

# **BHANDARA THERMAL POWER CORPORATION LIMITED**



**14<sup>th</sup> ANNUAL REPORT  
2021-2022**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. K. Mani Raju, Director

Ms. T. Sarita Reddy, Director

Mr. P. Purnachander Rao, Director

### REGISTERED & CORPORATE OFFICE

6-3-1090, TSR Towers,

1<sup>st</sup> Floor, Rajbhavan Road,

Somajiguda,

Hyderabad - 500 082

Telangana, India.

CIN: U40102TG2008PLC057008

### BANKERS

Canara Bank

Rajbhavan Road,

Somajiguda,

Hyderabad-500 082, Telangana.

ICICI Bank,

Nagarjuna Hills

Punjagutta

Hyderabad-500 082 Telangana

### AUDITORS

M/s. M O S & ASSOCIATES, LLP

Chartered Accountants,

Flat No.501, Lahari Benz Apts,

Rajbhavan Road

Somajiguda

Hyderabad-500 082, Telangana.

**BOARDS' REPORT**

To

The Members,

Your Directors have immense pleasure in presenting the 14<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2022.

**1. FINANCIAL SUMMARY:**

The following table depicts the financial results of your Company for the year ending 31<sup>st</sup> March 2022:

S. No.	Particulars	For the year ended 31.03.2022 (Rs. in lakhs)	For the year ended 31.03.2021 (Rs. in lakhs)
1)	<b>INCOME</b>	-	-
	Income from Operations	-	-
	Other Income	-	0
	<b>TOTAL</b>	-	<b>0</b>
2)	<b>EXPENDITURE</b>		
	Employee Benefits Expense	-	-
	Finance Costs	-	-
	Depreciation & Amortization expense	-	-
	Operations & Maintenance Expenses	-	-
	Periodic Maintenance Expenses	-	-
	Other Expenses	2.48	1.71
	<b>TOTAL</b>	<b>2.48</b>	<b>1.71</b>
3)	<b>PROFIT / (LOSS) BEFORE TAX</b>	<b>(2.48)</b>	<b>(1.71)</b>
	Provision for Taxation:		
	- Current Tax	-	-
4)	<b>PROFIT / (LOSS) AFTER TAX</b>	<b>(2.48)</b>	<b>(1.71)</b>
	Less: Prior Period adjustments	-	-
5)	<b>PROFIT / (LOSS) AFTER PRIOR PERIOD ITEMS</b>	<b>(2.48)</b>	<b>(1.71)</b>
	Add: Balance brought forward from previous year		-
6)	<b>BALANCE CARRIED TO BALANCE SHEET</b>	<b>(2.48)</b>	<b>(1.71)</b>
	Earnings (Loss) per Share – Basic & Diluted	N.A	N.A

## 2. FUTURE OUTLOOK

India has a total Thermal installed capacity of 234 GW, of which 53% of the thermal power is obtained from coal and the rest from Lignite, Diesel, and Gas.

The private sector in the power industry in India generates 47.4% of the country's thermal power, whereas States and the Centre generate 27.1% and 25.5%, respectively. The electricity generation target of Conventional Sources for the year 2021-22 was fixed at 1356 BU i.e. growth of around 9.83% over the actual conventional generation of 1234.608 BU for the previous year (2020-21). This target comprises of 1155.200 BU Thermal; 149.544 BU Hydro; 43.020 Nuclear; and 8.236 BU Import from Bhutan.

Indian power sector is undergoing a significant change that has redefined the industry outlook. The power industry's future in India is bright, and sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country.

Your Company is currently developing medium sized power project. The project site is located in Bhandara District, Maharashtra. They are coal fired projects to be fueled by reserves from captive mines and supplies from India and abroad and the project is at various stages of construction and development.

## 3. BOARD MEETINGS

During the year ended 31<sup>st</sup> March, 2022, Five Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The dates on which the Board meetings were held are 11.06.2021, 14.07.2021, 09.08.2021, 13.11.2021 and 12.02.2022.

### Attendance of Directors at the meetings:

The details of the attendance of the Directors at the Board meetings held during the year ended 31<sup>st</sup> March, 2021.

Name of the Director	Number of Board Meetings	
	Held	Attended
T. Sarita Reddy	5	5
T. Rajiv Reddy	3	3
P. Purnachander Rao	5	5
K Mani Raju	2	2

During the year, Mr. T. Rajiv Reddy resigned from the Board of Directors w.e.f November 13, 2021 and Mr. K Mani Raju was appointed as Additional Director on the Board w.e.f November 31, 2021 to hold office upto the next Annual General Meeting. K Mani Raju is proposed to be appointed as Director on the Board of the Company at the upcoming Annual General Meeting.

#### **4. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies and applied them consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **5. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There is no change in the Board of Directors of the Company during the Financial Year ending 31<sup>st</sup> March, 2022 except during the year, Mr. T. Rajiv Reddy resigned from the Board of Directors w.e.f November 13, 2021 and Mr. K Mani Raju was appointed as Additional Director on the Board w.e.f November 31, 2021 to hold office upto the next Annual General Meeting.

#### **6. DECLARATION BY INDEPENDENT DIRECTORS**

None of the Independent Director has been appointed during the Financial Year. Hence it's not applicable.

#### **7. RE-APPOINTMENTS**

Mrs. T. Sarita Reddy, Director of the Company is retiring by rotation and being eligible, offers herself for re-appointment.

**8. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The Board of Director of the Company lays down the manner of selection of Board of Directors and their remuneration.

**9. AUDITORS REPORT**

There are no qualifications in the Auditors Report.

**10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The contracts or arrangements with related parties entered into by the Company for the period under review are enclosed as Annexure I.

**12. TRANSFER OF AMOUNT TO RESERVES**

The Company does not propose to transfer any amount to the general reserve for the Financial Year ended 31<sup>st</sup> March, 2022.

**13. DIVIDEND**

The Board of Directors does not recommend any dividend on the Equity Shares for the financial year ended 31<sup>st</sup> March, 2022.

**14. MATERIAL CHANGES AND COMMITMENTS**

There has been no material change and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

There has been no change in the nature of business of the Company.

**15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information relating to Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 is –Nil

**16. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY**

Your Company has invested in various Power projects from which there has been no return till date. Your Company is regularly monitoring these investments.

The respective Companies were ensured that adequate operating procedures are developed and implemented on a consistent basis, so as to ensure that the financial statements of the Company are free from material misstatements.

**17. POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR – N.A.**

**18. BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually.

**19. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS.**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

**20. SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATE COMPANIES**

During the Financial Year ending on 31<sup>st</sup> March 2022, your Company had no subsidiaries and associate Companies.

**21. DEPOSITS**

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**23. STATUTORY AUDITORS**

At the Annual General Meeting held on 30<sup>th</sup> September, 2020, M/s. M O S & Associates LLP, Chartered Accountants (ICAI Regn. No. 001975S/S200020), were re-appointed as statutory auditors of the Company to hold office for second term of 5 years i.e till the conclusion of the Annual General Meeting to be held in the calendar year 2024-25.

The Statutory Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditor.

## 24. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company – Not Applicable.

## 25. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company lays emphasis on competence and commitment of its human capital recognizing its pivotal role for organizational growth.

During the year, the Company maintained a record of peaceful employee relations. Your Directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

## 26. MAINTENANCE OF COST RECORDS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SECTION 148 OF THE COMPANIES ACT, 2013

The Company is not required to maintain Cost Records as specified by the Central Government under Section 148 of the Companies Act, 2013.

## 27. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review there were no applications made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

## 28. ACKNOWLEDGEMENTS

Your Directors express their appreciation to the Company's Bankers, Statutory Auditors, Customers, Consultants and Members for their constant help, co-operation and support.

**For and on behalf of the Board**



**K. Mani Raju**

Director

DIN: 02271226



**P. PURNACHANDAR RAO**

Director

DIN: 02230190

Place: Hyderabad

Date: 10.08.2022





## Annexure-I

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

## 1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

## 2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e) Date(s) of approval by the Board, if any:	
(f) Amount paid as advances, if any:	

For and on behalf of the Board

  
K. MANI RAJU

Director

DIN: 02271226

  
P. PURNACHANDAR RAO

Director

DIN: 02230190

Place: Hyderabad

Date: 10.08.2022



**BHANDARA THERMAL POWER CORPORATION LIMITED**

6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500 082, Telangana  
CIN: U40102TG2008PLC057008

**NOTICE**

NOTICE is hereby given that the 14<sup>th</sup> Annual General Meeting of the Members of **BHANDARA THERMAL POWER CORPORATION LIMITED** will be held on Friday, the 30<sup>th</sup> day of September, 2022 at 11.00 A.M at the Registered Office of the Company situated at 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500 082, Telangana, India to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance sheet as at 31<sup>st</sup> March, 2022, Statement of Profit and Loss for the period ended on 31<sup>st</sup> March, 2022 and reports of Directors and Auditors thereon.
2. To appoint a director in the place of Mrs. T. Sarita Reddy (DIN: 00017122) who retires by rotation and being eligible, offers for herself re-appointment.

By Order of the Board  
For **BHANDARA THERMAL POWER CORPORATION LIMITED**

Place: Hyderabad  
Date: 10.08.2022

  
**K. Mani Raju**  
Director  
DIN: 02271226

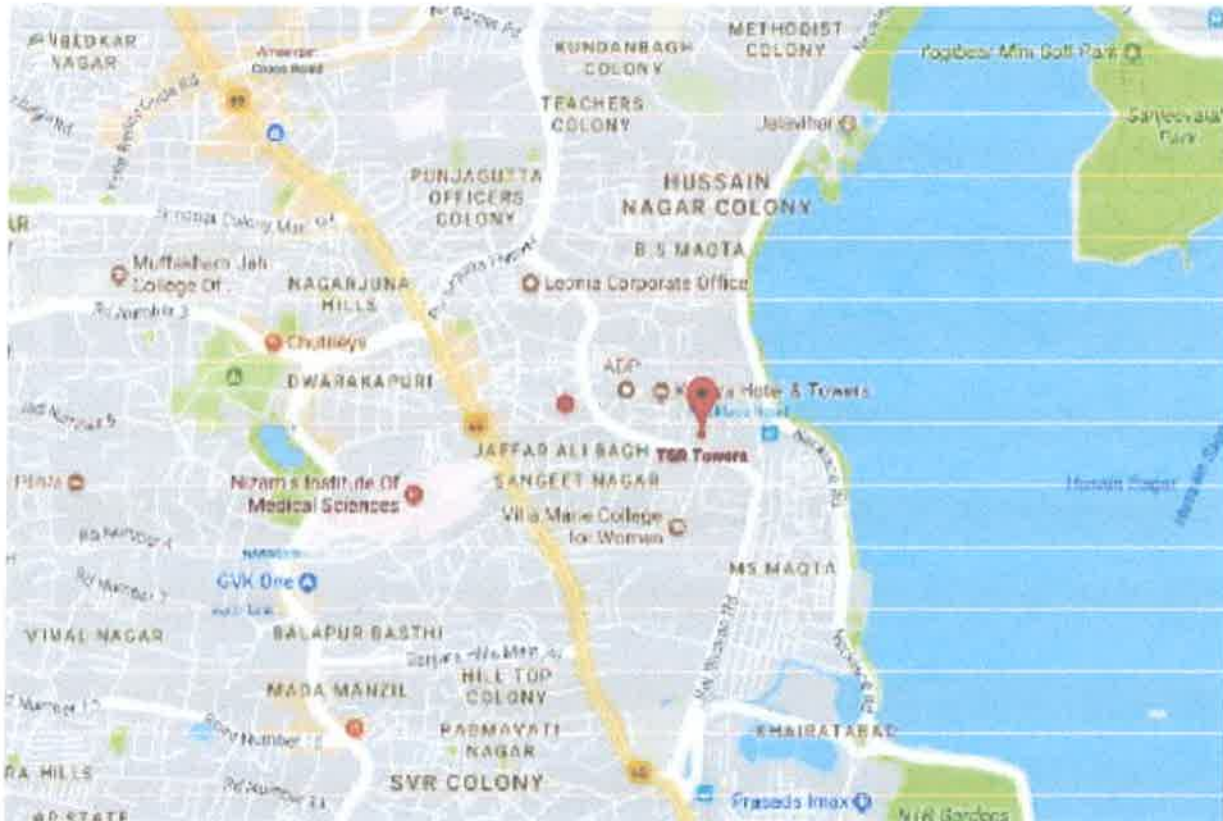
**Notes:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and Vote instead of himself and a proxy need not be a member.
2. The instrument of Proxy duly completed and signed shall be deposited at the Registered Office of the Company not less than 48 Hours before commencement of the Meeting.
3. Members / Proxies are requested to hand over the enclosed Attendance Slip duly filled in, at the entrance for attending the meeting

***BTPCL AGM Notice 2022***

4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf in the meeting
5. A Route map showing directions to reach the venue of 14<sup>th</sup> Annual General Meeting is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings"

**Route Map to the venue of the 14<sup>th</sup> Annual General Meeting of Bhandara Thermal Power Corporation Limited**



**TSR Towers**  
Rajbhavan Road, Somajiguda  
Hyderabad – 500 082

**Bhandara Thermal Power Corporation Limited**

**CIN: U40102TG2008PLC057008**

**Regd Office: 6-3-1090, 1<sup>st</sup> Floor, T.S.R Towers, 6-3-1090, Rajbhavan Road, Somajiguda, Hyderabad – 500 082, Telangana, India.**



## **INDEPENDENT AUDITORS' REPORT**

To the Members of Bhandara Thermal Power Corporation Limited

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the Standalone Financial Statements of Bhandara Thermal Power Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and the loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Emphasis of Matter**

(Note Nos. referred hereunder are with reference to respective notes forming part of Standalone Financial Statements)

We draw members attention to the following matters:

- (i). As stated in note 13.6 regarding contract advance given which are long pending for recovery.

Our opinion is not modified in respect of the above matters.



### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis, Boards Report including annexures to Board's Report, Business responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are



considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, the Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act. read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup>March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup>March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 of the Act and rules thereunder are not applicable to the Company as it is a private company.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    1. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
    2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    4. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in





any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to the notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

5. The Company has neither declared nor paid any dividend during the year. Hence, the provisions of section 123 of the Companies Act, 2013 are not applicable.

for **M O S & Associates LLP**

Chartered Accountants

Firm registration number: 001975S/S200020

*S. V. C. Reddy*  
**S V C Reddy**

Partner

Membership Number: 224028

UDIN: 22224028AMLRWL8147



Hyderabad  
28.05.2022

## Annexure A to the Auditors' Report

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2022, we report that:

- i. In respect of Property Plant & Equipment, Intangible Assets:
  - a. A. In our opinion and as per the information and explanations given to us, the Company has maintained proper records showing particulars, including quantitative details and situation of Property Plant & Equipment.  
B. In our opinion and as per the information and explanations given to us, the Company does not have any intangible assets and hence, paragraph 3(i)(a)(B) of the Order is not applicable for the current year under report.
  - b. The management of the company has verified the Property, Plant and Equipment at reasonable intervals during the year. According to the information and explanations given to us, no material discrepancies were noticed in such physical verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company.
  - d. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not revalued its Property, Plant, and Equipment or intangible assets or both during the year;
  - e. In our opinion and as per the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made there under;
- ii.
  - a. According to the information and explanations given to us by the management, the Company does not have any physical inventories. Hence paragraph 3(ii) of the Order is not applicable for the current year under report.
  - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- iii.
  - a. According to the information and explanations given to us, the Company has granted advances in the nature of loans to other entities during the year, the details of which are as follows:

(Rs. In Lakhs)

Particulars	Advances in the nature of Loans
Aggregate amount granted/ provided during the year from other than Subsidiaries, Associates and Joint Ventures	2,231.05
Balance outstanding at the balance sheet date in respect of above cases	2,231.05



b. In our opinion and according to information and explanations given to us, the terms and conditions of such advances in the nature of loans given by the Company during the year, are not prima facie prejudicial to the interest of the company.

c. As there is no schedule of repayment of principal and further, interest is not charged in respect of advances in the nature of loans granted by the Company during the year, we are unable to comment on the regularity of repayment of the same.

d. As there is no schedule of repayment of principal and payment of Interest in respect of the loans granted by the company during the year, reporting under clause 3(ii)(d) of the Order is not applicable to the Company.

e. As per the information and explanations given to us, the company has not granted/renewed loans to any party/ parties to settle the overdues of existing loans given to the same party / parties.

f. As per the information and explanations given to us, the company has granted certain loans without specifying any terms or period of repayment and the details of such loans are as follows:

Aggregate amount of advances in nature of loans	All Parties	Promoters	Related Parties
Agreement does not specify any terms or period of repayment	2,231.05	-	2,231.05
Percentage of loans to the total loans	-	-	100%

iv. According to the information and explanations given to us by the management and in our opinion, the company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable, in respect of grant of loans, making investments and providing guarantees and securities.

v. According to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance Deposits) Rules, 2014 (as amended) during the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of any cost records under Section 148 (1) of the Act for the current level of activities of the Company. Hence paragraph 3(vi) of the Order is not applicable for the current year under report.

vii. In respect of statutory dues:

a. According to the information and explanations given to us, and based on our examination of records the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with appropriate statutory authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, value added tax, cess and other material statutory dues were in arrears as at 31st March, 2022 for a period more than six months from the date they became payable.



- b. According to the information and explanations given to us and based on our examination of records of the Company, there are no material dues of provident fund, income tax, value added tax, cess and other material statutory dues which have not been deposited as on 31st March, 2022 with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us, and based on our examination of records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account
- ix.
- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- c. According to the information and explanations given to us, the company has not obtained any term loans during the year under audit, accordingly, the provisions of Clause 3(ix)(c) of the Order are not applicable to the Company and hence not commented upon.
- d. According to the information and explanations given to us and on an overall examination of the records of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.
- e. According to the information and explanations given to us and on an overall examination of the records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associate or joint venture (as defined in the Act). Accordingly, clause 3(ix)(e) of the Order is not applicable.
- f. According to the information and explanations given to us and the procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates, or joint ventures during the year.
- x.
- a. According to information and explanations given to us, The Company has not raised any money by way of an initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause (x)(a) of the Order is not applicable to the Company.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year and hence reporting under clause (x)(b) of Order is not applicable.



xi.

- a. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations are given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
- b. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause (xi)(b) of the Order is not applicable to the Company.
- c. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, there are no whistle-blower complaints received by the company during the year, accordingly, the reporting under clause (xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Hence, paragraph 3 (xii) of the Order is not applicable to the Company.

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

xiv.

- a. According to the information and explanations given to us, the Company does not have an internal audit system and is not required to have any internal audit system as per provisions of the Companies Act, 2013. Accordingly, clause 3(xiv)(a) of the Order is not applicable.
- b. According to the information and explanations given to us, the Company is not required to appoint an internal auditor under Section 138 of the Companies Act, 2013. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

xv. According to the information and explanations given to us and based on examination of records of the Company, the Company has not entered into any non-cash transaction with directors or persons connected with them. Hence paragraph 3(xv) of the Order is not applicable for the current year under report

xvi.


- a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Clause (xvi)(a) of the Order are not applicable to the Company.



- b. The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause (xvi)(b) of the Order is not applicable to the Company.
- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India, and accordingly reporting under clause (xvi)(c) of the Order is not applicable.
- d. Based on the information and explanations provided by the management of the Company, the group don't have any Core Investment Company (CIC) and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred a cash loss of Rs.2.48 lakhs during the current Financial Year and has incurred a cash loss of Rs.1.71 lakhs during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause (xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us, the company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and accordingly, reporting under clause 3 (xx) of the Order is not applicable for the year.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of the audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

for **M O S & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 001975S/S200020

  
**S V C Reddy**  
Partner  
Membership No.: 224028  
UDIN: 22224028AMLRWL8147



Hyderabad  
28.05.2022

## **Annexure - B to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

#### **Opinion**

We have audited the internal financial controls over financial reporting of **Bhandara Thermal Power Corporation Limited** ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.



The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

*for* **M O S & Associates LLP**  
Chartered Accountants  
Firm registration number 001975S/S200020

*S. V. C. Reddy*  
**S V C Reddy**

Partner

Membership Number: 224028

UDIN: 22224028AMLRLWL8147



Hyderabad  
28.05.2022



**Bhandara Thermal Power Corporation Limited**  
Standalone Balance Sheet as at 31st March 2022

₹ in Lakhs

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
<b>Non - current assets</b>			
a) Property, Plant and Equipment	2	6,221.15	6,221.15
b) Capital work-in-progress	3	646.60	646.60
c) Other Non Current Assets	4	1,071.44	1,071.44
<b>Total Non-Current Assets</b>		<b>7,939.19</b>	<b>7,939.19</b>
<b>Current Assets</b>			
<b>a) Financial Assets</b>			
i) Cash and cash equivalents	5	1.77	1.65
ii) Loans & Advances	6	2,231.05	0.30
<b>Total Current Assets</b>		<b>2,232.82</b>	<b>1.95</b>
<b>Total Assets</b>		<b>10,172.01</b>	<b>7,941.14</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	7	498.33	498.33
b) Other Equity	8	(1,164.53)	(1,162.05)
<b>Total Equity</b>		<b>(666.19)</b>	<b>(663.71)</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
<b>a) Financial Liabilities</b>			
i) Borrowings	9	8,598.05	8,601.85
<b>Total Non Current Liabilities</b>		<b>8,598.05</b>	<b>8,601.85</b>
<b>Current Liabilities</b>			
<b>a) Financial Liabilities</b>			
i) Borrowings	10	2,238.50	-
b) Other current liabilities	11	1.65	3.00
<b>Total Current Liabilities</b>		<b>2,240.15</b>	<b>3.00</b>
<b>Total Equity and Liabilities</b>		<b>10,172.01</b>	<b>7,941.14</b>
Corporate information and significant accounting policies	1		
Other Notes forming part of the Financial Statements	13		

**For M O S & ASSOCIATES LLP**

Chartered Accountants

Firm Reg. No: 001975S/S200020

S V C Reddy

Partner

Membership No: 224028

Place: Hyderabad

Date: 28/05/2022



**For and on behalf of the Board**

*(Signature)*  
K. MANI RAJU  
Director  
DIN: 002271226

*(Signature)*  
P. PURNACHANDER RAO  
Director  
DIN: 02230190



**Bhandara Thermal Power Corporation Limited**

Standalone Statement of Profit and Loss for the year ended 31st March 2022

₹ in Lakhs

Particulars	Note No.	For the year ended March 31,	
		2022	2021
<b>Income</b>			
a. Other Income		-	-
<b>Total Income</b>		-	-
<b>Expenses</b>			
a. Other expenses	12	2.48	1.71
<b>Total Expenses</b>		<b>2.48</b>	<b>1.71</b>
Profit before exceptional items and tax		(2.48)	(1.71)
Exceptional Items		-	-
<b>Profit/(Loss) before tax</b>		<b>(2.48)</b>	<b>(1.71)</b>
Tax Expense		-	-
<b>Profit/(Loss) for the year</b>		<b>(2.48)</b>	<b>(1.71)</b>
<b>Other Comprehensive Income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss :</b>			
Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits		-	-
<b>Total Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income/(Loss) for the Year</b>		<b>(2.48)</b>	<b>(1.71)</b>
<b>Earnings Per Share (EPS)</b>			
- Basic and Diluted	13.11	N.A.	N.A.
Corporate information and significant accounting policies	1		
Other Notes forming part of the Financial Statements	13		

For M O S & Associates LLP

Chartered Accountants

Firm Registration No. : 001975/S200020

S V C Reddy

Partner

Membership No.: 224028

Place: Hyderabad

Date: 28/05/2022



For and on behalf of the Board

*(Signature)*  
K. MANI RAJU  
Director  
DIN: 002271226

*(Signature)*  
P. PURNACHANDER RAO  
Director  
DIN:02230190



**Bhandara Thermal Power Corporation Limited**  
Standalone Statement of Changes in Equity for the year ended 31st March, 2022

**A. Equity Share Capital**

Particulars	Note No	₹ in lakhs
<b>As at 31st March 2020</b>		<b>498</b>
Changes in Equity Share Capital	7	-
<b>As at 31st March 2021</b>		<b>498</b>
Changes in Equity Share Capital	7	-
<b>As at 31st March 2022</b>		<b>498</b>

**B. Other Equity**

**i. Reserves and Surplus - Retained Earnings**

Particulars	₹ in lakhs
Balance as at 01st April 2020	(1,160)
Profit/ (Loss) for the year	(1.71)
<b>Balance as at 31st March 2021</b>	<b>(1,162)</b>

Particulars	₹ in lakhs
Balance as at 01st April 2021	(1,162)
Profit/ (Loss) for the year	(2.48)
<b>Balance as at 31st March 2022</b>	<b>(1,165)</b>

For MOS & Associates LLP  
Chartered Accountants  
Firm Registration No.: 9013735/3200020

**S V C Reddy**  
Partner  
Membership No.: 224028



For and on behalf of the Board

**K. MANI RAJU** **P. PURNACHANDER RAO**  
Director Director  
DIN: 002271226 DIN: 02230190

*(Handwritten signatures of K. Mani Raju and P. Purnachander Rao)*

Place: Hyderabad  
Date: 28/05/2022



**Bhandara Thermal Power Corporation Limited**  
Standalone Statement of Cash Flows for the year ended 31st March 2022

₹ in Lakhs

Particulars	For the year ended March 31,	
	2022	2021
<b>A Cash flow from operating activities</b>		
Profit/ (loss) after tax	(2.48)	(1.71)
Adjustments for		
- Provision for Expected Credit Loss	-	-
- Interest and other income	-	-
<b>Operating loss before working capital changes</b>	<b>(2.48)</b>	<b>(1.71)</b>
Changes in working capital :		
Adjustments for (increase)/ decrease in operating assets		
- Other Current Assets	-	-
- Other Non Current Assets	-	-
Adjustments for increase/(decrease) in operating liabilities		
- Other Current Liabilities	(1.35)	1.53
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>(3.83)</b>	<b>(0.18)</b>
<b>B Cash flows from investing activities</b>		
Purchase of fixed assets including changes in CWIP	-	-
Interest received	-	-
<b>Net Cash from Investing Activities ( B )</b>	<b>-</b>	<b>-</b>
<b>C Cash flows from financing activities</b>		
Proceeds from Borrowings	2,234.70	
Other Current Assets	(2,230.75)	
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>3.95</b>	<b>-</b>
<b>D Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>0.12</b>	<b>(0.18)</b>
Cash and cash equivalents at the beginning of the year	1.64	1.82
<b>E Cash and cash equivalents at the end of the year</b>	<b>1.76</b>	<b>1.64</b>

For M O S & Associates LLP

Chartered Accountants

Firm Registration No.: 0019763/3100020

8.0.6  
S V C Reddy  
Partner

Membership No.: 224028



For and on behalf of the Board

K. MANIRAJU  
Director  
DIN: 002271226

P. PURNACHANDER RAO  
Director  
DIN:02230190



Place: Hyderabad  
Date: 29/05/2022

## **Note 1: Corporate information and Significant accounting policies**

### **Corporate information**

**Bhandara Thermal Power Corporation Limited** is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956, to build, own and operate coal-fired power plant in India.

### **Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these Standalone Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **i. Basis of preparation**

##### **a. Compliance with Ind AS**

The Company's Financial statements have been prepared to comply with generally accepted accounting principles in accordance with the Indian Accounting Standards (herein after referred to as "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 ("the Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016.

#### **ii. Basis of preparation and presentation of Financial Statements**

The Financial statements are prepared on accrual basis following the historical cost convention except in case of certain financial instruments which are measured at fair values. The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed under Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Indian Accounting Standard (Ind AS) - 7 on "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of the financial statements along with other notes required to be disclosed under the notified Ind AS. Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable. Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy used previously.

Fair value for measurement adopted in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, Net Realizable value as per Ind AS 2 or value in use as per Ind AS 36. Fair value measurements under Ind AS are categorized as below 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:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are 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.

**zi. Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**zv. Revenue Recognition**

**a. Other Income**

Interest income is accounted on accrual basis as per applicable interest rates and on time proportion basis taking into account the amount outstanding.

**v. Foreign Currency Transactions**

- a. The reporting currency of the company is Indian Rupee.
- b. Foreign exchange transactions are accounted at the rates prevailing on the date of the transactions.
- c. Monetary assets and current liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit and Loss.
- d. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

**vi. Financial Instruments**

Financial Assets and Financial Liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial Assets and Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets and Financial Liabilities (other than Financial Assets and Financial Liabilities at fair value through profit or loss) are added to or deducted from the fair value of the Financial Assets or Financial Liabilities, as appropriate, on initial recognition.

**vii. Financial Assets**

Financial Asset is any Asset that is -

- a. Cash
- b. Equity Instrument of another Entity,
- c. Contractual right to -
  - (i) receive Cash / another Financial Asset from another Entity, or
  - (ii) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows

that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments, other than those stated above, which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments other than those stated above, the subsequent changes in fair value are recognized in other comprehensive income.

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

**viii. Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss.

**ix. Financial Liabilities**

Financial liabilities are recognized at fair value net of transaction costs and are subsequently held at amortized cost using the effective interest rate method.

Financial liabilities carried at fair value through profit and loss are measured at fair value with changes in fair value recognized in the Statement of profit and loss.

**x. Impairment of Non-Financial Assets**

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

**xi. De-recognition of Financial Instruments**

A Financial Asset is derecognized when the right to receive cash flows from the asset has expired or the company has transferred substantially all the risks and rewards or the right to receive the cash flows under a contractual arrangement or has transferred the asset.

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. In the case where the existing liability is replaced by another liability either from the same lender or otherwise such an exchange is treated as de-recognition of the original liability and recognition of a new

liability. Any change in the carrying amount of a liability is recognized in the Statement of Profit and Loss.

**xii. Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are those that necessarily take a substantial period of time to get ready for their intended use or sale.

Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost that is eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**xiii. Earnings Per share**

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

**xiv. Provisions and Contingent Liabilities**

- a. A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be reasonably estimated, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.
- b. Contingent Liabilities are present obligations arising from a past event, when it is not probable or the probability is remote that an outflow of resources will be required to settle the obligation and they are not recognized but are disclosed in the notes forming part of the financial statements.

**xv. Taxes**

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in other comprehensive income. The income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date.

**xvi. Statement of Cash Flows**

Statement of Cash Flows is prepared by segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using the indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- a. transactions of a non-cash nature;
- b. any deferrals or accruals of past or future operating cash receipts or payments;
- c. items of income or expense associated from investing or financing cash flows; and



- d. *Cash and cash equivalents (including bank balances) are reflected as such in the Statement of Cash Flows.*

**xvii. Cash and Cash Equivalents**

*Cash and cash equivalents include cash, bank balances, fixed deposits and margin money deposits.*

**xviii. Commitments**

*Commitments are future liabilities for contractual expenditure.*

*Commitments are classified and disclosed as follows:*

- a. *Estimated amount of contracts remaining to be executed on capital account and not provided for;*
- b. *Uncalled liability on shares and other investments partly paid;*
- c. *Funding related commitment to subsidiary, associate and joint venture companies, and;*
- d. *Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.*
- e. *Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.*

**xix. Property, plant and equipment**

*Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.*

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

**xx. Depreciation methods, estimated useful lives and residual value**

*Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.*

*An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.*

*Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).*

**xxi. Impairment of Non-Financial Assets**

*As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.*

**Recoverable amount is determined:**

- a. *In case of an individual asset, at the higher of the Assets' fair value less cost to sell and value in use; and*
- b. *In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.*

- c. *In assessing Value in Use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified with the asset. In determining fair value less cost to sell, recent market transactions are taken into account. If no such transaction can be identified, an appropriate valuation model is used.*

*Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through the Statement of Profit and Loss.*

**Note 2&3. Property, Plant & Equipment, Capital Work in Progress**

particulars	As at March 31,	
	2022	2021
₹ in Lakhs		
<b>a) Land</b>		
Opening balance	6,221.15	6,221.15
Additions	-	-
Disposals	-	-
<b>Closing Gross Carrying Amount (A)</b>	<b>6,221.15</b>	<b>6,221.15</b>
<b>b) Capital Work in progress</b>		
Opening balance	646.60	646.60
Additions	-	-
Disposals	-	-
<b>Closing Balance (B)</b>	<b>646.60</b>	<b>646.60</b>

**The Company has pledged the entire Land, the details of the Pledge are as follows:**

a) 600.46 Acres of Land has been mortgaged towards loan availed by Ultimate Holding Company (Gayatri Projects Limited)

b) 21.291 Acres of Land has been Pledged to IL&FS Financial Services Limited which is yet to be released by the IL&FS as the loan is repaid by the Company.

**Note 3. Reconciliation of Additions & Deletions in Capital Work in Progress:**

Particulars	As at March 31,	
	2022	2021
₹ in Lakhs		
<b>Preoperative Expenditure pending allotment</b>		
Opening Balance (A)	646.60	646.60
<b>Add: Expenses incurred during the year (B)</b>		
Bank Charges	-	-
Legal and Professional Charges	-	-
<b>Total (A+B)</b>	<b>646.60</b>	<b>646.60</b>
<b>Less: Capitalised during the year</b>		
<b>Total</b>	<b>646.60</b>	<b>646.60</b>

**Note 4. Other Non Current Assets**

₹ in Lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Contract Advance to a Company where KMP are having substantial interest (Refer Note No. 13.6)	2,155.05	2,155.05
Less: Provision for credit loss	(1,083.61)	(1,083.61)
<b>Total</b>	<b>1,071.44</b>	<b>1,071.44</b>

**Financial Assets****Note 5. Cash and Cash Equivalents**

₹ in Lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Cash on hand	-	-
(b) Balances with banks in current accounts	1.77	1.65
<b>Total</b>	<b>1.77</b>	<b>1.65</b>

**Note 6. Other current Loans & Advances**

₹ in Lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Other Advances	-	0.30
(b) Loan / Advance to ultimate holding company	2,231.05	-
<b>Total</b>	<b>2,231.05</b>	<b>0.30</b>

*Loan to Ultimate Holding Company is interest free, unsecured and has no fixed repayment schedule and terms.*

**Note 7. Share Capital**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
<b>(a) Authorised Share Capital</b>				
Equity shares of ₹ 10/- each	51,00,000	510.00	51,00,000	510.00
<b>(b) Issued, Subscribed and fully paid up Share Capital</b>				
Equity shares of ₹ 10/- each	49,83,334	498.33	49,83,334	498.33
<b>Total</b>	<b>49,83,334</b>	<b>498.33</b>	<b>49,83,334</b>	<b>498.33</b>

**Note 7a Movements in Equity Share Capital**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
<b>Equity shares of ₹ 10/- each with voting rights</b>				
At the beginning of the year	49,83,334	498.33	49,83,334	498.33
Issued during the year	-	-	-	-
<b>Closing Balance</b>	<b>49,83,334</b>	<b>498.33</b>	<b>49,83,334</b>	<b>498.33</b>

**Rights, preferences and restrictions attached to Equity Shares**

The Company has only one class of shares, referred to as equity shares having a par value of ₹ 10/- per share. Each Holder of equity shares is entitled to one vote per share. The company has not declared/ proposed dividend during the year. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 7b Details of shares held by the holding company and the ultimate holding company:**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
<b>Equity shares of ₹ 10/- each with voting rights</b>				
Gayatri Energy Ventures Private Limited - Holding Company	49,57,834	495.78	49,57,834	495.78
Gayatri Projects Limited - Ultimate Holding Company	25,500	2.55	25,500	2.55

**Note 7c Details of shares held by each shareholder holding more than 5% shares:**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of shares held	% holding	Number of shares held	% holding
<b>Equity shares of ₹ 10/- each with voting rights</b>				
Gayatri Energy Ventures Pvt Ltd	49,57,834	99.49%	49,57,834	99.49%

**Note 8. Other Equity**

₹ in Lakhs

Particulars	₹ in Lakhs	
	As at 31st March 2022	As at 31st March 2021
<b>(a) Retained Earnings</b>		
Opening balance	(1,162.05)	(1,160.33)
Add : Profit / (Loss) for the year	(2.48)	(1.71)
<b>Closing balance</b>	<b>(1,164.53)</b>	<b>(1,162.05)</b>

**Financial Liabilities****Note 9. Borrowings (Non-Current)**

₹ in Lakhs

Particulars	₹ in Lakhs	
	As at 31st March 2022	As at 31st March 2021
<b>(a) Unsecured Loan - From Related Parties</b>		
From Holding Company	8,598.05	8,601.85
<b>Total</b>	<b>8,598.05</b>	<b>8,601.85</b>

**Note 9(a) Terms of Repayment & Nature of Security**

(1) The Loan obtained from the Holding Company is Unsecured, Interest Free and has no fixed Repayment Schedule & Terms.

**Note 10. Borrowings (Current)**

₹ in Lakhs

Particulars	₹ in Lakhs	
	As at 31st March 2022	As at 31st March 2021
<b>(a) Unsecured Loan - From Related Parties</b>		
From Relatives of Director	2,238.50	-
<b>Total</b>	<b>2,238.50</b>	<b>-</b>

**Note 10(a) Terms of Repayment & Nature of Security**

(1) The Loan obtained from the erstwhile director is an Unsecured, Interest Free and has no fixed Repayment Schedule & Terms.

**Note 11. Other current liabilities**

₹ in Lakhs

Particulars	₹ in Lakhs	
	As at 31st March 2022	As at 31st March 2021
<b>(a) Statutory Payables</b>		
(b) Audit Fee Payable	0.14	0.14
	1.51	2.87
<b>Total</b>	<b>1.65</b>	<b>3.00</b>

**Note 12. Other Expenses**

₹ in Lakhs

Particulars	For the year ended March 31,	
	2022	2021
<b>(a) Filing Fees</b>		
(b) Legal and Professional Charges	0.04	-
(c) Rates & Taxes	0.18	0.18
(d) Demat charges	0.12	0.06
(e) Advance written off	0.37	-
(f) Bank Charges	0.30	-
(g) Payments to auditors	0.00	0.00
	1.48	1.48
<b>Total</b>	<b>2.48</b>	<b>1.71</b>

**Note 13. Other Notes forming part of the Financial Statements**

**13.1 Contingent Liabilities**

Claims against the Company / disputed liabilities not acknowledged as debts – ₹Nil (Previous Year ₹Nil).

**13.2 Employee Benefits**

The Company has no liability for employee benefits, in accordance with the provisions of IND AS – 19 "Employee Benefits". Hence no provision has been made in the books of accounts.

**13.3** Contracts remaining to be executed on capital account (net of advances) as on 31-03-2022 are ₹9003.00 lakhs (Previous Year ₹ 9003.00 lakhs).

**13.4** As per the information available with the Company, there are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2022 are ₹Nil (Previous Year – ₹Nil).

**13.5** Deferred Tax on timing differences between taxable income and accounting income shall be provided subject to consideration of prudence, as and when the Company commences operations.

**13.6** During the preceding financial years, the company had given Contract Advance of ₹2,155.05/- lakhs to Indira Energy Holdings Private Limited (the Contractor) towards execution of road and site development works at proposed Thermal Power Project site. As the company had not handover the complete land as required for the development of the project due to various reasons, pending coal allotment and pending financial closure, etc., the contractor has not commenced the road and site development works at the instructions of the company and the recovery of the advance given to the contractor is pending as at the balance sheet date. The management of the company considering the nature of advances and the long pending recovery of the same has provided an amount of ₹ 1,083.61/- lakhs as Expected Credit Loss (ECL) during the previous year and is in the process of estimating if any further ECL/provision is to be made regarding the said Contract Advance. However, the management is confident of recovering the entire advance given to the contractor based on value of the monetary assets available with the contractor.

**13.7** The ongoing Covid-19 pandemic, has affected the country and the entire globe, which has contributed to a significant decline in global and local economic activities. The company being a holding company or investment company of various proposed power projects has not got effected significantly in view of the lockdown implementation in the Country, however, there may be a delay in monetization of earnouts or sale of other investments held by the Company. The extent to which the Covid-19 pandemic will impact the company's financials will depend on future developments, which are uncertain at present.

**13.8 Auditors Remuneration (Excluding Tax)**

₹ in lakhs

Particulars	F.Y: 2021-22	F.Y: 2020-21
Statutory Audit Fee	1.25	1.25
<b>Total</b>	<b>1.25</b>	<b>1.25</b>

### 13.9 Related parties' disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(a). List of Related parties and Relationships as disclosed by the Company:

Names of related parties	Description of relationship
Gayatri Energy Ventures Private Limited	Holding Company
Gayatri Projects Limited	Ultimate Holding Company
T. Sarita Reddy- Director P. Purnachander Rao - Director K. Mani Raju - Director	Key Management Personnel (KMP)
T. V. Sandeep Kumar Reddy T. Indira Reddy T. Rajiv Reddy T. Anirudh Reddy	Relatives of KMP
<b>Companies in which KMP/Relatives of KMP can exercise significant influence</b>	
Yamne Power Private Limited	Deep Land Holdings Private Limited
Gayatri Sugars Limited	Gayatri Hotel Ventures Private Limited
Gayatri Hitech Hotels Limited	Sai Maatarini Tollways Limited
Gayatri Hotels and Theatres Private Limited	Invento Labs Private Limited
NCC Infrastructure Holdings Limited	Gayatri Leasefin Private Limited
Hyderabad Expressways Limited	Cyberabad Expressways Limited
Gayatri Capital Limited	Gayatri Hi-Tech Hotels Limited
Sembcorp Gayatri Power Limited	Gayatri Bio-organics Limited
Idealistic Infrabuild Private Limited	Gayatri Hotels and Theatres Private Limited
Okay Infrasy Private Limited	Indira Constructions Private Limited
Tycoon Infratech Private Limited	Infraways Engineering Company Private Limited
Sucheer Infra Projects Private Limited	Sembcorp Gayatri O&M Company Private Limited
Gayatri Fin-Holdings Private Limited	Cosmo Chemagro Agencies Private Limited
Allox Resources LLP	Indore Dewas Tollways Limited
Flynt Mining LLP	Gayatri Highways Limited (Gayatri Domicile Limited)
Indira Energy Holdings Private Limited	HKR Roadways Limited

### b. Transactions with the Related Parties

Particulars	₹in lakhs	
	Holding Company, Ultimate Holding Company	KMP, Companies in which KMP and/or their relatives are interested
Unsecured Loans- Received (Net)	3.79	-
Unsecured Loans- Given	2,231.05	-
Advance Received- Erstwhile Director	-	2,238.50
Closing Balances (Dr)	2,231.05	2,155.05 (2,155.05)



Closing Balances (Cr)	8,598.04	-
	(8,601.84)	-

Figures in brackets relate to the previous financial year.

**13.10** Earnings in Foreign Currency ₹Nil (Previous Year ₹Nil)  
Expenditure in Foreign Currency ₹Nil (Previous Year ₹Nil)

**13.11** Earnings Per Share

The Company has not commenced any commercial operation. During the year, no profit/(loss) is attributable to the Equity Shareholders.

**13.12** Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize the cost of capital.

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 return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with other entities in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total equity.

₹ in lakhs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Debt:</b>		
i) Non-Current Borrowings	8,598.04	8,601.84
ii) Current Maturities of Non-Current Borrowings	Nil	Nil
<b>Total Debt:</b>	<b>8,598.04</b>	<b>8,601.84</b>
<b>Equity:</b>		
i) Equity Share capital	498.33	498.33
ii) Other Equity	(1,164.53)	(1,162.05)
<b>Total Equity:</b>	<b>(666.19)</b>	<b>(663.71)</b>
Total debt to equity ratio (Gearing ratio)	(12.91)	(12.96)

**13.13** Fair Value Measurement

₹ in lakhs

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Financial Assets at Amortised Cost</b>		
Cash and cash equivalents	1.77	1.65
Other Financial Assets	-	-
<b>Total</b>	<b>1.77</b>	<b>1.65</b>
<b>Financial Liabilities at Amortised Cost</b>		
Borrowings	8,598.05	8,601.85
<b>Total</b>	<b>8,598.05</b>	<b>8,601.85</b>

Financial risk management

The Company's activities expose it to a variety of financial risks like market risk, credit risk and liquidity risks. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**a. 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. Major financial instruments affected by market risk, includes loans and borrowings.

**i. Interest rate risk**

The borrowings of the company from its holding company are interest free and have no fixed repayment schedule. Thus, interest rate risk is limited for the Company.

**ii. Foreign Currency Risk:**

The company has no foreign currency exposures, hence there is no foreign currency risk.

**iii. Equity Price Risks:**

There are no investments made by the company into any securities hence there is no equity price risk

**b. Credit risk management**

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risks arises from company's activities in investments and advances given. The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities.

**c. Liquidity Risk:**

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's management and finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The borrowings of the company are from its holding company are interest-free and have no fixed repayment schedule. Thus, interest rate risk is limited for the Company.

**13.14 Ratios:**

S. No.	Particulars	2021-22	2020-21	% Change
(a)	Current Ratio	1.00	0.65	54.11%
(b)	Debt-Equity Ratio,	(32.53)	(25.92)	25.51%
(c)	Debt Service Coverage Ratio,	NA	NA	0.00%
(d)	Return on Equity Ratio,	0.00	0.00	22.73%
(e)	Inventory turnover ratio,	NA	NA	0.00%
(f)	Trade Receivables turnover ratio,	NA	NA	0.00%
(g)	Trade payables turnover ratio,	NA	NA	0.00%
(h)	Net capital turnover ratio,	NA	NA	0.00%
(i)	Net profit ratio,	NA	NA	0.00%
(j)	Return on Capital employed,	(0.00)	(0.00)	13.18%
(k)	Return on investment.	NA	NA	NA

**Formulas for Ratios:**

S.No.	Ratios	Numerator	Denominator
(a)	Current ratio	Total current assets	Total current liabilities
(b)	Debt-equity ratio	Total Gross Debt	Average shareholder's equity
(c)	Debt service coverage ratio	Earnings for Debt service (Profit after tax + Finance cost + Depreciation and amortisation + Other non-cash expenditure)	Debt service = (interest + Principal repayments)
(d)	Return on equity ratio	Profit after tax	Average shareholder's equity
(e)	Inventory turnover ratio (number of days)	Average inventory	Total revenue from operations
(f)	Trade receivables turnover ratio (number of days)	Average trade receivables	Total revenue from operations
(g)	Trade payables turnover ratio (number of days)	Average trade payables	Cost of materials and services consumed or used
(h)	Net capital turnover ratio	Average working capital = Current assets (-) Current liabilities	Total revenue from operations
(i)	Net profit ratio	Profit after tax	Total revenue from operations
(j)	Return on capital employed	Earnings before interest and taxes (Profit before taxes + Finance cost)	Average Capital employed Capital employed = Total equity + Borrowings
(k)	Return on investment	Income generated from investments	Time-weighted average investments in mutual funds

**Note:** Current Ratio and Debt Equity Ratio have increased by more than 25% due to an increase in Current Liabilities during the year.

- 13.15** Additional Regulatory Information as required by Schedule III of the Companies Act, 2013:
- i. No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
  - ii. The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of Current Assets.
  - iii. The Company is not been declared as a Wilful Defaulter by any Bank, Financial Institution or other lenders.
  - iv. During the current financial year, to the best knowledge of the company, it didn't have any relationship with Struck-off Companies.
  - v. The Company has no Charges or Satisfaction yet to be registered with the Registrar of Companies beyond the statutory period.
  - vi. The Company has not made any investment and do not have subsidiaries, therefore clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable.

vii. The Company has not entered into any Scheme of Arrangement in terms of sections 230 to 237 of the Companies Act, 2013. Hence there will be no accounting impact on the current or previous financial year.

viii. (A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: -

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) Provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries.

(ii)(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall.

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), or

b) Provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries.

ix. There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

x. The Company has not traded or invested in Crypto Currency or Virtual Currency during the current or previous year.

xi. The Company has not revalued its property, plant, and equipment during the current or previous year.

xii. The provisions of Corporate Social Responsibility Under Section 135 of Companies Act 2013 are not applicable to the Company.

xiii. The Company does not have any Immovable Properties where title deeds are not held in the name of the Company.

xiv. The Company has not raised any funds through the Issue of Securities during the current or previous year.

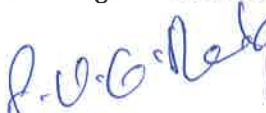
13.16 All Amounts in the financial statements are presented in Rupees in Lakhs, except as otherwise stated and all amounts in the financial statements are rounded off to the nearest thousands.

13.17 Previous year figures have been regrouped / reclassified wherever considered necessary to conform with the current year's presentation.

**For M O S & ASSOCIATES LLP**

Chartered Accountants

Firm Reg. No.: 001975S/6260020

  
**S V C Reddy**

Partner

Membership No. 224028

Place: Hyderabad

Date: 28/05/2022



**For and on behalf of the Board**

  
**K. MANI RAJU**  
Director  
DIN: 002271226

  
**P. PURNACHANDER RAO**  
Director  
DIN: 02230190

