Kolkata
Date: 26th May, 2022

Place: New Delhi
Date: 26th May, 2022