

**Malwa Power Private Limited**  
**Balance Sheet as at 31st March 2023**  
(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3A	1,966.19	2,009.45
(b) Capital work-in-progress	3B	90.33	-
(c) Intangible Assets	3C	1.11	1.26
<b>Total non-current assets</b>		<b>2,057.63</b>	<b>2,010.71</b>
<b>(2) Current assets</b>			
(a) Inventories	4	1,356.06	683.42
(b) Financial Assets			
(i) Trade Receivables	5	735.90	882.23
(ii) Cash and cash equivalents	6	0.27	0.87
(iii) Other financial assets	6A	0.12	0.04
(c) Other current assets	7	57.57	42.22
<b>Total current assets</b>		<b>2,149.92</b>	<b>1,608.78</b>
<b>Total Assets</b>		<b>4,207.55</b>	<b>3,619.49</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	8	1,220.97	1,220.97
(b) Other Equity	9	1,026.61	810.02
<b>Total equity</b>		<b>2,247.58</b>	<b>2,030.99</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	10	164.95	165.79
(b) Deferred tax liabilities (Net)	11	147.73	89.49
<b>Total non-current liabilities</b>		<b>312.68</b>	<b>255.28</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12	860.96	827.50
(ii) Trade Payables	13		
- total outstanding dues of micro and small enterprises		22.83	-
- total outstanding dues of creditors other than micro and small enterprises		648.78	396.76
(iii) Other Financial Liabilities	14	93.09	52.91
(b) Other Current Liabilities	15	10.44	11.74
(c) Provisions	16	6.91	7.02
(c) Current Tax Liabilities (net)	17	4.28	37.29
<b>Total current liabilities</b>		<b>1,647.29</b>	<b>1,333.22</b>
<b>Total Equity and Liabilities</b>		<b>4,207.55</b>	<b>3,619.49</b>

Summary of significant accounting policies and other notes to financial statements

1-38

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

**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: Noida (Delhi-NCR)  
Date: 09.06.2023

**Balwan Singh Jangra**  
Chief Executive Officer

Place: Faridabad  
Date: 09.06.2023

**Malwa Power Private Limited**  
**Statement of Profit and Loss for the year ended 31st March 2023**  
(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March 2023	For the year ended 31st March 2022
I Revenue From Operations	18	3,399.60	3,783.07
II Other Income	19	26.02	31.75
<b>III Total Income (I+II)</b>		<b>3,425.62</b>	<b>3,814.82</b>
<b>IV Expenses</b>			
Cost of Material Consumed	20	1,439.54	1,521.43
Employee Benefit Expenses	21	616.79	563.69
Finance Costs	22	86.21	91.26
Depreciation and Amortization	23	120.76	118.82
Other Expenses	24	828.59	702.29
<b>Total expenses (IV)</b>		<b>3,091.89</b>	<b>2,997.49</b>
<b>V Profit before tax (III-IV)</b>		<b>333.73</b>	<b>817.33</b>
<b>VI Tax expense:</b>			
1) Current Tax			
-Current year		57.52	140.58
2) Deferred Tax Charge / (Credit)	11B	58.64	97.23
<b>VII Profit for the year (V - VI)</b>		<b>217.57</b>	<b>579.52</b>
<b>VIII Other Comprehensive Income</b>			
(1) Items that will not be reclassified to profit & loss			
Re-measurement gains (losses) on defined benefit plans	25	(1.38)	(1.32)
Tax relating to above		0.40	0.38
(2) Items that will be reclassified to profit & loss		-	-
<b>Total Other Comprehensive Income for the year</b>		<b>(0.98)</b>	<b>(0.94)</b>
<b>IX Total Comprehensive Income for the year (VII+VIII)</b>		<b>216.59</b>	<b>578.58</b>
<b>X Earnings per Equity Share (Per Share Value of ₹10 each)</b>			
Basic	26	1.77	4.74
Diluted	26	1.77	4.74

Summary of significant accounting policies and other notes to **1-38**

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

**Sajal Goyal**  
Partner  
M. No. 523903

Place: Noida (Delhi-NCR)  
Date: 09.06.2023

**For and on behalf of Board of Directors**

**Krishan Lalit Bansal**      **Ashima Bansal**  
Managing Director      Director  
DIN: 01125121      DIN: 0928449

**Gaurav Narang**      **Balwan Singh Jangra**  
Chief Financial Officer      Chief Executive Officer

**Ranjan K Sarangi**  
Company Secretary

Place: Faridabad  
Date: 09.06.2023

**Malwa Power Private Limited**  
**Statement of Cash Flows for the year ended 31st March 2023**  
(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	Note No.	For the period ended 31st March 2023	For the year ended 31st March 2022
<b>A. Cash Flow From Operating Activities</b>			
<b>Profit before tax</b>		<b>333.73</b>	<b>817.33</b>
<b>Adjustments to reconcile profit before tax to net cash flows:</b>			
Depreciation and Amortisation		120.76	118.82
Finance Costs		86.21	91.26
(Profit)/loss on sale of property, plant and equipments		1.17	(0.09)
Item reclassified to Other comprehensive income		(1.38)	(1.32)
Interest Income		(6.81)	
<b>Operating Profit before Working Capital Changes</b>		<b>533.68</b>	<b>1,026.00</b>
<b>Working capital adjustments:</b>			
Increase in Trade and other receivables		130.92	(85.72)
Decrease in Inventories		(672.64)	(9.22)
Decrease in Trade Payables, Other Liabilities and Provisions		313.80	(357.50)
<b>Cash generated from Operations</b>		<b>305.76</b>	<b>573.56</b>
Direct Tax Paid		(90.71)	(117.09)
<b>Net cash Inflow / (Outflow) from Operating Activities</b>		<b>215.05</b>	<b>456.47</b>
<b>B. Cash Flow From Investing Activities</b>			
Purchase of Property, plant and equipments		(172.63)	(92.55)
Sale of Property, plant and equipments		3.75	1.81
Loans to Related Party (Net)		(1,150.00)	-
Repayment of Loan by holding Company		1,150.00	-
Interest Received		6.81	-
<b>Net Cash Inflow / (Outflow) from investing activities</b>		<b>(162.07)</b>	<b>(90.74)</b>
<b>C. Cash Flow From Financing Activities</b>			
Proceeds from Long term borrowings		89.60	-
Repayment of long term borrowings		(90.43)	(107.60)
Net Proceeds / (Repayment) from Current Borrowings		33.46	(166.46)
Finance Costs paid		(86.21)	(91.26)
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>		<b>(53.58)</b>	<b>(365.32)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>		<b>(0.60)</b>	<b>0.41</b>
<b>Opening Balance of Cash and Cash Equivalents</b>		<b>0.87</b>	<b>0.46</b>
<b>Closing Balance of Cash and Cash Equivalents (Refer Note No. 6)</b>		<b>0.27</b>	<b>0.87</b>

**Notes**

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

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

**1-38**

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

**Gaurav Narang**  
Chief Financial Officer

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**Sajal Goyal**  
Partner  
M. No. 523903

**Ranjan K Sarangi**  
Company Secretary

Place: Noida (Delhi-NCR)  
Date: 09.06.2023

Place: Faridabad  
Date: 09.06.2023

**A. Equity share capital:**

Particular	As at 31st March 2023		As at 31st March 2022	
	Equity Shares		Equity Shares	
	No. In lakhs	₹ lakhs	No. In lakhs	₹ lakhs
<b>Equity shares of ₹ 10 each issued, subscribed and fully paid</b>				
Balance at the beginning of the year	1,22,09,680	1,220.97	1,22,09,680	1,220.97
Changes in accounting policy or prior period errors	-	-	-	-
<b>Restated balance at the beginning of the year</b>	<b>1,22,09,680</b>	<b>1,220.97</b>	<b>1,22,09,680</b>	<b>1,220.97</b>
Changes in equity share capital during the year	-	-	-	-
<b>Balance at the end of the reporting year</b>	<b>1,22,09,680</b>	<b>1,220.97</b>	<b>1,22,09,680</b>	<b>1,220.97</b>

**B. Other equity**

For the year ended 31st March 2022 and 31st March 2023:

Particulars	Reserve & Surplus	
	Retained Earnings	Total
Balance as at 1st April 2021	231.44	231.44
Changes in accounting policy or prior period errors	-	-
<b>Add/ (Less):</b>		
Profit for the year	579.52	579.52
Other Comprehensive Income (net of tax)	(0.94)	(0.94)
<b>Balance at the 31st March 2022</b>	<b>810.02</b>	<b>810.02</b>
Changes in accounting policy or prior period errors	-	-
<b>Add/ (Less):</b>		
Profit for the year	217.57	217.57
Other Comprehensive Income (net of tax)	(0.98)	(0.98)
<b>Balance at the 31st March 2023</b>	<b>1,026.61</b>	<b>1,026.61</b>

**Retained Earnings**

Retained earnings are profits retained 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: Noida (Delhi-NCR)  
Date: 09.06.2023

**For and on behalf of Board of Directors**

**Krishan Lalit Bansal**      **Ashima Bansal**  
Managing Director      Director  
DIN: 01125121      DIN: 01928449

**Gaurav Narang**      **Balwan Singh Jangra**  
Chief Financial Officer      Chief Executive Officer

**Ranjan K Sarangi**  
Company Secretary

Place: Faridabad  
Date: 09.06.2023

## **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 2023 were authorized for issue in accordance with a resolution of the directors on 09.06.2023, The Stakeholders have the right to amend the Financials statement.

## **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 on a historical cost basis except certain items that are measured at fair value as explained in accounting policies.

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 takes 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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of 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 is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 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.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.

#### f. Revenue recognition

The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when;

- effective control of goods along with significant risks and rewards of ownership has been transferred to customer;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts with customers is recognized when control of the goods (power) or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services having regard to the terms of the Power Purchase Agreements, tolling agreements, relevant tariff regulations and the tariff orders by the regulator, as applicable, and contracts for services.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated having regard to various relevant factors including historical trend and constraint until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

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

#### 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, 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.

## **i. 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 (except trade receivables) 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. Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 for pricing adjustments embedded in the contract. 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 Financials assets carried at amortised cost. 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 (Other than loans and borrowings and payable).

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.

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 amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

i. Ind AS 1 – Material accounting policies - The amendments mainly related to shifting of disclosure of erstwhile "significant accounting policies" in the notes to the financial statements to material accounting policy information requiring companies to reframe their accounting policies to make them more "entity specific. This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS).

ii. Ind AS 8 – Definition of accounting estimates - The amendments specify definition of 'change in accounting estimate' replaced with the definition of 'accounting estimates'.

iii. Ind AS 12 – Income taxes – Annual Improvements to Ind AS (2021) - The amendment clarifies that in cases of transactions where equal amounts of assets and liabilities are recognised on initial recognition, the initial recognition exemption does not apply. Also, If a company has not yet recognised deferred tax asset and deferred tax liability on right-of-use assets and lease liabilities or has recognised deferred tax asset or deferred tax liability on net basis, that company shall have to recognise deferred tax assets and deferred tax liabilities on gross basis based on the carrying amount of right-of-use assets and lease liabilities existing at the beginning of 1 April 2022.

Above amendments have no material impact on the financials statement of the Company.

## 3A. Property, plant and equipment

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 31st March 2022	Additions	Deletions	As at 31st March 2023	As at 31st March 2022	For the year	Deletions	As at 31st March 2023	As at 31st March 2023	As at 31st March 2022
Freehold land	225.30			225.30	-			-	225.30	225.30
Building	446.44			446.44	115.97	19.43		135.40	311.04	330.47
Furniture and fixtures	11.14	0.29		11.43	4.39	0.74		5.13	6.30	6.75
Plant and equipment	1,920.55	78.80	14.55	1,984.80	506.78	94.61	11.98	589.41	1,395.39	1,413.77
Electrical Installations and Equipment	1.17			1.17	0.07			0.07	1.10	1.10
Office equipments	12.12	0.44		12.56	5.13	1.45		6.58	5.98	6.99
Vehicles	28.79			28.79	8.15	2.86		11.01	17.78	20.64
Computers and Data processing	10.69	0.29		10.98	6.26	1.42		7.68	3.30	4.43
<b>Total</b>	<b>2,656.20</b>	<b>79.82</b>	<b>14.55</b>	<b>2,721.47</b>	<b>646.75</b>	<b>120.51</b>	<b>11.98</b>	<b>755.28</b>	<b>1,966.19</b>	<b>2,009.45</b>

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 31st March 2021	Additions	Deletions	As at 31st March 2022	As at 31st March 2021	For the year	Deletions	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
Freehold land	225.30		-	225.30	-		-	-	225.30	225.30
Building	446.44		-	446.44	96.54	19.43	-	115.97	330.47	349.90
Furniture and fixtures	10.67	0.47	-	11.14	3.69	0.70	-	4.39	6.75	6.98
Plant and equipment	1,848.13	72.42	-	1,920.55	413.35	93.43	-	506.78	1,413.77	1,434.78
Electrical Installations and Equipment	1.17		-	1.17	0.07		-	0.07	1.10	1.10
Office equipments	9.33	2.79	-	12.12	3.78	1.35	-	5.13	6.99	5.55
Vehicles	30.29	13.43	14.93	28.79	18.94	2.24	13.03	8.15	20.64	11.35
Computers and Data processing	7.80	2.89	-	10.69	4.74	1.52	-	6.26	4.43	3.06
<b>Total</b>	<b>2,579.13</b>	<b>92.00</b>	<b>14.93</b>	<b>2,656.20</b>	<b>541.11</b>	<b>118.67</b>	<b>13.03</b>	<b>646.75</b>	<b>2,009.45</b>	<b>2,038.02</b>

(i) Assets pledged and hypothecated against borrowings - Refer Note 10 and 12.

(ii) There were no revaluation carried out by the Company during the year.

(iii) All title deeds of immovable properties are held in the name of the Company.

**3B. Capital work-in-progress**

Particulars	31-Mar-23	31-Mar-22
Opening Balance	-	-
Additions during the year	90.33	-
Less : Capitalised during the year	-	-
Closing Balance	90.33	-

**(i) Ageing schedule of Capital work in progress :**

31-Mar-23							(₹ Lakhs)
Amount in capital work-in-progress for a period of							
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years			Total
Projects in progress	90.33	-	-	-			90.33
Projects temporary suspended	-	-	-	-			-
Total	90.33	-	-	-	-	-	90.33

  

31-Mar-22							
Amount in capital work-in-progress for a period of							
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years			Total
Projects in progress	-	-	-	-			-
Projects temporary suspended	-	-	-	-			-
Total	-	-	-	-	-	-	-

(ii) The Company does not have any material project which is overdue or has exceeded its cost compared to its original plan.

**3C. Intangible Assets**

Particulars	Gross Block				Accumulated Amortisation				Net Block	
	As at 31st March 2022	Additions	Deletions	As at 31st March 2023	As at 31st March 2022	For the year	Deletions	As at 31st March 2023	As at 31st March 2023	As at 31st March 2022
Software	2.60	0.10	-	2.70	1.34	0.25	-	1.59	1.11	1.26
Total	2.60	0.10	-	2.70	1.34	0.25	-	1.59	1.11	1.26

Particulars	Gross Block				Accumulated Amortisation				Net Block	
	As at 31st March 2021	Additions	Deletions	As at 31st March 2022	As at 31st March 2021	For the year	Deletions	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
Software	1.88	0.72	-	2.60	1.19	0.15	-	1.34	1.26	0.69
Total	1.88	0.72	-	2.60	1.19	0.15	-	1.34	1.26	0.69

(i) There were no revaluation carried out by the Company during the year.

**Malwa Power Private Limited**
**Notes to the financial statements for the year ended 31st March 2023 (All amounts are in ₹ lakhs, unless otherwise stated)**

	As at 31st March 2023	As at 31st March 2022
<b>4 Inventories</b>		
<b>Current</b>		
<i>(Valued at lower of cost and net realizable value)</i>		
Raw Materials	1,171.22	514.46
Stores and Spares	141.84	131.83
Agroforestry	43.00	37.13
	<b>1,356.06</b>	<b>683.42</b>
i. Inventories are hypothecated to secure borrowings. Refer Note 10 and 12.		
ii. Material in Transit	-	-
<b>5 Trade receivables</b>		
<b>Current</b>		
Unsecured, considered good	735.90	882.23
	<b>735.90</b>	<b>882.23</b>
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.		
ii. Trade receivables are interest bearing and are generally on terms of 60 days.		
iii. Trade Receivables are hypothecated to secure borrowings. Refer Note 10 and 12.		
iv. <b>Ageing Schedule for trade receivables</b>		
<b>As at 31st March 2023</b>		
<b>Particulars</b>	<b>Not due Less than 6 months</b>	<b>Total</b>
Undisputed – considered good	735.90	735.90
Undisputed – considered doubtful	-	-
Disputed - considered good	-	-
Disputed - considered doubtful	-	-
<b>Total receivable</b>	<b>735.90</b>	<b>735.90</b>
<b>As at 31st March 2022</b>		
<b>Particulars</b>	<b>Not due Less than 6 months</b>	<b>Total</b>
Undisputed – considered good	882.23	882.23
Undisputed – considered doubtful	-	-
Disputed - considered good	-	-
Disputed - considered doubtful	-	-
<b>Total receivable</b>	<b>882.23</b>	<b>882.23</b>
<b>6 Cash and cash equivalents</b>		
Balances with Scheduled banks:		
In Current Accounts	0.26	0.26
Cash on hand	0.01	0.61
	<b>0.27</b>	<b>0.87</b>
<b>6A Other financial assets</b>		
Security deposits	0.12	0.04
	<b>0.12</b>	<b>0.04</b>
<b>7 Other current assets</b>		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Prepaid expenses	12.31	13.67
Advance to Suppliers	11.31	16.94
Others	33.95	11.61
	<b>57.57</b>	<b>42.22</b>

**8 Equity share capital****(A) Authorised share capital:**

Particulars	Equity shares	
	No.	₹ in lakhs
<b>Equity shares of ₹ 10 each :</b>		
<b>As at 1st April 2021</b>	1,30,00,000	1,300.00
Increase / (Decrease) during the year	-	-
<b>As at 31st March 2022</b>	<b>1,30,00,000</b>	<b>1,300.00</b>
Increase / (Decrease) during the year	-	-
<b>As at 31st March 2023</b>	<b>1,30,00,000</b>	<b>1,300.00</b>

**(B) Issued, subscribed and paid-up**

Particulars	No. of shares	₹ in lakhs
<b>Equity shares of ₹ 10 each :</b>		
<b>At 1st April 2021</b>	1,22,09,680	1,220.97
Increase/ (decrease) during the year	-	-
<b>At 31st March 2022</b>	<b>1,22,09,680</b>	<b>1,220.97</b>
Increase/ (decrease) during the year	-	-
<b>As at 31st March 2023</b>	<b>1,22,09,680</b>	<b>1,220.97</b>

**(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 2023		As at 31st March 2022	
	Nos.	% of holding	Nos.	% of holding
M/S Dee Development Engineers Limited ( <b>Holding Company</b> ) (including nominee shareholders)	1,22,09,680	100.00%	1,22,09,680	100.00%

**(E) Details of promoter's share on holding:**

Promoter Name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	% of total shares	% Change during the year
Dee Development Engineers Limited.	1,22,09,679	Nil	1,22,09,679	100.00%	Nil

(F) In preceding five (5) years, there was no issue of bonus, buy back, cancellation and issue of shares for other than cash consideration.

**9 Other equity**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>(A) Retained Earnings</b>		
Opening balance	810.02	231.44
Add: Profit for the year	217.57	579.52
Add : transfer from Other Comprehensive Income	(0.98)	(0.94)
<b>Closing balance</b>	<b>1,026.61</b>	<b>810.02</b>
<b>(B) Other Comprehensive Income</b>		
Opening balance	-	-
Other Comprehensive Income for the year	(0.98)	(0.94)
Less : transfer to retained earnings	0.98	0.94
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>Total reserves</b>	<b>1,026.61</b>	<b>810.02</b>

Particulars	As at 31st March 2023	As at 31st March 2022
<b>10 Non Current Borrowings</b>		
<b>Secured</b>		
Term Loan from a bank (refer note (a) below)	265.64	271.98
Car Loan	8.22	-
	<b>273.86</b>	<b>271.98</b>
Less: Current maturities of Non-current borrowings disclosed under "Current Borrowing"	108.89	106.19
	<b>164.95</b>	<b>165.79</b>

**Notes:**

- a) Secured by first charge on both movable and immovable property, plant and equipments situated at village Gulabewala, personal guarantee of promoters and corporate guarantee of holding company.
- b) Secured by second charge on both movable and immovable property, plant and equipments situated at village Gulabewala.

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Secured Loans (Interest rate and term of payment)</b>		
Presently 9.15% (Previous Year 10.35% ) p.a. [Repayable in 27 (previous year 39) Equated monthly installments]	90.00	130.00
Presently 7.5% (Previous Year 7.5%) p.a. [Repayable in 14 (previous year 26) Equated monthly installments]	86.04	141.98
Presently 10.35% p.a. [Repayable in 48 Equated monthly installments]	89.60	-
Presently 6.80% p.a. [Repayable in 34 Equated monthly installments]	8.22	-
	<b>273.86</b>	<b>271.98</b>
<b>11 Deferred tax</b>		
<b>A Cumulative balance</b>	As at 31st March 2023	As at 31st March 2022
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(502.84)	(465.12)
MAT Credit assets (refer (i) below)	355.11	330.53
Unabsorbed depreciation as per tax return	-	45.10
<b>Net deferred tax asset / (liabilities)</b>	<b>(147.73)</b>	<b>(89.49)</b>
<b>B Balance recognised in Statement of profit and loss</b>	For the year ended 31st March 2023	For the year ended 31st March 2022
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	37.71	36.60
MAT Credit assets (refer (i) below)	(24.57)	(139.59)
Unabsorbed depreciation as per tax return	45.10	199.84
<b>Deferred tax expense / (income)</b>	<b>58.24</b>	<b>96.85</b>

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

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax from operations	333.73	817.33
Tax using the Company's Domestic Tax Rate @ 29.12%	97.18	238.01
<b>Tax effect of :-</b>		
- Tax on expenses not allowed	3.87	8.81
- MAT Credit related to earlier year, accounted in current year	-	0.99
- MAT Credit related to current year	(24.57)	(140.58)
- Utilisation of tax losses on which deferred tax assets was not created in earlier years	-	199.84
- Others [deferred tax related to previous period, changes in tax rates etc.]	39.68	(69.26)
<b>Tax Expense recognised in the Statement of profit or loss</b>	<b>116.16</b>	<b>237.81</b>

**12 Current Borrowings**
**Secured (repayable on demand)**

Cash Credit from a bank (refer note (a) below)	681.07	602.06
Current maturities of Long term debts	108.89	106.19
	<u>789.96</u>	<u>708.25</u>

**Unsecured (repayable on demand)**

Inter Corporate Loan from Holding Company	71.00	119.25
	<u>860.96</u>	<u>827.50</u>

**Notes:**

- a) The loan is secured by the hypothecation of current assets, including present and future stock of raw material & store & spares, and book debts. It is also secured by the hypothecation of plant and machinery, as well as the mortgage of industrial land located at Gulabewala. The Loan is further secured by corporate guarantee of the Holding Company and personal guarantee of Promotor - Directors.

Particulars	As at 31st March 2023	As at 31st March 2022
<b>13 Trade Payables</b>		
Trade payables to Micro, Small and Medium Enterprises	22.83	-
Trade payables dues of creditors other than micro and small enterprises	648.78	396.76
	<u>671.61</u>	<u>396.76</u>

**Trade Payable Ageing Schedule#**

As at 31 March 2023	Outstanding for following periods from transaction date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	22.83	-	-	-	<b>22.83</b>
Total outstanding dues of creditors other than micro enterprises and	648.78	-	-	-	<b>648.78</b>
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>					
As at 31 March 2022	Outstanding for following periods from transaction date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and	396.76	-	-	-	<b>396.76</b>
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small	-	-	-	-	-
<b>Total</b>					



Particulars	As at 31st March 2023	As at 31st March 2022
(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	22.83	-
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.	-	-
<b>14 Other financial liabilities</b>		
Interest accrued on borrowings	2.32	1.90
Employees Emoluments	77.28	46.84
Other Payables	13.49	4.17
	<b>93.09</b>	<b>52.91</b>
<b>15 Other Current liabilities</b>		
Statutory Dues	10.44	11.74
	<b>10.44</b>	<b>11.74</b>
<b>16 Provisions</b>		
Employee benefits	6.91	7.02
	<b>6.91</b>	<b>7.02</b>
<b>17 Current Tax Liabilities</b>		
Current Tax (Net)	4.28	37.29
	<b>4.28</b>	<b>37.29</b>

**18 Revenue from operations**

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Sale of Electricity	3,399.60	3,783.07
	<b>3,399.60</b>	<b>3,783.07</b>

**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.

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

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Revenue as per contract price	3,399.60	3,783.07
Less: Rebates, incentives, discounts etc.	-	-
<b>Revenue as per Statement of Profit and Loss</b>	<b>3,399.60</b>	<b>3,783.07</b>

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

Trade receivables	735.90	882.23
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 year.

**19 Other income**

Interest income	6.81	-
Insurance claim received	3.83	6.13
Sundry balances written back	-	0.20
Scrap sales	12.86	13.40
Profit on sale of property, plant and equipments	-	0.09
Miscellaneous income	2.52	11.93
	<b>26.02</b>	<b>31.75</b>

**20 Materials consumed**

Raw materials (Fuel)	<b>1,439.54</b>	<b>1,521.43</b>
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**21 Employee benefits expense**

Salaries, wages, bonus etc	557.83	508.78
Contribution to provident and other funds	19.85	19.03
Contribution to gratuity fund	11.36	10.86
Workmen and staff welfare expenses	27.75	25.02
	<b>616.79</b>	<b>563.69</b>

**22 Finance costs**

Interest Expense		
- On Term Loans	24.44	26.35
- To Others	59.78	59.76
-To Interest on delayed payment of taxes	1.91	2.13
Other Borrowing Cost	0.08	3.02
<b>Total</b>	<b>86.21</b>	<b>91.26</b>

**23 Depreciation and amortization expense**

Depreciation	120.51	118.67
Amortisation	0.25	0.15
<b>Total</b>	<b>120.76</b>	<b>118.82</b>

**24 Other expenses**

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Stores and Spare Parts Consumed	96.70	84.14
Job Charges	287.08	243.93
Repair and Maintenance:		
- Buildings	5.58	5.91
- Plant and Machinery	232.03	176.80
- Others	20.50	18.25
Rent including lease rentals (Refer 26.2)	31.17	22.02
Rates and Taxes	3.02	17.88
Insurance	39.62	34.80
Power, Fuel and Water Charges	19.46	19.96
Auditors Remuneration (Refer 26.1)	2.95	2.95
Advertisement	-	0.74
Ash Handling	20.92	24.06
Freight & Forwarding	2.99	3.60
Legal & Professional	11.86	6.69
Travelling	2.79	2.16
Bank Charges	-	0.30
Loss on sale/ discard of Fixed Assets (Net)	1.17	-
Security & Servicing Charges	29.38	27.28
CSR Expenses	11.00	-
Miscellaneous	10.37	10.82
<b>Total</b>	<b>828.59</b>	<b>702.29</b>

**24.1 Payment to auditors :****As auditor:**

- Audit fee	2.00	2.00
- Tax audit fee	0.50	0.40
- Reimbursement of Goods and Service tax	0.36	0.39
- Reimbursement of expenses	0.09	0.16
<b>Total</b>	<b>2.95</b>	<b>2.95</b>

24.2 The Company has entered into rental agreements for a period upto 12 months considered as short term lease against which expense of ₹ 31.17 Lakhs (Previous year : ₹ 22.02 lakhs) incurred for the year ended 31st March 2023.

**25 Components of Other Comprehensive Income (OCI) (Net of tax)****A. Retained Earnings**

Re-measurement gains (losses) on defined benefit plans [net of taxes]	(0.98)	(0.94)
	<b>(0.98)</b>	<b>(0.94)</b>

**26 Earnings 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 for the year (₹ Lakhs)	216.59	578.58
(b) Face value per share (₹)	10	10
(c) Number of equity shares at the beginning of the year	1,22,09,680	1,22,09,680
Number of equity shares at the end of the year	1,22,09,680	1,22,09,680
(d) Weighted average number of equity shares*	1,22,09,680	1,22,09,680
(e) <b>Earning Per Share :</b>		
Basic (₹ / share) [ (a)/(d) ]	1.77	4.74
Diluted (₹/ share) [ (a)/(f) ]	1.77	4.74

\*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.

**27 Gratuity and other post-employment benefit plans****A. Defined contribution plan**

**Provident Fund:** During the year, the Company has recognised ₹ 19.82 Lakhs (Previous year ₹ 19.03 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 Rs. 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 2023 wherein expense and liabilities in respect of gratuity were measured by an independent 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 2023	Year ended 31 March 2022
Service cost	10.86	10.14
Net interest cost	0.50	0.72
<b>Expenses recognised in the statement of profit and loss</b>	<b>11.36</b>	<b>10.86</b>

**Amount recognised in other comprehensive income**

Net actuarial loss/(gain) recognised in the year	1.38	1.32
<b>Expenses recognised in the other comprehensive income</b>	<b>1.38</b>	<b>1.32</b>

**Balance sheet****Benefit asset/ (liability)**

Present value of defined obligation at the end of the period	90.32	75.80
Fair value of the plan assets at the end of the year	(72.08)	(68.86)
<b>Amount recognized in Balance Sheet</b>	<b>(18.24)</b>	<b>(6.94)</b>

**Changes in the present value of the defined benefit obligation are as follows:**

Opening defined benefit obligation	75.80	60.46
Current service cost	10.86	10.14
Interest cost	5.45	4.10
Benefits paid	(2.44)	-
Actuarial (gain)/ loss on obligation	0.65	1.10
<b>Closing defined benefit obligation</b>	<b>90.32</b>	<b>75.80</b>

**Changes in the fair value of plan assets are as follows:**

Opening fair value of plan assets	68.86	49.99
Expected Return on Plan Assets	4.88	3.73
Fund Manager Charges	(0.66)	(0.56)
Contribution by the employer	1.44	15.70
Benefits paid	(2.44)	-
<b>Closing fair value of plan assets</b>	<b>72.08</b>	<b>68.86</b>

**C. Expected contribution for the next Annual reporting period**

9.14

7.84

**D. Major categories of plan assets (as percentage of total plan assets)**

Funds managed by insurer	100%	100%
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Particulars	Year ended 31st March 2023	Year ended 31st March 2022
<b>E. The principal actuarial assumptions used in determining gratuity are as follows:</b>		
<b>(a) Economic assumptions</b>		
Discount rate	7.36%	7.18%
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)	15.18	16.85

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.

**(b) Demographic assumptions**

Retirement age	58 years	58 years
Mortality table	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)

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

Assumptions	Sensitivity Level	Impact on defined benefit obligation (increase)/Decrease
<b><u>Discount rate:</u></b>		
31st March 2023	Increase of 0.50%	(3.47)
	Decrease of 0.50%	3.76
31st March 2022	Increase of 0.50%	(3.14)
	Decrease of 0.50%	3.41
<b><u>Future salary increases:</u></b>		
31st March 2023	Increase of 0.50%	3.79
	Decrease of 0.50%	(3.53)
31st March 2022	Increase of 0.50%	3.44
	Decrease of 0.50%	(3.19)

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.

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

Particulars	31st March 2023	31st March 2022
Within the next 12 months (next annual reporting period)	22.12	13.59
Between 2 and 5 years	17.49	18.35
Beyond 5 years	50.71	43.86
<b>Total expected payments</b>	<b>90.32</b>	<b>75.80</b>

**H. Description of Risk Exposures:**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) **Salary Increases** : Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) **Investment Risk** : If Plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) **Discount Rate** : Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) **Mortality & disability** – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) **Withdrawals** : Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**I. The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 12.85 years (31st March 2022: 13.95 years)**

**28 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)  
 - 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 2023	Year ended 31st March 2022
<b>(i) With Holding Company - DEE Development Engineers Ltd.</b>		
Purchase of Goods *	2.99	3.88
Purchase of property, plant & equipment *	-	1.95
Interest Received	6.13	-
Interest Paid and Payable	-	14.10
Loan Received	321.00	78.98
Repayment of Loan	369.25	200.00
Loan Given	1,150.00	-
Loan refunded back	1,150.00	-
Corporate Guarantee given to Banker for loan availed by the Company	1,019.00	1,019.00
* Amount Inclusive of GST		
<b>(ii) With Key management personnel and their relatives:</b>		
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	84.00
Remuneration paid to Mr. Balwan Singh Jangra	43.34	40.72
Remuneration paid to Mrs Kamlesh Jangra	13.92	17.35
Remuneration paid to Mr Gaurav Narang	24.00	24.00

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

Name of related party	As at 31st March 2023	As at 31st March 2022
<b>(i) With Holding Company - DEE Development Engineers Ltd.</b>		
Loans Received	71.00	119.25
Corporate Guarantee given to Banker for loan availed by company	860.67	732.06
<b>(ii) With Key management personnel and their relatives:</b>		
<b>Amount Payable:</b>		
Mr. Krishan Lalit Bansal	4.27	4.27
Mr BS Jangra	3.18	2.76
Mrs Kamlesh Jangra	0.75	0.89
Mr. Gaurav Narang	1.38	3.74

\*\*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. 'Guarantee related transactions - Refer Note 10 and 12.

**(D) Compensation of key management personnel of the Company**

NIL

**(E) Others**

Guarantee related transactions - Refer Note 10 and 12.

## 29 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 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
<b>(A) Financial assets (at Amortised cost)</b>				
<b>Current</b>				
Trade Receivables	735.90	882.23	735.90	882.23
Security deposits	-	-	-	-
Cash and Cash Equivalent	0.27	0.87	0.27	0.87
<b>Total financial assets</b>	<b>736.17</b>	<b>883.10</b>	<b>736.17</b>	<b>883.10</b>
<b>(B) Financial liabilities (at Amortised cost)</b>				
<b>Non-Current</b>				
Borrowings	164.95	165.79	164.95	165.79
<b>Current</b>				
Borrowings (including Current maturities of Non-current Borrowings)	860.96	827.50	860.96	827.50
Trade payables	671.61	396.76	671.61	396.76
Interest accrued on borrowings	2.32	1.90	2.32	1.90
Employee's Emoluments	77.28	46.84	77.28	46.84
<b>Total financial liabilities</b>	<b>1,777.12</b>	<b>1,438.79</b>	<b>1,777.12</b>	<b>1,438.79</b>

### Note:-

The management assessed that cash and cash equivalents, trade receivables, security deposits, current borrowings, Non-current borrowings, fair values on based on discounted cash flow, 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. Non-current borrowings - The fair value of non-current 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.

**30 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 2023:**

Particulars	Date of valuation	Total	Fair value measurement using		
			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-23	-	-	-	-
Financial liabilities measured at amortised cost	31-Mar-23	-	-	-	-
Non-current borrowings					164.95

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 2022:**

Particulars	Date of valuation	Total	Fair value measurement using		
			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-22	-	-	-	-
Financial liabilities measured at amortised cost	31-Mar-22	-	-	-	-
Non-current borrowings					165.79

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



### **31 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 2023 and 31st March 2022.

The sensitivity analysis have been prepared on the basis that the amount of net debt constant in place at 31st March 2023.

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 2023 and 31st March 2022.

#### **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 interest rates.

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:

Particulars	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
		Decrease/(increased)			31st March 2023	31st March 2022
Loan from banks	+50	4.77	3.38	+50	4.37	3.10
	-50	-4.77	-3.38	-50	-4.37	-3.10

#### **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 other financial instruments.

**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 financial difficulties. There is no history of default therefore no ECL provision has been created at the time of initial recognition.

Particulars	Neither due nor impaired (including unbilled)	Past due			
		Up to 6 months	6 to 12 months	Above 12 months	Total
As at 31st March 2023	735.90	-	-	-	735.90
As at 31st March 2022	882.23	-	-	-	882.23

**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 mature in less than one year at 31st March 2023 other than reported in current borrowings 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 2023, the Company has available ₹ 09.81 lakhs (March 31, 2022: ₹ 109.64 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
<b>Year ended 31st March 2023</b>						
Long term borrowings (including current maturities)	-	27.21	81.69	164.96	-	273.86
Short term borrowings	71.00	-	-	-	-	71.00
Trade payables	671.61	-	-	-	-	671.61
Other financial liabilities	79.61	-	-	-	-	79.61
	<b>822.22</b>	<b>27.21</b>	<b>81.69</b>	<b>164.96</b>	<b>-</b>	<b>1,096.08</b>
<b>Year ended 31st March 2022</b>						
Long term borrowings (including current maturities)	-	26.54	79.65	165.79	-	271.98
Short term borrowings	721.31	-	-	-	-	721.31
Trade payables	396.76	-	-	-	-	396.76
Other financial liabilities	48.75	-	-	-	-	48.75
	<b>1,166.82</b>	<b>26.54</b>	<b>79.65</b>	<b>165.79</b>	<b>-</b>	<b>1,438.80</b>

### 32 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 2023	As at 31st March 2022
Borrowings (refer note 10 and 12)	1,025.91	993.29
Less: Cash and cash equivalents (refer note 6)	(0.27)	(0.87)
<b>Net debts (A)</b>	<b>1,025.64</b>	<b>992.42</b>
Equity share capital	1,220.97	1220.97
Other Equity	1,026.61	810.02
<b>Total Capital (B)</b>	<b>2,247.58</b>	<b>2,030.99</b>
<b>Total capital and net debts (C) = (A) + (B)</b>	<b>3,273.22</b>	<b>3,023.41</b>
<b>Gearing ratio (C) / (B)</b>	<b>31.33%</b>	<b>32.82%</b>

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 2023 and 31st March 2022.

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

### 34 Lease

#### A. As a Lessee

- (a) 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.
- (b) The Company has entered into rental agreements for a period upto 12 months considered as short term lease against which expense of ₹ 18.06 Lakhs (Previous year : ₹ 23.37 lakhs) for the year ended 31st March 2023.

#### B. As a Lessor

There is income of ₹ 2.52 Lakhs from subleasing right-of-use to Himalaya Exports and no gains or losses from sales and leaseback for the year ended 31st March, 2023.

### 35 Contingent liabilities, contingent assets and commitments

Particulars	As at 31st March 2023	As at 31st March 2022
<b>A. The Company does not have any contingent liabilities and contingent assets.</b>		
<b>B. Capital Commitments</b>		
Estimated amount of Contracts remaining to be executed on Capital Account [Net of Advances] not provided for	-	-

**Malwa Power Private Limited**

Notes to the financial statements for the year ended 31st March 2023

(All amounts are in ₹ lakhs, unless otherwise stated)

**36 Other Disclosures****a Ratios and their Elements as per the requirements of Schedule III to Companies Act 2013**

Ratio	Numerator	Denominator	31-03-2023	31-03-2022	% Change	Reason of Change
Current Ratio (Times)	Current Asset	Current Liability	1.31	1.21	8.16%	
Debt Equity Ratio (Times)	Total Debt	Shareholder Equity	0.46	0.49	6.67%	
Debt Service Coverage Ratio (Times)	EBITDA	Debt Service	3.33	6.14	-45.72%	Due to decrease in EBITDA
Return on Equity	Profit after tax	Shareholder Equity	0.10	0.38	-73.35%	Due to decrease in profit
Inventory Turnover Ratio (Times)	Sales	Average Inventory	1.41	2.24	-36.98%	Due to increase in inventory
Trade Receivable Turnover Ratio (Times)	Sales	Average Trade Receivables	4.20	4.48	6.21%	
Trade Payable Turnover Ratio (Times)	Purchases	Average Trade Payables	2.75	2.94	-6.34%	
Net Capital Turnover Ratio (Times)	Net Sales	Working Capital	8.74	28.97	-69.84%	Due to decrease in revenue and increase in working capital
Net Profit Ratio	Net Profit after Tax	Net Sales	0.06	0.15	-58.22%	Due to decrease in profit
Return on Capital Employed	EBITDA	Capital Employed	0.14	0.42	-65.52%	Due to decrease in profit
Return on Investments	Income received on Loans	Average of loans, FDRs and investments	-	-		Not Applicable

**b Details of Benami Property held:**

There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder during the year and previous year.

**c Willful Defaulter:**

The Company has not been declared as Willful Defaulter by any Bank or Financial Institution or other Lender during the year and previous year.

**d Relationship with Struck off Companies :**

During the year and previous year, the Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013.

**e Compliance with number of layers of companies:**

The Company has no subsidiary during the year and previous year

**f Utilisation of Borrowed funds and share premium:**

During the financial year ended 31st March 2023, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

- (i) No funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**g Undisclosed Income:**

The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year and previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.

**h Details of Crypto Currency or Virtual Currency:**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year and previous year

**i. Details of loans granted during the year :**

The Company has granted loans of Rs. 1150 lakhs to holding company, which represents 100% of the total loans granted during the year, which was repayable on demand. No loan or advances in the nature of loans have been granted during the year without specifying any terms or period of repayment.

**Malwa Power Private Limited**  
**Notes to the financial statements for the year ended 31st March 2023**

(All amounts are in ₹ lakhs, unless otherwise stated)

**37 Corporate Social Responsibility**

<b>Particulars</b>	<b>As at 31st March 2023</b>	<b>As at 31st March 2022</b>
i. Amount required to be spent during the year	10.88	Not Applicable
ii. Amount spent during the year	11.00	Not Applicable
iii. (Excess) / Shortfall for the year	(0.12)	Not Applicable
iv. Total of previous years shortfall [net]	Not Applicable	Not Applicable
v. Details of related party transactions such as - Atul Krishna Bansal Foundation	11.00	Not Applicable
vi. Where a provision is made with respect to a liability	No	Not Applicable
vii. Nature of CSR activities: a) Promoting Education	11.00	Not Applicable
viii. Reason for shortfall a) As at March, 31 2023	No Shortfall	-
b) As at March, 31 2022	-	Not Applicable

**38** 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

**Balwan Singh Jangra**  
Chief Executive Officer

Place: New Delhi  
Date: 09.06.2023

Place: Faridabad  
Date: 09.06.2023