Malwa Power Private Limited
Balance Sheet as at 31st March 2021
(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars			Note No.	As at 31st March 2021	As at 31st March 2020
I	**ASSETS**				
(1)	**Non-current assets**				
	(a)	Property, Plant and Equipment	3A	2,038.02	2,050.38
	(b)	Intangible Assets	3B	0.69	0.32
	(c)	Deferred tax assets (Net)	14A	7.37	-
(2)	**Current assets**				
	(a)	Inventories	4	674.20	787.27
	(b)	Financial Assets			
		(i) Trade Receivables	5	820.60	469.32
		(ii) Cash and cash equivalents	6	0.46	1.81
		(iii) Loans	7	0.04	0.04
	(c)	Current Tax Assets	8	-	4.06
	(d)	Other current assets	9	18.12	34.15
		Total Assets		**3,559.50**	**3,347.35**
II	**EQUITY AND LIABILITIES**				
	Equity				
	(a)	Equity Share capital	10	1,220.97	1,220.97
	(b)	Other Equity	11	231.44	(215.39)
	Liabilities				
(1)	**Non-current liabilities**				
	(a)	Financial Liabilities			
		(i) Borrowings	12	273.39	866.88
	(b)	Provisions	13	-	12.57
	(c)	Deferred tax liabilities (Net)	14	-	151.28
(2)	**Current liabilities**				
	(a)	Financial Liabilities			
		(i) Borrowings	15	919.36	674.12
		(ii) Trade Payables	16		
		- total outstanding dues of micro and small enterprises		-	-
		- total outstanding dues of creditors other than micro and small enterprises		636.50	511.96
		(iii) Other Financial Liabilities	17	211.40	60.02
	(b)	Other Current Liabilities	18	46.12	22.83
	(c)	Provisions	19	6.53	14.11
	(c)	Current Tax Liabilities (net)	20	13.79	28.00
		Total Equity and Liabilities		**3,559.50**	**3,347.35**

Summary of significant accounting policies and other notes to financial statements **1-40**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E

Sajal Goyal
Partner
M. No. 523903

Place: New Delhi
Date: 11-09-2021

For and on behalf of Board of Directors

Krishan Lalit Bansal
Managing Director
DIN: 01125121

Ashima Bansal
Director
DIN: 0928449

Gaurav Narang
Chief Financial Officer

Ranjan K Sarangi
Company Secretary

Place: Faridabad
Date: 11-09-2021

Malwa Power Private Limited
Statement of Profit and Loss for the year ended 31st March 2021
(All amounts are in ₹ lakhs, unless otherwise stated)

	Particulars	**Note No.**	**For the year ended 31st March 2021**	**For the year ended 31st March 2020**
I	Revenue From Operations	21	3,277.56	3,219.84
II	Other Income	22	92.30	43.39
III	**Total Income (I+II)**		**3,369.86**	**3,263.23**
IV	**Expenses**			
	Cost of Material Consumed	23	1,444.30	1,363.29
	Employee Benefit Expenses	24	499.35	420.87
	Finance Costs	25	142.67	209.01
	Depreciation and Amortization	26	113.65	116.35
	Other Expenses	27	825.55	683.97
	Total expenses (IV)		**3,025.52**	**2,793.49**
V	**Profit before tax (III-IV)**		**344.34**	**469.74**
VI	**Tax expense:**			
	1) Current Tax		59.79	79.07
	-Current tax relating to earlier years		0.14	6.89
	2) Deferred Tax Charge / (Credit)	14B	(159.59)	40.35
VII	**Profit for the year (V - VI)**		**444.00**	**343.43**
VIII	**Other Comprehensive Income**			
	(1) Items that will not be reclassified to profit & loss	28	3.78	(0.37)
	Tax relating to above		(0.95)	-
	Total Other Comprehensive Income for the year		2.83	(0.37)
IX	Total Comprehensive Income for the year (VII+VIII)		**446.83**	**343.06**
X	**Earnings per Equity Share (Per Share Value of Rs. 10 each:**			
	Basic	29	3.66	2.81
	Diluted	29	3.66	2.81
	Summary of significant accounting policies and other notes to	1-40		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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Partner
M. No. 523903

Place: New Delhi
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For and on behalf of Board of Directors

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Managing Director
DIN: 01125121

Ashima Bansal
Director
DIN: 0928449

Gaurav Narang
Chief Financial Officer

Ranjan K Sarangi
Company Secretary

Place: Faridabad
Date: 11-09-2021

Malwa Power Private Limited
Statement of Cash Flows for the year ended 31st March 2021
(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	Note No.	For the period ended 31st March 2021	For the year ended 31st March 2020
A. Cash Flow From Operating Activities			
Profit before tax		**344.34**	**469.73**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and Amortisation		113.65	116.36
Finance Costs		142.67	209.01
Item reclassified to Other comprehensive income		3.78	
Interest Income		(6.52)	(15.35)
Operating Profit before Working Capital Changes		**597.92**	**779.75**
Working capital adjustments:			
Increase in Trade and other receivables		(335.26)	409.80
Decrease in Inventories		113.07	(39.43)
Decrease in Trade Payables, Other Liabilities and Provisions		234.53	(373.80)
Cash generated from Operations		**610.26**	**776.32**
Direct Tax Paid		(70.07)	(112.56)
Net cash Inflow / (Outflow) from Operating Activities		**540.19**	**663.76**
B. Cash Flow From Investing Activities			
Purchase of Property, plant and equipments		(101.66)	(235.08)
Interest Received		6.52	15.35
Net Cash Inflow / (Outflow) from investing activities		**(95.14)**	**(219.73)**
C. Cash Flow From Financing Activities			
Net Proceeds from Borrowings		178.00	200.00
Repayment of Borrowings		(726.97)	(697.83)
Net Proceeds from Current Borrowings		245.24	115.46
Finance Costs paid		(142.67)	(60.96)
Net Cash Inflow / (Outflow) from Financing Activities		**(446.40)**	**(443.33)**
Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)		**(1.35)**	**0.70**
Opening Balance of Cash and Cash Equivalents		1.81	1.11
Closing Balance of Cash and Cash Equivalents (Refer Note No. 6)		**0.46**	**1.81**

Notes

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard on 'Statement of Cash Flows (Ind AS-7)' as prescribed under The Indian Accounting Standard Rules 2015, as amended.

2 As per Ind AS 7, the Company is required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Company did not have impact on the Statement of Cash Flows therefore reconciliation has not been given.

Summary of significant accounting policies and other notes to financial statements	1-40

The accompanying notes are an integral part of the financial statements

For and on behalf of Board of Directors

As per our report of even date

For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E

Krishan Lalit Bansal
Managing Director
DIN: 01125121

Ashima Bansal
Director
DIN: 0928449

Sajal Goyal
Partner
M. No. 523903

Gaurav Narang
Chief Financial Officer

Ranjan K Sarangi
Company Secretary

Place: New Delhi
Date: 11-09-2021

Place: Faridabad
Date: 11-09-2021

Malwa Power Private Limited
Statement of Changes in Equity for the year ended 31st March 2021 **(All amounts are in ₹ lakhs, unless otherwise stated)**

A. Equity share capital:

Equity shares of INR 10 each issued, subscribed and fully paid	Equity Shares No. In lakhs	Equity Shares INR lakhs
At 1st April 2019	**12,209,680**	**1,220.97**
Increase/(decrease) during the year	-	-
At 31st March 2020	**12,209,680**	**1,220.97**
Increase/(decrease) during the year	-	-
At 31st March 2021	**12,209,680**	**1,220.97**

B. Other equity

For the year ended 31st March 2020 and 31st March 2021:

Particluars	Reserve & Surplus		Total
	Retained Earnings	Items of Other Comprehensive Income (OCI)	
Balance as at 1st April 2019	(568.23)	9.78	(558.45)
Add/ (Less):			
Transfer to Retained earnings	9.78	(9.78)	-
Profit for the year	343.43		343.43
Other Comprehensive Income (net of tax)	(0.37)	-	(0.37)
Balance at the 31st March 2020	**(215.39)**	**-**	**(215.39)**
Add/ (Less):			
Transfer to Retained earnings	-		
Profit for the year	444.00		444.00
Other Comprehensive Income (net of tax)	2.83		2.83
Balance at the 31st March 2021	**231.44**	**-**	**231.44**

Retained Earnings
Retained earnings are profits earned by the Company after transfer to general reserve and payment of dividend to shareholders.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E

Sajal Goyal
Partner
M. No. 523903

Place: New Delhi
Date: 11-09-2021

For and on behalf of Board of Directors

Krishan Lalit Bansal
Managing Director
DIN: 01125121

Ashima Bansal
Director
DIN: 01928449

Gaurav Narang
Chief Financial Officer

Ranjan K Sarangi
Company Secretary

Place: Faridabad
Date: 11-09-2021

1. Corporate Information

Malwa Power Private Limited referred to as "The Company" is domiciled in India. The registered office of the Company is at 1255 Sector-14, Faridabad, Haryana-121007 India. Malwa Power Private Limited is a wholly owned subsidiary of "Dee Development Engineers Ltd" (Public limited company). The Company is mainly engaged in business of Power Generation. The Company has its own operating bio-mass power plant in Gulabewala, Sri Muktsar Sahib (Punjab).

The financial statements of the company for the year ended 31st March, 2021 were authorized for issue in accordance with a resolution of the directors on _______________.

2 Significant Accounting Policies

a. Basis of preparation

The financial statements of the Company comply with all material aspects with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

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

b. Basis of measurement

The financial statements have been prepared under the historical cost convention on accrual basis and the following items, which are measured on following basis on each reporting date:

- Certain financial assets and liabilities that are measured at fair value.
- Defined benefit liability/(assets): present value of defined benefit obligation less fair value of plan assets.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c. Functional and presentation currency

These financial statements are presented in Indian National Rupee ('₹'), which is the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

d. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements
Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:
- Classification of leases into finance and operating lease
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties
Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included below:
- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts;
- Useful life and residual value of Property, Plant and Equipment;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

e. Classification of Assets and Liabilities as Current and Non-Current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset/liabilities is treated as current when it is:
- Expected to be realised/settled (liabilities) or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash and Cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other assets/liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current assets/liabilities.

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

f. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements.
The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Electricity

Revenue from the sale of electricity is recognised when effective control incluidng significant risks and rewards have passed to the buyer, usually on delivery. Revenue is measured at the fair value of the consideration received or receivable, net of import and allowances and rebates.

Surcharge/ Interest Income

Surcharge/ Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

g. Taxation

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in Equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:
a) Has a legally enforceable right to set off the recognised amounts; and
b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date 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 asset to be recovered.

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

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Statement of Profit and Loss and included in deferred tax assets. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

h. Property, Plant and Equipment (Fixed Assets)

Recognition and Measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss , if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that there is an increase in the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is calculated on Straight Line Method using the rates arrived at on the basis of estimated useful lives given in Schedule II of the Companies Act, 2013 except for the following which has been determined on the basis of technical evaluation, except for the Plant & Machinery from 15-40 Years.

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
Individual assets costing below Rs. 5000 are fully depreciated in the year of purchase.

Capital work-in-progress

Expenditure incurred during the construction period, including all expenditure direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment.

De-recognition

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

i. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
Amortization on intangible assets is allocated on systematic basis over the best estimate of their useful life and accordingly softwares are amortised on straight line basis over the period of six years or license period which ever is lower.
Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

j. Expenditure on new projects , substantial expansion and during construction period

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit & Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its originally assessed standard of performance.

Expenditure during construction/installation period is included under capital work-in-progress and the same is allocated to respective Fixed Assets on the completion of its construction.

k. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction of qualifying assets are capitalised as part of the cost of such assets upto the assets are substantially ready for their intended use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised on the basis of the Effective Interest Rate (EIR) method over the term of the loan.
All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

l. Leases

Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets, wherein, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Company as a lessor

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

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

m. Inventories

Inventories are valued as follows:-

Raw materials, Stores, Spares and Other Materials	Lower of cost and net realizable value. However, materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on weighted average cost basis. In case of agro forestry, cost as per determined by the valuer.

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

n. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the recoverable amount of assets is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit & Loss.

o. Provisions, Contingent Liabilities and Contingent Assets

Based on the best estimate provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

p. Retirement and Other Employee Benefits

(i) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, exgratia, incentives are recognized in the period during which the employee renders the related service.

(ii) Post-Employment Benefits

(a) Defined Contribution Plans

State Government Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognized in the statement of profit and loss account during the period during which the employee renders the related service.

(b) Defined Benefit Plans

The employee Gratuity Fund Scheme managed by a trust is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation under the projected unit credit method which recognizes each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government securities as at balance sheet date, having maturity periods approximated to the returns of related obligations. In case of funded plans the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

(c) Other long-term employee benefits

The Company has long term employment benefit plans i.e. accumulated leave. Accumulated leave is encashed to eligible employees at the time of retirement. The liability for accumulated leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

(d) Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income.

q. Financial instruments

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

Financial assets

Initial recognition and measurement

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

Classifications

The company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, trade and other payables.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit and financial guarantee contracts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Derecognition

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

r. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors identified as chief operating decision-maker (CODM). Since the Company's business activity primarily falls within a single segment, i.e. Power generation, the Company has not provided segment wise disclosures in accordance with Ind AS 108.

s. Cash and Cash Equivalents

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

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

t. Earnings per share

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

Diluted earnings per share are calculated by dividing the net profit or loss (after Tax) for the year attributable to equity shareholders by the weighted average number of equity shares which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

u. Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021. However, on 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

• Specified format for disclosure of shareholding of promoters.

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the financial statements for the period ended 31st March 2021 (All amounts are in ₹ lakhs, unless otherwise stated)

3A. Property, plant and equipment

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 31st March 2020	Additions	Deletions	As at 31st March 2021	As at 31st March 2020	For the year	Deletions	As at 31st March 2021	As at 31st March 2020	As at 31st March 2021
Tangible Assets										
Freehold land	225.30		-	225.30	-	-	-	-	225.30	225.30
Building	443.73	2.71	-	446.44	77.17	19.37	-	96.54	366.56	349.90
Furniture and fixtures	10.67	0.00	-	10.67	3.01	0.68	-	3.69	7.66	6.98
Plant and equipment	1,752.31	95.82	-	1,848.13	325.00	88.35	-	413.35	1,427.31	1,434.78
Electrical Installations and Equipment	1.17	0.00	-	1.17	0.07	0.00	-	0.07	1.10	1.10
Office equipments	7.45	1.88	-	9.33	2.81	0.97	-	3.78	4.64	5.55
Vehicles	30.29	0.00	-	30.29	16.13	2.81	-	18.94	14.16	11.35
Computers and Data processing	7.08	0.72	-	7.80	3.43	1.31	-	4.74	3.65	3.06
Total	**2,478.00**	**101.13**	**-**	**2,579.13**	**427.62**	**113.49**	**-**	**541.11**	**2,050.38**	**2,038.02**

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 31st March 2019	Additions	Deletions	As at 31st March 2020	As at 31st March 2019	For the year	Deletions	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020
Tangible Assets										
Freehold land	225.30	-	-	225.30	-	-	-	-	225.30	225.30
Building	443.73	-	-	443.73	57.77	19.40	-	77.17	385.96	366.56
Furniture and fixtures	9.58	1.09	-	10.67	2.31	0.70	-	3.01	7.27	7.66
Plant and equipment	1,521.99	230.32	-	1,752.31	234.97	90.03	-	325.00	1,287.02	1,427.31
Electrical Installations and Equipment	1.17	-	-	1.17	0.07	-	-	0.07	1.10	1.10
Office equipments	5.49	1.96	-	7.45	1.94	0.87	-	2.81	3.55	4.64
Vehicles	30.29	-	-	30.29	12.09	4.04	-	16.13	18.20	14.16
Computers and Data processing	5.37	1.71	-	7.08	2.36	1.07	-	3.43	3.01	3.65
Total	**2,242.92**	**235.08**	**-**	**2,478.00**	**311.51**	**116.11**	**-**	**427.62**	**1,931.41**	**2,050.38**

1. Assets pledged and hypothecated against borrowings, Refer Note No. 13 & 16.

3B. Intangible Assets

Particulars	Gross Block				Accumulated Amortisation				Net Block	
	As at 31st March 2020	Additions	Deletions	As at 31st March 2021	As at 31st March 2020	For the year	Deletions	As at 31st March 2021	As at 31st March 2020	As at 31st March 2021
Software	1.35	0.53	-	1.88	1.03	0.16	-	1.19	0.32	0.69
Total	**1.35**	**0.53**	**-**	**1.88**	**1.03**	**0.16**	**-**	**1.19**	**0.32**	**0.69**

Particulars	Gross Block				Accumulated Amortisation				Net Block	
	As at 31st March 2019	Additions	Deletions	As at 31st March 2020	As at 31st March 2019	For the year	Deletions	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020
Software	1.35	-	-	1.35	0.78	0.25	-	1.03	0.57	0.32
Total	**1.35**	**-**	**-**	**1.35**	**0.78**	**0.25**	**-**	**1.03**	**0.57**	**0.32**

		As at 31st March 2021	As at 31st March 2020
4	**Inventories**		
	Current		
	(Valued at lower of cost and net realizable value)		
	Raw Materials	508.71	618.97
	Stores and Spares	129.41	132.22
	Agroforestry	36.08	36.08
		674.20	**787.27**
i.	Inventories are hypothecated to secure borrowings. Refer Note 12 and 15.		
ii.	Material in Transit	-	-
5	**Trade receivables**		
	Current		
	Unsecured, considered good	820.60	469.32
		820.60	**469.32**

i No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are interest bearing and are generally on terms of 60 days.

ii Trade Receivables are hypothecated to secure borrowings. Refer Note 12 and 15.

		As at 31st March 2021	As at 31st March 2020
6	**Cash and cash equivalents**		
	Balances with Scheduled banks:		
	In Current Accounts	0.26	0.26
	Cash in hand	0.20	1.55
		0.46	**1.81**
7	**Loans**		
	(Unsecured, considered good unless otherwise stated)		
	Security deposits	0.04	0.04
		0.04	**0.04**
	Loans are hypothecated to secure borrowings. Refer Note 12 and 15.		
8	**Current Tax Assets**		
	Income Tax Recoverable	-	4.06
		-	**4.06**
9	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Prepaid expenses	14.74	15.80
	Advance to Suppliers	3.38	10.46
	Advances to Employees	-	3.54
	Others	-	4.35
		18.12	**34.15**

10 Equity share capital

(A) Authorised share capital:

Particulars	Equity shares No.	Equity shares Rs. in lakhs
As at 1st April 2019	13,000,000	1,300.00
Increase / (Decrease) during the year	-	-
As at 31st March 2020	**13,000,000**	**1,300.00**
Increase / (Decrease) during the year	-	-
As at 31st March 2021	**13,000,000**	**1,300.00**

(B) Issued, subscribed and paid-up

Particulars	No. of shares	Rs. in lakhs
Equity shares of Rs. 10 each :		
At 1st April 2019	12,209,680	1,220.97
Increase/ (decrease) during the year	-	-
At 31st March 2020	**12,209,680**	**1,220.97**
Increase/ (decrease) during the year	-	-
At 31st March 2021	**12,209,680**	**1,220.97**

(C) Terms, rights, preferences attached to Equity shares:

Each Shareholder is entitled to one vote per share. The dividend except interim dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Particulars	As at 31st March 2021 Nos.	As at 31st March 2021 % of holding	As at 31st March 2020 Nos.	As at 31st March 2020 % of holding
M/S Dee Development Engineers Limited **(Holding Company)** (including nominee shareholders)	12,209,680	100.00%	12,209,680	100.00%

11 Other equity

	Particulars	As at 31st March 2021	As at 31st March 2020
(A)	**Retained Earnings**		
	Opening balance	(215.39)	(568.22)
	Add: Profit for the year	444.00	343.42
	Add : transfer from Other Comprehensive Income	-	9.78
	Add : transfer from Other Comprehensive Income	2.83	(0.37)
	Closing balance	**231.44**	**(215.39)**
(B)	**Other Comprehensive Income**		
	Opening balance	-	9.78
	Less : transfer to retained earnings		(9.78)
	Other Comprehensive Income for the year	2.83	(0.37)
	Less : transfer to retained earnings	(2.83)	0.37
	Closing balance	-	-
	Total reserves	**231.44**	**(215.39)**

Notes to the financial statements for the year ended 31 March 2021 (All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	As at 31st March 2021	As at 31st March 2020

12 Non Current Borrowings

Secured		
Term Loan from a bank (refer note (a) below)	347.99	201.93
Unsecured		
Inter Corporate Loan from Holding Company	-	695.03
	347.99	**896.96**
Less: Current maturities of Non-current borrowings disclosed under "other current liabilities"	74.60	30.08
	273.39	**866.88**

Notes:

a) Secured by first charge on both movable and immovable fixed assets situated at village Gulabewala, personal guarantee of promoters and corporate guarantee of holding company.

Repayment Schedule of Borrowings for Current & Non Current Portion

Particulars	As at 31st March 2021	As at 31st March 2020
Secured Loans		
Presently 10.35% (Previous Year 11%) p.a.	169.99	201.93
[Repayable in 50 (previous year 60) monthly installments]		
Presently 7.50% (Previous Year NIL) p.a.	178.00	-
[Repayable in 36 (previous year NIL) monthly installments]		
Unsecured Loans		
Presently NIL (Previous Year 10%) p.a.	-	695.03
	347.99	**896.96**

13 Provisions

Particulars	Non-current	
	As at 31st March 2021	As at 31st March 2020
Provisions for employee benefits	-	12.57
	-	**12.57**

14 Deferred tax

A Cumulative balance	As at 31st March 2021	As at 31st March 2020
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(428.52)	(315.53)
MAT Credit assets (refer (i) below)	190.95	-
Unabsorbed depreciation as per tax return (refer (i) below)	244.94	164.25
Net deferred tax asset / (liabilities)	**7.37**	**(151.28)**

Notes to the financial statements for the year ended 31 March 2021 (All amounts are in ₹ lakhs, unless otherwise stated)

	Balance recognised in Statement of profit and loss	For the year ended 31st March 2021	For the year ended 31st March 2020
B	Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	113.00	41.44
	MAT Credit assets (refer (i) below)	(190.95)	
	Expenditure allowed for tax purposes on payment basis		1.09
	Unabsorbed depreciation as per tax return (refer (i) below)	(80.68)	-
	Deferred tax expense / (income)	**(158.63)**	**40.35**

i Till previous year ended 31st March 2020, deferred tax assets were not recognised in respect of these losses and MAT due to uncertainty in offsetting taxable profits within specified period.

As at March 31, 2021

Particulars	Year of expiry	Amount
Unabsorbed depreciation	No expiry	841.12
Business Loss	next 1 to 6 years	0
MAT Credit assets	next 11 to 15 years	190.95
Total		1032.07

As at March 31, 2020

Particulars	Year of expiry	Amount
Unabsorbed depreciation	No expiry	652.63
Business Loss	next 1 to 6 years	389.41
MAT Credit assets	next 11 to 15 years	132.77
Total		1,174.81

ii Reconciliation of tax expense and accounting profit multiplied by Indian domestic tax

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Profit before tax from operations	444.00	343.43
Tax using the Company's Domestic Tax Rate @ 29.12%	129.29	100.01
Tax effect of :-		
- Tax related to earlier years	0.14	6.89
- MAT Credit related to earlier year, accounted in current year	(131.16)	-
- MAT Credit related to current year	(59.79)	-
- Utilisation of tax lossess on which deferred tax assets was not created in earlier years	(38.13)	-
- Others [changes in tax rates etc.]	-	19.42
Tax Expense recognised in the Statement of profit or loss	**(99.66)**	**126.32**

15 Current Borrowings

Secured (repayable on demand)		
Cash Credit & Packing Credit Facility from a bank (refer note (a) below)	679.09	674.12
Unsecured (repayable on demand)		
Inter Corporate Loan from Holding Company	240.27	-
	919.36	**674.12**

Notes:

a) Secured by hypothecation of current assets i.e. present & future stock of raw material, work in progress, finished goods, store & spares, book debts etc. The Loan is further secured by corporate guarantee of the Holding Company and personal guarantee of Promotor - Directors.

	Particulars	As at 31st March 2021	As at 31st March 2020
16	**Trade Payables**		
	Trade payables to Micro, Small and Medium Enterprises	-	-
	Trade payables dues of creditors other than micro and small enterprises	636.50	511.96
		636.50	**511.96**

(a) Based on the information available and as identified by the Company, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Principal amount and Interest due thereon remaining unpaid to any supplier as on	-	-
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
the amount of interest accrued and remaining unpaid during the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

17	**Other financial liabilities**		
	Current maturities of Non - current borrowings	74.60	30.08
	Interest accrued on borrowings - Holding Company	45.87	-
	Interest accrued on borrowings - Others	5.49	5.49
	Employees Emoluments	79.00	24.45
	Other Payables	6.44	-
		211.40	**60.02**
18	**Other Current liabilities**		
	Statutory Dues	46.12	22.83
		46.12	**22.83**
19	**Provisions**		
	Provisions for employee benefits	6.53	14.11
		6.53	**14.11**
20	**Current Tax Liabilities**		
	Current Tax (Net of advance tax INR 46.08 lakhs (Previous year INR 55 lakhs))	13.79	28.00
		13.79	**28.00**

Notes to the financial statements for the year ended 31 March 2021 (All amounts are in ₹ lakhs, unless otherwise stated)

21 Revenue From Operations

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Sale of Electricity	3,277.56	3,219.84
	3,277.56	**3,219.84**

A. Disaggregated revenue information

i The Company presented disaggregated revenue based on the type of goods sold or services rendered directly to customers. Revenue is recognised for goods transferred or services rendered at a point in time or completion of performance obligation.

ii **Reconciliation of revenue as per contract price and as recognised in Statement of Profit or Loss:**

Revenue as per contract price	3,277.56	3,219.84
Less: Rebates, incentives, discounts etc.	-	-
Revenue as per Statement of Profit and Loss	**3,277.56**	**3,219.84**

iii **Receivables, assets and liabilities related to contracts with customers**

Trade receivables	820.60	469.32
Advances from customers (Contract liabilities) #	-	-
Receivables (Contract assets)	-	-

NIL (Previous year NIL) revenue recognised in the reporting period out of the contract liability balance at the beginning of the period.

22 Other non-operating income

Interest income	6.52	15.35
Insurance claim received	21.72	2.21
Sundry balances written back	7.50	0.00
Scrap sales	52.39	17.09
Miscellaneous income	4.17	8.74
	92.30	**43.39**

23 Cost of Raw Material Consumed

Cost of Raw Material Consumed	**1,444.30**	**1,363.29**

24 Employee benefits expense

Salaries,wages, bonus etc	449.73	367.31
Contribution to provident and other funds	17.94	18.44
Contribution to gratuity fund	7.63	12.14
Workmen and staff welfare expenses	24.05	22.98
	499.35	**420.87**

25 Finance costs

Interest Expense		
- On Term Loans	27.69	19.08
- To Others	107.36	179.17
- To Income tax	4.09	4.00
Other Borrowing Cost	3.53	6.76
Total	**142.67**	**209.01**

26 Depreciation and amortization expense

Depreciation	113.49	116.11
Amortisation	0.16	0.25
Total	**113.65**	**116.36**

27 Other expenses

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Stores and Spare Parts Consumed	79.26	74.39
Fabrication and Job Charges	240.03	162.77
Repair and Maintenance:		
- Buildings	8.27	12.32
- Plant and Machinery	311.14	269.15
- Other	13.35	12.48
Rent including lease rentals (Refer 27.2)	23.37	17.96
Rates and Taxes	2.90	2.41
Insurance	35.21	30.82
Power, Fuel and Water Charges	19.36	4.66
Auditors Remuneration (Refer 27.1)	2.55	2.67
Advertisment	0.74	0.79
Ash Handling	20.93	23.94
Freight & Forwarding	4.24	7.09
Legal & Professional	6.84	7.49
Travelling	3.41	3.72
Bank Charges	0.30	0.35
Security & Servicing Charges	24.82	23.88
CSR Expenses	-	0.73
Miscellaneous	28.83	26.35
Total	**825.55**	**683.97**

27.1 **Payment to auditors :**

As auditor:		
- Audit fee	1.89	1.89
- Tax audit fee	0.47	0.47
- Reimbursement of expenses	0.19	0.31
Total	**2.55**	**2.67**

27.2 The Company has entered into rental agreements for a period upto 12 months considered as short term lease against which expense of ₹ 23.37 Lakhs (Previous year : ₹ 17.96 lakhs) for the year ended 31st March 2021.

28 Components of Other Comprehensive Income (OCI) (Net of tax)

A. Retained Earnings		
Re-measurement gains (losses) on defined benefit plans	2.83	(0.37)
	2.83	**(0.37)**

29 Earnigs per share (EPS)
The following table reflects the income and shares data used in computation of the basic and diluted earnings per share:

(a)	Profit/ (loss) for the year (₹ Lakhs)	446.83	343.05
(b)	Face value per share (₹)	10	10
(c)	Number of equity shares at the beginning of the year	12,209,680	12,209,680
	Less: Cancelled during the year	-	-
	Add: Issued during the year	-	-
	Number of equity shares at the end of the year	12,209,680	12,209,680
(d)	Weighted average number of equity shares*	12,209,680	12,209,680
(e)	Effect of dilution	-	-
(f)	Weighted average number of equity shares for diluted EPS*	12,209,680	12,209,680
(g)	**Earning Per Share :**		
	Basic (₹ / share) [(a)/(d)]	3.66	2.81
	Diluted (₹/ share) [(a)/(f)]	3.66	2.81

*There have been no transactions involving Equity shares or Potential Equity shares between the reporting date and the date of approval of these financial statements that would have an impact on the outstanding weighted average number of equity shares as at the year end.

30 Gratuity and other post-employment benefit plans

A. Defined contribution plan

Provident Fund: During the year, the Company has recognised ₹ 17.94 Lakhs (Previous year ₹ 18.44 Lakhs) as contribution to Employee Provident Fund in the Statement of Profit and Loss.

B Defined benefit plans - General Description

The Company made provision for gratuity in accordance with Ind-AS 19 "Employee Benefits". Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of INR 20 Lakhs at the time of separation from the company.

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity were carried out as at 31st March 2021 wherein expense and liabilities in respect of gratuity were measured using the Projected Unit Credit Method : The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for defined benefit plans:

Amount recognised in statement of profit and loss

Net employee benefit expense recognized in the employee cost:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Service cost	7.11	7.13
Net interest cost	0.47	2.95
Expenses recognised in the statement of profit and loss	**7.58**	**10.08**
Amount recognised in other comprehensive income		
Net actuarial loss/(gain) recognised in the year	(3.78)	0.37
Expenses recognised in the other comprehensive income	**(3.78)**	**0.37**
Balance sheet		
Benefit asset/ liability		
Present value of defined obligation at the end of the period	60.45	53.49
Fair value of the plan assets at the end of the year	(49.99)	(46.51)
Amount recognized in Balance Sheet	**-10.46**	**-6.98**
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	53.49	38.53
Current service cost	7.11	2.95
Interest cost	3.64	7.13
Actuarial (gain)/ loss on obligation	(3.78)	4.88
Closing defined benefit obligation	**60.46**	**53.49**
Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	46.50	40.04
Expected Return on Plan Assets	3.46	3.33
Actuarial gain/(loss)	-	-
Fund Manager Charges	(0.57)	(0.49)
Contribution by the employer	0.60	3.62
Closing fair value of plan assets	**49.99**	**46.50**

B. The principal acturial assumptions used in determining gratuity are as follows:

(a) Economic assumptions		
Discount rate	6.80%	6.80%
Expected rates of return on any plan assets	8.00%	8.00%
Average Salary escalation rate	6.00%	6.00%
Average remaining working life of the employees(years)	18.17	19.07

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Notes to the financial statements for the year ended 31st March 2021 (All amounts are in ₹ lakhs, unless otherwise stated)

(b) Demographic assumptions

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Retirement age	58 years	58 years
Mortality table	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)

C. A quantitative sensitivity analysis for significant assumption as at 31st March is as shown below:

Assumptions	Sensitivity Level	Impact on defined benefit obligation
Discount rate:		
31st March 2021	Increase of 0.50%	(2.95)
	Decrease of 0.50%	3.21
31st March 2020	Increase of 0.50%	(2.72)
	Decrease of 0.50%	2.97
Future salary increases:		
31st March 2021	Increase of 0.50%	3.22
	Decrease of 0.50%	(2.98)
31st March 2020	Increase of 0.50%	2.98
	Decrease of 0.50%	(2.75)

Sensitivities due to mortality & withdrawals are insignificant & hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

D. The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31st March 2021	31st March 2020
Within the next 12 months (next annual reporting period)	10.55	3.85
Between 2 and 5 years	11.74	13.80
Beyond 5 years	38.17	35.84
Total expected payments	**60.46**	**53.49**

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 14.82 years (31 March 2020: 15.35 years)

Notes to the financial statements for the year ended 31st March 2021 (All amounts are in ₹ lakhs, unless otherwise stated)

31 Related party transactions

(A) List of related parties:

(i) Holding Company:
- Dee Development Engineers Ltd.

(ii) Key management personnel:
- Mr. Krishan Lalit Bansal (Chairman and Managing Director)
- Mr. Atul Krishan Bansal (Director and Son of Shri K.L. Bansal)
- Mrs. Ashima Bansal (Non Executive Director and Wife of Shri K.L. Bansal)
- Mr. Balwan Singh Jangra (Chief Executive Officer)
- Mr. Gaurav Narang (Chief Financial Officer)
- Mr. Ranjan Kumar Sarangi (Company Secretary)

(iii) Relative of key management personnel
- Mrs. Shruti Aggarwal (Daughter of Mr. K.L. Bansal)
- Mrs. Kamlesh Jangra (Wife of Mr. B.S. Jangra)

(B) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of related party	Year ended 31st March 2021	Year ended 31st March 2020
(i) With Holding Company - DEE Development Engineers Ltd.		
Purchase of Goods	41.92	27.25
Interest Paid & Payable	49.58	125.97
Loan Received	847.10	1,037.95
Repayment of Loan	1,301.86	1,692.92
(ii) With Key management personnel and their relatives:		
Rent paid to Mr. Krishan Lalit Bansal	0.60	0.60
Remuneration to KMP #		
- Short term employee benefits		
Remuneration paid to Mr. Krishan Lalit Bansal	84.00	-
Remuneration paid to Mr. Balwan Singh Jangra	42.08	40.03
Remuneration paid to Mrs Kamlesh Jangra	14.43	13.05
Remuneration paid to Mr Gaurav Narang	12.00	12.00

The amount related to gratuity cannot be ascertained separately since they are included in the contribution in respect made to the insurance company on a group basis for all employees together. As the liability for leave encashment are provided on actuarial basis for the Company as a whole, hence not included in above.

(C) Following are the balances oustanding as at year end:

Name of related party	As at 31st March 2021	As at 31st March 2020
(i) With Holding Company - DEE Development Engineers Ltd.		
Loans Received	240.27	695.03
Interest Accrued	45.87	-
(ii) With Key management personnel and their relatives:		
Account Payable:		
Mr. Krishan Lalit Bansal	38.43	0.60

******Remuneration do not include provision for leave encashment and contribution to the approved gratuity fund of the company, which are actuarially determined for the Company as a whole.

Apart from above, Mr. Krishan Lalit Bansal has given personal guarantee as a collateral for securing borrowings from the banks.

(D) Compensation of key management personnel of the Company

NIL

(E) Others

Guarantee related transactions - Refer Note 13 and 16.

Notes to the financial statements for the year ended 31st March 2021 (All amounts are in ₹ lakhs, unless otherwise stated)

32 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020
(A) Financial assets (at FVTPL)				
Current				
Trade Receivables	820.60	469.32	820.60	469.32
Security deposits	0.04	0.04	0.04	0.04
Cash and bank balances	0.46	1.81	0.46	1.81
Total financial assets	**821.10**	**471.17**	**821.10**	**471.17**
(B) Financial liabilities (at Amortised cost)				
Non-Current				
Borrowings	273.39	866.88	273.39	866.88
Current				
Borrowings	919.36	674.12	919.36	674.12
Current maturities of Long-term debts	74.60	30.08	74.60	30.08
Trade payables	636.50	511.96	636.50	511.96
Interest accrued on borrowings	51.35	5.49	51.35	5.49
Employee's Emoluments	79.00	24.45	79.00	24.45
Total financial liabilities	**2,034.20**	**2,112.98**	**2,034.20**	**2,112.98**

Note:-
The management assessed that cash and cash equivalents, other bank balances, trade receivables, loan to employees, current portion of security deposits, other current assets, interest accrued on fixed depsoits, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
a. Term deposits- The fair value of term deposits is equal to carrying value since they are carrying market interest rates as per the banks.

b. Long-term borrowings - The fair value of long-term borrowings is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The carrying value and fair value of the borrowings has been considered the same since the existing interest rate approximates its fair value.

c. Others- For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to the financial statements for the year ended 31st March 2021 (All amounts are in ₹ lakhs, unless otherwise stated)

33 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

This section explains the judgements and estimates made All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Specific valuation techniques used to value financial instruments include:
(i) the use of quoted market prices or dealer quotes for similar instruments
(ii) the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
(iii) the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021:

			Fair value measurement using		
Particulars	**Date of valuation**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial assets measured at amortised cost	**31-Mar-21**	-	-	-	-
Financial liabilities measured at amortised cost	**31-Mar-21**	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the year.

B. Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2020:

			Fair value measurement using		
Particulars	**Date of valuation**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial assets measured at amortised cost	**31-Mar-20**	-	-	-	-
Financial liabilities measured at amortised cost	**31-Mar-20**	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the year.

34 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits given, employee advances, trade and other receivables, cash and term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings. The Company is not exposed to currency risk and other price risk.

The sensitivity analysis in the following sections relate to the position as at 31st March 2021 and 31st March 2020.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31st March 2021.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations;

The following assumption have been made in calculating the sensitivity analysis:
- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March 2021 and 31st March 2020.

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

The Company is exposed to interest rate risk because Company borrows funds at both floating interest rates. These exposures are reviewed by appropriate levels of management. The Company regularly monitors the market rate of interest to mitigate the risk exposure. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase / Decrease in basis point	Effect on profit before tax	Effect on Equity, after tax	Increase / Decrease in basis point	Effect on profit before tax	Effect on Equity, after tax
	31st March 2021			31st March 2020		
Loan from banks	+50%	55.08	41.22	+50%	3.32	2.48
	-50%	-55.08	-41.22	-50%	-3.32	-2.48

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. The Company is exposed to credit risk from its operating activities including deposits with banks and financial institutions, foreign exchange transactions

Trade receivables:
Trade receivables do not have any significant potential credit risk for the Company as the business of the Company is majorly cash based. Accordingly, any significant impairment analysis is not required to be performed by the management at each reporting date except on individual basis for major clients. The Company is a power generating company. The company is dealing with single customer having good credit worthiness, and no impairment loss has been recognized against these customers. In monitoring customer credit risk, customer is reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous

Particulars	Neither due nor impaired (including unbilled)	Past due			
		Up to 6 months	6 to 12 months	Above 12 months	Total
As at March 31, 2021	820.60	-	-	-	820.60
As at March 31, 2020	469.32	-	-	-	469.32

Liquidity risk
The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits and bank loans. Most of loans borrowed by the Company's will not mature in less than one year at 31st March 2021 based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

As at 31st March 2021, the Company has available ₹ 21.59 lakhs (March 31, 2020: ₹ 25.88 lakhs) of undrawn borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended 31st March 2021						
Long term borrowings (including current maturities)	-	10.00	64.61	273.39	-	348.00
Short term borrowings	919.36	-	-	-	-	919.36
Trade payables	636.50	-	-	-	-	636.50
Other financial liabilities	130.35	-	-	-	-	130.35
	1,686.21	**10.00**	**64.61**	**273.39**	**-**	**2,034.21**
Year ended 31st March 2020						
Long term borrowings (including current maturities)	695.03	10.00	20.08	171.85	-	896.96
Short term borrowings	674.12					674.12
Trade payables	511.96	-	-	-	-	511.96
Other financial liabilities	29.94	-	-	-	-	29.94
	1,911.05	**10.00**	**20.08**	**171.85**	**-**	**2,112.98**

Notes to the financial statements for the year ended 31st March 2021 (All amounts are in ₹ lakhs, unless otherwise stated)

35 Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	As at 31st March 2021	As at 31st March 2020
Borrowings (refer note 12)	1,267.35	1,571.08
Less: Cash and cash equivalents (refer note 6)	(0.46)	(1.81)
Net debts (A)	**1,266.89**	**1,569.27**
Equity share capital	1,220.97	1220.97
Other Equity	231.44	(215.39)
Total Capital (B)	**1,452.41**	**1,005.58**
Total capital and net debts (C) = (A) + (B)	**2,719.30**	**2,574.85**
Gearing ratio (C) / (B)	**46.59%**	**60.95%**

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

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2021 and 31st March 2020.

36 Balances of certain trade advances, trade payables and other liabilities are in the process of confirmation and/or reconciliation.

37 Lease

The Company's significant leasing arrangements are in respect of operating leases of premises for storage. These leasing arrangements, which are cancellable, are generally for a period of 11 months and are usually renewable on mutually agreeable terms.

38 Contingent liabilities, contingent assets and commitments

	Particulars	As at 31st March 2021	As at 31st March 2020
A.	**The Company does not have any contingent labilities and contingent assets.**	-	-
B.	**Capital Commitments** Estimated amount of Contracts remaining to be executed on Capital Account [Net of Advances] not provided for	-	-

39 COVID - 19 pandemic has caused serious disruption on the global economic and business environment. There is a huge uncertainty with regard to its impact which cannot be reasonably determined at this stage. However, the Company has evaluated and considered to the extent possible the likely impact that may arise from COVID-19 pandemic as well as all event and circumstances upto the date of approval of these financial statements on the carrying value of its assets and liabilities as on 31st March, 2021. Based on the current indicators of future economic conditions, the Company estimates to recover the carrying amount of its assets. The Company has adequate liquidity to discharge its obligations. These estimates are subject to uncertainty and may be affected by the severity and duration of the pandemic. The Company is continuously monitoring any material changes in future economic conditions.

40 Previous Year's figures have been reclassified/regrouped to conform to current year figure.

For and on behalf of Board of Directors

As per our report of even date

For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E

Krishan Lalit Bansal
Managing Director
DIN: 01125121

Ashima Bansal
Director
DIN: 01928449

Gaurav Narang
Chief Financial Officer

Ranjan K Sarangi
Company Secretary

Sajal Goyal
Partner
M. No. 523903

Place: Faridabad
Date: 11-09-2021

Place: Faridabad
Date: 11-09-2021