

INDEPENDENT AUDITORS REPORT

To the Members of Srivathsa Power Projects Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Srivathsa Power Projects Private Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and the statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by 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 31st March, 2024, the loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 opinion on the financial statements.

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 Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management 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 management 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 Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 financial statements.

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

- J Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- J Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- J Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- J 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 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.
- J Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- f) Pursuant to Notification G.S.R.583 (E), dated June 13, 2017 issued by Ministry of Corporate Affairs, Section 143(3) (i) of the Act is not applicable to the Company and accordingly this report does not state whether the Company has adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section-197 of the Act.

- 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note – 28 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act and the rules made thereunder.

- iv. 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 or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity 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 or entity, 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 person or entity identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except in the case of records of property, plant and equipment and payroll which are being maintained manually.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For KARVY & CO.
Chartered Accountants
ICAI Firm Registration No: 01757S

(DEDEEPIYA NALLURI)
Partner
Membership No. 225106
UDIN: 24225106BKEPBM3525

Place: Hyderabad
Date : 20/05/2024

20/05/2024

“Annexure – A” to the Auditors’ Report

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2024, we report that:

- i. In respect of the Company’s Property, Plant and Equipment:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible assets.
 - (b) As explained to us, the management has physically verified a substantial portion of the Property, Plant and Equipment during the year and in our opinion frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification of Property, Plant and Equipment as compared to the books of account were not material and have been properly dealt with in the books of accounts.
 - (c) In our opinion and according to the information and explanations given to us, all the title deeds of immovable properties are held in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
 - (e) No proceedings have been initiated or are pending against the Company as at 31st March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- ii.
 - (a) According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification of inventory compared to the books of account were not material and have been properly dealt with in the books of accounts.
 - (b) The Company has not been sanctioned working capital limits in excess of Rs. 500.00 lakhs, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. According to the information and explanations given to us, in our opinion, the investments made by the Company are prima facie not prejudicial to the interest of the Company.

The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) are not applicable.
- iv. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted were complied with by the Company.
- v. According to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. In respect of the Company, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Act in respect of activities of the Company. Hence, reporting under clause (vi) of the Order is not applicable.
- vii. In respect of Statutory dues:
 - (a) According to the information and explanations given to us on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of

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undisputed statutory dues including provident fund, income tax, goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of provident fund, goods and service tax and cess that have not been deposited by the Company on account of any dispute except income-tax as detailed below;

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount Involved (Rs.)	Amount Unpaid (Rs.)
Income Tax Act, 1961	Income taxes	Commissioner of Income tax (Appeals)	2014-15	8,66,000	-

- viii. 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 (43 of 1961).
- ix. The Company does not have any dues to banks, financial institutions and Government. Hence, reporting under clause 3(ix)(a) to (f) of the Order is not applicable.
- x. (a) Based on the information and explanations given to us by the management, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting on clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) Since there is no fraud by the Company or on the Company that has been noticed or reported during the year, no report under sub-section (12) of section 143 of the Companies Act is required to be filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle blower complaints have been received during the year by the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with 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. In our opinion and based on our examination, the Company does not have an Internal Audit System and is not required to have an Internal Audit System as per the provisions of the Companies act, 2013. Hence, reporting under clause 3(xiv) is not applicable.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 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. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (d) According to the information and explanations given to us and based on our examination, the Company is not a Core Investment Company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses amounting to Rs.162.35 Lakhs during the financial year covered by our audit and has incurred cash losses amounting to Rs.310.68 Lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither 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. Since the Company has incurred losses in the past three financial years, there is no requirement for spending any amount towards Corporate Social Responsibility (CSR) as per the Act. Hence, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.
- xxi. There is no consolidation requirement for the Company and hence reporting on clause 3(xxi) of the Order is not applicable.

For KARVY & CO.
Chartered Accountants
ICAI Firm Registration No: 01757S

(DEDEEPIYA NALLURI)
Partner
Membership No. 225106
UDIN: 24225106BKEPBM3525

Place: Hyderabad
Date : 20/05/2024

20/05/2024

Srivathsa Power Projects Private Limited
Balance Sheet as at March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31,2024	As at March 31,2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	233.27	234.33
Financial assets			
Investments	4	200.00	200.00
Loans	5	-	-
Other financial assets	6	309.91	400.29
Deferred tax assets (net)	7	-	-
Other non-current assets	8	15.87	1.72
Total Non - Current Assets		759.05	836.33
Current Assets			
Inventories	9	120.45	121.90
Financial assets			
Trade receivables			
Billed	10	-	-
Un Billed	10	-	-
Cash and cash equivalents	11	24.66	69.74
Other Bank Balances	12	328.12	335.78
Loans	5	-	50.00
Other financial assets	6	-	-
Current tax assets	7	43.34	41.01
Other current assets	8	5.85	4.87
Total Current assets		522.42	623.30
Total Assets		1,281.47	1,459.63
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	3,339.71	3,339.71
Other equity	14	(2,107.76)	(1,946.34)
Total Equity		1,231.95	1,393.37
Liabilities			
Non-current liabilities			
Provisions	15	26.15	32.50
Total Non-current liabilities		26.15	32.50
Current liabilities			
Financial liabilities			
Trade payables			
Dues of Small and Micro enterprises			
Dues of other than micro and small enterprises	16	0.78	5.38
Provisions	15	0.50	0.50
Other current liabilities	17	22.08	27.88
Total Current liabilities		23.36	33.76
Dues of Small and Micro enterprises			
Total liabilities			
Total Equity and liabilities		1,281.47	1,459.63
Corporate information and significant accounting policies	1 & 2		
The accompanying notes form an integral part of the financial statements			

In terms of our report attached

For Karvy & Co.,
Chartered Accountants
ICAI Firm Registration No: 01757S

For and behalf of the Board of Directors

Dedeepya Nalluri
Partner
Membership No. 225106

A.Indra Kumar
Director
DIN 00190168

C. Ramachandra Rao
Managing Director
DIN 00026010

C.Sharda Shastry
Company Secretary

K.Srinivasulu
CFO

Place: Hyderabad
Date :

Srivathsa Power Projects Private Limited
Statement of Profit and Loss for the Year ended March 31, 2024

Rs. In Lakhs

Particulars	Notes	For the Year ended March 31, 2024	For the Year ended March 31, 2023
INCOME			
Revenue from operations	18	-	265.52
Other income	19	23.74	12.17
Total income		23.74	277.69
EXPENSES			
Power and Fuel	20	-	146.84
Employee benefits expense	21	122.90	112.15
Finance costs	22	0.00	4.45
Depreciation expense	23	1.05	1.53
Other expenses	24	63.19	393.83
Total expenses		187.14	658.80
Profit/(Loss) before exceptional items and tax		(163.40)	(381.11)
Exceptional items :			
Reversal of Provision for ICD		-	(50.00)
Total exceptional items		-	(50.00)
Profit/(Loss) for the year before tax		(163.40)	(331.11)
Tax Expenses			
Income tax for earlier period		-	(18.90)
Current Tax		-	-
Profit/(Loss) after tax for the year		(163.40)	(312.21)
Other comprehensive income			
A Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of the defined benefit plans		1.98	2.41
Profit/(Loss) for the year		(161.42)	(309.80)
Earnings per equity share			
(Equity shares, par value of ` 10 each)	31		
Basic (`)		(0.49)	(0.93)
Diluted (`)			
Corporate information and significant accounting policies	1 and 2		
The accompanying notes form an integral part of the financial statements			

In terms of our report attached

For Karvy & Co.,
Chartered Accountants
ICAI Firm Registration No: 017575

For and behalf of the Board of Directors

Dedeepya Nalluri
 Partner
 Membership No. 225106

A.Indra Kumar
 Director
 DIN 00190168

C. Ramachandra Rao
 Managing Director
 DIN 00026010

C.Sharda Shastry
 Company Secretary

K.Srinivasulu
 CFO

Place: Hyderabad
 Date :

Srivathsa Power Projects Private Limited
Cash flow Statement for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the Period ended		For the year ended	
	Mar 31, 2024		Mar 31, 2023	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		(161.42)		(309.80)
<i>Adjustments for:</i>				
Depreciation and amortisation expense	1.05		1.53	
Finance costs	0.00		4.45	
Interest income	(23.55)		(12.17)	
Loss of Investment Written off	-		-	
Advances Written off	-		20.22	
Operating profit before working capital changes		(183.91)		(295.77)
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Trade receivables	-		577.71	
Inventories	1.45		(1.49)	
Other assets	(15.13)		4.60	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	(4.60)		(56.51)	
Provisions	(6.35)		2.13	
Other current Liabilities	(5.80)		(3.05)	
Cash generated from operations		(214.34)		227.62
Net income tax paid		(2.33)		(17.04)
Net cash flow from operating activities (A)		(216.67)		210.58
B. CASH FLOW FROM INVESTING ACTIVITIES				
Interest received	23.55		12.17	
Loans Repaid/(given)	50.00		(50.00)	
Movement in Bank balances not considered as cash and cash equivalents	98.04		(165.02)	
Net cash (used in) / flow from investing activities (B)		171.60		(202.85)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Finance costs	(0.00)		(4.45)	
Net cash flow (used in) financing activities (C)		(0.00)		(4.45)
Net (decrease) in Cash and cash equivalents (A+B+C)		(45.08)		3.28
Cash and cash equivalents at the beginning of the year		69.74		66.47
Cash and cash equivalents at the end of the year (Refer Note (i) below)		24.66		69.75
* Note (i): Cash and cash equivalents comprises of -				
Cash		0.10		0.19
Balances with Banks		24.56		69.55
		24.66		69.74

In terms of our report attached

For Karvy & Co.,
Chartered Accountants
ICAI Firm Registration No: 01757S

Dedeepya Nalluri
Partner
Membership No. 225106

Place: Hyderabad
Date :

For and behalf of the Board of Directors

A. Indra Kumar
Director
DIN 00190168

C. Ramachandra Rao
Managing Director
DIN 00026010

C. Sharda Shastry
Company Secretary

K. Srinivasulu
CFO

Srivathsa Power Projects Private Limited
Statement of changes in equity for year ended March 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

A. Equity			
Particulars	Number of Shares	Amount	
Balance at March 31, 2022	3,33,97,090	3,340.00	
Changes in equity share capital during the year			
Balance at March 31, 2023	3,33,97,090	3,340.00	
Changes in equity share capital during the year			
Balance at March 31, 2024	3,33,97,090	3,340.00	

For the year ended March 31, 2024

Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the current year	Balance as at Mar 31, 2024
3,339.71	-	3,339.71	-	3,339.71

For the year ended March 31, 2023

Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2022	Changes in equity share capital during the current year	Balance as at March 31, 2023
3,339.71	-	3,339.71	-	3,339.71

B. Other Equity

Particulars	Reserves and Surplus		Total
	Securities premium reserve	General reserve	
Balance at March 31, 2022	37.71	84.85	(1,759.10)
Remeasurement of net defined benefit liability/asset, net of tax effect	-	-	2.41
Loss for the year	-	-	(312.21)
Balance at March 31, 2023	37.71	84.85	(2,068.90)
Remeasurement of net defined benefit liability/asset, net of tax effect	-	-	1.98
Profit / Loss for the year	-	-	(163.40)
Balance at March 31, 2024	37.71	84.85	(2,230.32)

In terms of our report attached

For Karvy & Co.,
Chartered Accountants
ICAI Firm Registration No: 017575

Dedeepya Nalluri
Partner
Membership No. 225106

For and behalf of the Board of Directors

C. Ramachandra Rao
Managing Director
DIN 00026010

A.Indra Kumar
Director
DIN 00190168

K.Srinivasulu
CFO

Place: Hyderabad

Date :

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024

Background

Srivathsa Power Projects Private Limited (Formerly Srivathsa Power Projects Limited) ('SPPPL' or 'the Company'), a natural gas based power plant, was incorporated on May 22, 1995. The capacity of the plant is 17.202 MW (3 x 5.734 MW) and is set up in the State of Andhra Pradesh. The plant was commissioned in May, 2002. The Company has entered into a Power Purchase Agreement with Transmission Corporation of Andhra Pradesh Limited (APTRANSCO) for a period of 15 years from April 1, 2003. Natural gas is supplied by Gas Authority of India Limited ("GAIL") and Oil and Natural Gas Corporation Limited ("ONGC"). The project is capable of generating a saleable energy of approximately 130 Million kwh annually. The Company has availed ten-year tax holiday period under Section 80-IA of the Income Tax Act, 1961 with effect from financial year 2007-08.

On June 27, 2014 an incident of gas leakage and fire occurred in GAIL Gas pipeline at Tatipaka - Kondapalli pipeline, Nagaram Village. The gas supplies by both ONGC and GAIL India Limited were stopped on July 6, 2014 and the gas supply is resumed by GAIL India Limited from 27th January, 2016.

In the financial year 2020 -21 the Company obtained Short Term Open Access Agreement with AP Transco/ APEPDCL to supply power to M/s. Avanti Feeds Limited under Group Captive for 5MW vide approval No. APSLDC/78/2020-21, dated 01.01.2021 Transmission Corporation of Andhra Pradesh Limited for the period 01st January,2021 to 31st March,2021. Hence, the Company started generation from 05th January,2021 and the same has been supplying to M/s. Avanti Feeds Limited. After completion of the referred approval, the Company got another approval for the month of April,2021 vide letter no. APSLDC/02/2021-22, Dt.07.04.21. In the month of August,2021 got another STOA approval vide letter no. APSLDC/54/2021-22, DT. 26.08.2021 and the same is valid from 01st Sept, 2021 to 30th June,2022. The STOA is completed on 30th June,2022. As the Gail India Limited is transferred APM gas allocation from power sector to CGD units as per the Ministry of Petroleum and Natural gases. Hence, The Company not approached AP Transco for STOA renewal.

1. Significant accounting policies

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

A. Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act,2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value
- Defined benefit plans- plan assets measured at fair value

B. Current (vs) Non - Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- (i) Expected realised or intended to sold or consumed in normal operating cycle
- (ii) Expected to be realised within 12 months after the reporting period , or
- (iii) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period

All other assets are classified as non - current.

A liability is current when:

- (i) it is expected to be settled in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is due to be settled within 12 months after the reporting period, or
- (iv) there is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

C. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing director of the Company has been identified as the chief operating decision maker. Refer Note 29 for the segment information presented.

D. Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of its primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupees (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange difference regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

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. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

E. Revenue recognition

Revenue from sale of energy is recognised on accrual basis on pre-fixed tariff, in accordance with the provisions of the Power Purchase Agreement (PPA), net of auxiliary consumption and pass-through as per contractual terms and includes unbilled revenue accrued as at the end of the year PPA provides for payment of fixed tariff based on installed capacity of the plant and reimbursement of fuel cost at pre-determined station heat rate. Unbilled revenue is recognized with respect to the number of units sold from the date considered for invoicing up to the year end at the pre-fixed tariff.

Claims for delayed payment charges and other claims, which the Company is entitled to under the Power Purchase Agreement, are recognized in the year of acceptance.

Insurance claims are accounted on finalisation and acceptance.

F. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

G. Leases

As a lessee

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

H. Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

I. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

J. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

K. Inventories

Consumables, Stores and spares

Inventories are valued at weighted average cost or net realizable value, whichever is lower. Costs includes all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

L. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- *Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.*

- *Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.*

- *Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.*

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 24 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

M. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

N. 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 (including freight, duties, levies and all incidental expenditure attributable to bring the asset to its working condition).

Assets under installation or under construction as at the balance sheet date are shown as capital work in progress.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate 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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on tangible assets has been provided on Written down value (WDV) method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Depreciation is provided on additions / deletions of the assets during the period from / upto the month in which the asset is added / deleted.

Individual assets costing less than INR 5,000 are fully depreciated in the period of acquisition.

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).

O. Trade and other payables

These amounts represent liabilities for goods and services provided to the company. The amounts are unsecured and are usually paid as per mutually agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

P. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Q. Borrowing Cost

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 assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

R. Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

S(i). Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

S(ii). Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

T. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

U. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

V. Ind AS 115, Revenue from contracts with customers

Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.

A new five-step process must be applied before revenue can be recognised:

1. identify contracts with customers
2. identify the separate performance obligation
3. determine the transaction price of the contract
4. allocate the transaction price to each of the separate performance obligations, and
5. recognise the revenue as each performance obligation is satisfied.

The new standard is mandatory for financial years commencing on or after April 1, 2018 and early application is not permitted. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

W. Cash flow statement

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

X. Financial instruments

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

Financial assets

Initial recognition and measurement

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

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- (i) Financial assets at fair value
- (ii) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option

- (i) Business model test : The objective of company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- (ii) Cash flow characteristics test: 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 that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option

(i) Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets

(ii) Cash flow contractual test : 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.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's statement of financial position) when:

(i) The right to receive cash flows from the asset have expired, or

(ii) The company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

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

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Loans and Borrowings

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

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

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

Y. Fair Value Measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principle market for the asset or liability, or

(ii) In the absence of a principle market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

Z. Provisions, Contingent liabilities, Contingent assets and commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

1. Critical estimates and judgements

Critical estimates :

The areas involving critical estimates are:

- Estimation of defined benefit obligation, refer note 35
- Expected credit loss of financial assets, refer note 26

Significant judgements:

The areas involving significant judgements are:

- Assessment of arrangement that contains lease

2. Recent Accounting Pronouncements

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

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024

3. Property, plant and equipment

(All amounts in INR Lakhs, unless otherwise stated)

Description of Assets	Freehold land	Buildings	Plant and equipment	Computers	Total
I. Cost or deemed cost					
Balance as at April 1, 2022	230.51	52.86	35.98	0.39	319.74
Additions during the year	-	-	0.21	-	0.21
Disposals during the year	-	-	-	-	-
Balance as at March 31, 2023	230.51	52.86	36.19	0.39	319.95
Additions during the year	-	-	-	-	-
Disposals during the year	-	-	-	-	-
Balance as at Mar 31, 2024	230.51	52.86	36.19	0.39	319.95
II. Accumulated depreciation					
Balance as at April 1, 2022	-	49.39	34.34	0.38	84.11
Depreciation expense for the year	-	0.82	0.69	0.01	1.52
Eliminated on disposal of assets	-	-	-	-	-
Balance as at March 31, 2023	-	50.21	35.03	0.39	85.63
Depreciation expense for the year	-	0.62	0.43	-	1.05
Eliminated on disposal of assets	-	-	-	-	-
Balance as at March 31, 2024	-	50.83	35.46	0.39	86.68
Carrying Amount					
Balance as at March 31, 2023	230.51	2.65	1.16	-	234.31
Balance as at March 31, 2024	230.51	2.03	0.73	-	233.27

Srivathsa Power Projects Private Limited

Notes to the Financial statements for the Year ended 31st March, 2024

(All amounts in INR Lakhs, unless otherwise stated)

4. Investments

Particulars	As at	
	March 31, 2024	March 31, 2023
Non Current investments		
Investment carried at cost		
Investment in Equity Instruments of Other Entities - Unquoted		
(i) Himalaya Hydro Private Ltd	200.00	200.00
20,00,000 (31st March 2023: 20,00,000)Shares of Rs.10 each fully paid-up		
Total	200.00	200.00

Note :

Particulars	As at	
	March 31, 2024	March 31, 2023
Aggregate Amount of Quoted Investments and Market Value thereof	-	-
Aggregate Amount of Unquoted Investments	200.00	200.00
Aggregate Amount of impairment in value of investments	-	-

5. Loans

Particulars	As at	
	March 31, 2024	March 31, 2023
Non - Current		
Unsecured, considered good		
Loans		
- to others	-	-
Total Non current Loans	-	-
Current		
Unsecured, considered good		
Inter-corporate deposits (ICD)		
- to others	-	1,592.00
Less : Provision for doubtful advances	-	1,542.00
Total current loans	-	50.00

6. Other financial assets

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Unsecured, considered good		
Security deposits	14.19	29.57
Deposit towards disputed claim (Refer Note 28(i))	295.72	295.72
Fixed Deposits with Banks	-	75.00
Total non-current other financial assets	309.91	400.29
Current		
Unsecured, considered good		
Interest accrued:		
- On ICD to others	-	579.61
Less : Provision for doubtful advances	-	579.61
Total current other financial assets	-	0.00

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024
 (All amounts in INR Lakhs, unless otherwise stated)

7. Income taxes

7.1 Current tax assets and liabilities

Particulars	As at	
	March 31, 2024	March 31, 2023
Current tax assets		
Current tax assets (net of provision for tax)	43.34	41.01
Current tax liabilities		
Provision for Tax (net of advance tax)	-	-
Total Current tax Asset/ (liabilities)	43.34	41.01

7.2 - Tax Expense

a) Recognised in Statement of Profit and Loss

Particulars	As at	
	March 31, 2024	March 31, 2023
Current tax		
In respect of the current year	-	-
In respect of prior years	-	-
Deferred tax		
	-	-

b) The Income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	March 31, 2024	March 31, 2023
Loss before tax from continuing operations	(163.40)	(282.93)
Add : Other Comprehensive income	-	-
Total Comprehensive Income/(Loss)	(163.40)	(282.93)
Income tax expense recognised in profit or loss	-	-

7.3 Deferred tax balance

For the period ended Mar 31, 2024

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to				
Difference in WDV as per Companies Act & IT Act	50.00	(6.31)		43.69
Provision for Gratuity - Disallowance under Sec 43B	8.58	(1.65)		6.93
Provision for bonus - Disallowance under Sec 43B	1.93	0.19		2.12
Business Losses & unabsorbed depreciation to be carried forward to Future years	398.75	(116.41)		282.35
MAT Credit	480.32	0.00		480.32
Total	939.58	(124.18)	-	815.41

For the year ended March 31, 2023

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to				
Difference in WDV as per Companies Act & IT Act	57.22	(7.22)	-	50.00
Provision for Gratuity - Disallowance under Sec 43B	8.03	0.55	-	8.58
Provision for bonus - Disallowance under Sec 43B	1.92	0.01	-	1.93
Business Losses & unabsorbed depreciation to be carried forward to Future years	398.75	-	-	398.75
MAT Credit	398.76	81.56	-	480.32
Total	864.68	74.90	-	939.58

* In accordance with the Indian Accounting Standard 12 - "Income Taxes"(AS-12), the Deferred tax assets arising from timing differences are recognized and carried forward only if it is probable that taxable profit will be available against which the deductible temporary difference can be utilized and will be reviewed for the appropriateness of their respective carrying value at each balance sheet date. In view of this, deferred tax asset (net) to the extent of INR 815.41 lakhs (Previous Year: INR939.58lakhs) is not recognized.

Ageing for trade receivables- billed- current outstanding as at March 31, 2023 is as follows;

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	-

11. Cash and Cash Equivalents

Particulars	As at	
	March 31, 2024	March 31, 2023
Balances with Banks in current accounts	24.56	69.55
Cash on hand	0.10	0.19
Total	24.66	69.74

12. Other Bank balances

Particulars	As at	
	March 31, 2024	March 31, 2023
Deposits held as margin money/security for bank guarantees *	-	47.89
Deposits with Banks	328.12	287.89
Total	328.12	335.78

* the above are deposits with a maturity of within 12 months

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024
 (All amounts in INR Lakhs, unless otherwise stated)

13. Equity share capital

Particulars	As at	
	March 31, 2024	March 31, 2023
Authorised share capital:		
35,000,000 (March 31, 2023: 35,000,000) fully paid up equity shares of INR 10 each.	3,500.00	3,500.00
Issued, subscribed and fully paid up capital:		
Issued, subscribed and fully paid up equity share capital	3,339.71	3,339.71
3,33,97,090 (March 31, 2023: 3,33,97,090) fully paid up equity shares of INR 10 each.		
Total	3,339.71	3,339.71

Notes:

(A) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at Mar 31, 2024		As at March 31, 2023	
	Number of shares	Amount (In Lacs)	Number of shares	Amount (In Lacs)
Balance as at the beginning of the year				
Issue/(buy-back)	3,33,97,090	3,339.71	3,33,97,090	3,339.71
Balance as at the end of the year	3,33,97,090	3,339.71	3,33,97,090	3,339.71

(B) Details of shares held by each shareholder holding more than 5% shares

	As at Mar 31, 2024		As at March 31, 2023	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid equity shares				
Asian Infrastructure Pte Ltd., Singapore	-	0.00%	-	0.00%
Avanti Feeds Limited	3,33,97,080	100.00%	3,33,97,080	100.00%
Smt Shanti Lata	10	0.00%	10	0.00%

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024
 (All amounts in INR Lakhs, unless otherwise stated)

(C) Rights, preferences and restrictions attached to equity shares:

The Company has one class of equity shares having a par value of Rs. 10 each. Each equity share holder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in case of interim dividend. 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 number of equity shares held by the share holders.

(D) Details of shareholding of promoters:

Fully paid up equity shares	March 31, 2024		March 31, 2023	
	Number of shares held	% of total shares	Number of shares held	% of total shares
Avanti Feeds Limited	3,33,97,080	100.00%	3,33,97,080	100.00%
Smt Shanti Lata	10	0.00%	10	0.00%
				% change during the year
				-

(E) Details of shares held by holding company :

Equity shares of ₹10 each fully paid	As at	
	Mar 31, 2024	March 31, 2023
Avanti Feeds Limited	3,33,97,080	3,33,97,080
Number of shares held	100%	100.00%
% of holding		

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024

14. Other equity

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at	
	March 31, 2024	March 31, 2023
General Reserve	84.85	84.85
Securities Premium	37.71	37.71
Retained Earnings	(2,230.32)	(2,068.90)
Balance at end of year	(2,107.76)	(1,946.34)

General Reserve	As at	
	March 31, 2024	March 31, 2023
Balance at beginning of year	84.85	84.85
Add: Transferred from Statement of Profit and Loss	-	-
Balance at end of year	84.85	84.85

Securities Premium	As at	
	March 31, 2024	March 31, 2023
Balance at beginning of year	37.71	37.71
Add: Movement during the year	-	-
Balance at end of year	37.71	37.71

Retained Earnings	As at	
	March 31, 2024	March 31, 2023
Balance at beginning of year	(2,068.90)	(1,759.10)
Add: Loss for the year	(163.40)	(312.21)
Add: Remeasurements of the defined benefit plans	1.98	2.41
Balance at end of year	(2,230.32)	(2,068.90)

Nature and purpose of reserves

General Reserve

The reserve is a free reserve, created out of the profits of the Company.

Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained Earnings:

Retained earnings are the profits of the company earned till date net of appropriations

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024

15. Provisions (All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at	
	March 31, 2024	March 31, 2023
Provisions		
Gratuity (Refer Note 35)	26.65	33.00
	26.65	33.00
Current	0.50	0.50
Non - Current	26.15	32.50
Total	26.65	33.00

16. Trade Payables

Particulars	As at	
	March 31, 2024	March 31, 2023
Trade Payables - Current		
Dues to micro enterprises and small enterprises (Refer Note below)	-	-
Dues to creditors other than micro enterprises and small enterprises	0.78	5.38
Total	0.78	5.38

Dues to micro and small enterprises:

With the promulgation of the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of the terms with the suppliers. The Company has circulated letter to all suppliers seeking their status, and has not received any intimation from 'Suppliers' regarding their status under Micro, Small and Medium Enterprises Development Act, 2006, and hence disclosure relating to the amount unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Ageing for trade payables outstanding as at Mar 31, 2024 is as follows;

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	-	-	-	0.78	0.78
Disputed dues- MSME	-	-	-	-	-
Disputed dues- others	-	-	-	-	-
	-	-	-	0.78	0.78

Ageing for trade payables outstanding as at March 31, 2023 is as follows;

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	4.60	-	-	0.78	5.38
Disputed dues- MSME	-	-	-	-	-
Disputed dues- others	-	-	-	-	-
	4.60	-	-	0.78	5.38

17. Other Current liabilities

Particulars	As at	
	March 31, 2024	March 31, 2023
Statutory remittances	-	0.11
Liabilities for expenses	22.08	27.77
Total	22.08	27.88

Srivathsa Power Projects Private Limited

Notes to the Financial statements for the Year ended 31st March, 2024

(All amounts in INR Lakhs, unless otherwise stated)

18. Revenue from operations

Particulars	For the Year ended Mar 31, 2024	For the year ended March 31, 2023
Sale of Electricity	-	265.52
Total	-	265.52

19. Other income

Particulars	For the Year ended Mar 31, 2024	For the year ended March 31, 2023
Interest income		
Bank deposits	23.55	12.17
Other income	0.19	-
Total	23.74	12.17

20. Power and Fuel

Particulars	For the Year ended Mar 31, 2024	For the year ended March 31, 2023
Power and fuel	-	146.84
Total	-	146.84

21. Employee Benefits Expense

Particulars	For the Year ended Mar 31, 2024	For the year ended March 31, 2023
Salaries and wages, including bonus	112.43	101.90
Contribution to provident and other funds	5.23	4.68
Gratuity expense (Refer Note 37)	4.57	4.55
Staff welfare expenses	0.67	1.02
Total	122.90	112.15

22. Finance costs

Particulars	For the Year ended Mar 31, 2024	For the year ended March 31, 2023
Interest expense		
Other borrowing costs	0.00	4.45
Total	0.00	4.45

23. Depreciation expense

Particulars	For the Year ended Mar 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (Refer Note 3)	1.05	1.53
Total	1.05	1.53

Srivathsa Power Projects Private Limited

Notes to the Financial statements for the Year ended 31st March, 2024

(All amounts in INR Lakhs, unless otherwise stated)

24. Other expenses

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores and spare parts	0.28	0.49
Operations and Maintenance	14.78	88.68
Rent (Refer Note below)	1.40	2.51
Repairs and Maintenance		
- Plant	3.91	0.72
- Others	1.69	1.26
Rates and Taxes	0.91	3.62
Water Charges	0.36	0.63
Open access Expenses	13.52	114.19
Insurance	10.68	12.20
Directors' Sitting Fees	1.42	3.54
Travelling and conveyance	1.59	1.27
Communication Expenses	0.68	0.87
Printing and Stationery	0.13	0.68
Legal and professional	5.50	27.68
Payments to auditors (Refer Note below)	5.93	5.97
Bank charges	0.13	0.37
Miscellaneous expenses	0.28	6.87
sundry balances written off	-	3.86
Advance to gail pipe line written off	-	20.22
Allowance for doubtful trade receivables	-	98.19
Total	63.19	393.83

Notes:

i) Operating leases:

Lease payments made under operating leases aggregating to Rs 1.4 lakhs (March 31, 2023: Rs 2.5134 lakhs) have been recognized as an expense in the Statement of Profit and Loss. The future minimum lease commitments under non-cancellable operating leases are Rs Nil.

ii) Auditors' remuneration comprises of:

Particulars	For the Year ended Mar 31, 2024	For the year ended March 31, 2023
Company		
For statutory audit	5.90	5.90
For other services	-	-
Reimbursement of expenses	0.03	0.07
Total Auditors' remuneration	5.93	5.97

25. Fair value measurements

(All amounts in INR Lakhs, unless otherwise stated)

Financial instruments by category	31st March 2024		31st March 2023	
	Amortised Cost	FVPL	Amortised Cost	FVPL
Financial Assets				
Loans	-	-	50.00	-
Security deposits	14.19	-	29.57	-
Deposits towards disputed claim	295.72	-	295.72	-
Investments	-	200.00	75.00	200.00
Trade receivables	-	-	-	-
Cash and cash equivalents	24.66	-	69.74	-
Other bank Balances	328.12	-	335.78	-
Interest Accrued	-	-	-	-
Total Financial Assets	662.68	200.00	855.81	200.00
Financial Liabilities				
Trade payables	-	-	5.38	-
Total Financial Liabilities	-	-	5.38	-

(i) Fair value hierarchy

The carrying amount of the current financial assets and current financial liabilities are considered to be same as their fair values, due to their short term nature. In absence of specified maturity period, the carrying amount of the non-current financial assets and non-current financial liabilities such as security deposits, etc., are considered to be same as their fair values.

Financial assets measured at fair value & Amortised cost	Notes	Level 1	Level 2	Level 3	Total
As at Mar 31, 2024					
Financial Assets					
Loans	-	-	-	-	-
Security deposits	-	-	-	14.19	14.19
Deposits towards disputed claim	-	-	-	295.72	295.72
Investments	-	-	-	200.00	200.00
Trade receivables	-	-	-	-	-
Cash and cash equivalents	-	-	-	24.66	24.66
Other bank Balances	-	-	-	328.12	328.12
Interest accrued	-	-	-	-	-
Total Financial Assets		-	-	862.68	862.68

Financial liabilities measured at amortised cost & Fair Value	Notes	Level 1	Level 2	Level 3	Total
As at Mar 31, 2024					
Financial Liabilities					
Trade payables	-	-	-	-	-
Total Financial Liabilities		-	-	-	-

Financial assets measured at fair value & Amortised cost	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2023					
Financial Assets					
Loans		-	-	50.00	50.00
Security deposits		-	-	29.57	29.57
Deposits towards disputed claim		-	-	295.72	295.72
Investments		-	-	200.00	200.00
Trade receivables		-	-	-	-
Cash and cash equivalents		-	-	69.74	69.74
Other bank Balances		-	-	335.78	335.78
Interest accrued		-	-	-	-
Total Financial Assets		-	-	980.81	980.81

Financial liabilities measured at amortised cost & Fair Value	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2023					
Financial Liabilities					
Trade payables		-	-	5.38	5.38
Total Financial Liabilities		-	-	5.38	5.38

Level 1: Level 1 hierarchy includes Quoted prices taken from market.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs).

26. Financial Risk Management

The Company activities expose it to market risk, liquidity risk and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, security deposit, other bank deposits and loans	Ageing analysis	The Company has only one customer, which is a group company. The payments from the customer are regular and the Company also charges interest for any overdue payments. The security deposits and deposits with banks are not significant.
Liquidity Risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Managing Director.	Working capital management by Managing Director (MD). The excess liquidity is channelised through bank deposits.
Market Risk - interest rate	Long term borrowings at variable rate	Sensitivity analysis	Capital management by Board of directors (the 'Board'). The capital requirements are managed by analyzing the funds requirement and budgets in conjunction with the strategic plan.

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024

The Company's risk management is carried out by the Managing Director under policies approved by the Board of Directors. The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

(f) Credit Risk Management

Credit risk arises from cash and cash equivalents, security deposits and deposits with banks, as well as credit exposures to customer, which is a group company including outstanding receivables and unbilled revenue. The security deposits and deposits with bank are not significant.

Credit risk is managed by the finance team of the Company. The Company has only one major customer. The Company provides a credit period of 90 days which is in line with the industry norm.

(ii) Provision for expected credit losses

The Company provides for expected credit loss based on the following:

Category	Description of category	Basis for recognition of expected credit loss provision		
		Investments	Loans and deposits	Trade receivables
High quality assets, low credit risk	Assets where there is low risk of default and where the counter party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Medium risk, moderate credit risk	Assets where the probability of default is considered moderate, counter party where the capacity to meet the obligation is not strong	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debt or declaring bankruptcy or failing to engage in are payment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss	Asset is written off		

Period Ended Mar 31, 2024

Expected credit losses for loans, investments, deposits and other receivables from related parties, excluding trade receivables

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Security deposits		14.19	0%	-	14.19
Deposits towards disputed claim		295.72	0%	-	295.72
Loans		-	0%	-	-
Investments		200.00	0%	-	200.00
Interest accrued		-	0%	-	-

Srivathsa Power Projects Private Limited

Notes to the Financial statements for the Year ended 31st March, 2024
Year Ended March 31, 2023

Expected credit losses for loans, investments, deposits and other receivables from related parties, excluding trade receivables

Particulars	Asset Group	Estimated gross carrying	Expected probability of	Expected credit losses	Carrying amount net of impairment
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Other bank balances	335.78	0%	-	335.78
	Security deposits	29.57	0%	-	29.57
	Deposits towards disputed claim	295.72	0%	-	295.72
Loans	50.00	0%	-	-	50.00
Investments	275.00	0%	-	-	275.00
Interest accrued	-	-	0%	-	-

Expected credit loss for trade receivables under simplified approach

Ageing	Period ended Mar 31, 2024			Total
	0-90 days	91-180 days	180-365 days	
Gross carrying amount	-	-	-	-
Expected loss rate	0%	0%	0%	0%
Expected credit loss	-	-	-	-
Carrying amount of trade receivables (net of impairment)	-	-	-	-

Expected credit loss for trade receivables under simplified approach

Ageing	Year ended March 31, 2023			Total
	0-90 days	91-180 days	180-365 days	
Gross carrying amount	196.27	-	-	196.27
Expected loss rate	0%	0%	0%	0%
Expected credit loss	-	-	-	-
Carrying amount of trade receivables (net of impairment)	196.27	-	-	196.27

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The finance team monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows and any excess/short liquidity is managed in the form of current borrowings, bank deposits and investment in mutual funds.

(i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31st Mar, 2024	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Trade payables	-	-	(0.76)	-	0.76	-	-
	-	-	(0.76)	-	0.76	-	-

31 March, 2023	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Trade payables	5.38	5.37	4.61	-	0.76	-	-
	5.38	5.37	4.61	-	0.76	-	-

Market risk:

As the Company does not have any exposure to foreign currency, variable rate borrowings or quoted equity instruments, the Company has no exposure to market risks.

27. Capital management

(a) Risk Management

The Company's objectives when managing capital are to

- > safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- > Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital on the basis of the following gearing ratio: Net debt divided by Total equity (as shown in the balance sheet).

The gearing ratios were as follows:

	Mar 31, 2024	Mar 31, 2023
Net debt	-	-
Total equity	1,231.95	1,083.67
Net debt to equity ratio	0%	0.00%

(b) Dividends

No interim or final dividends have been declared by the Company during the year ended March 31, 2024.

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024

(All amounts in INR Lakhs, unless otherwise stated)

28. Contingent Liabilities

	For the Year ended March 31, 2024	For the year ended March 31, 2023
Matters of dispute with respect to Income Tax	9.05	9.05
Disputed claims raised by suppliers, not acknowledged by the Company (Refer notes (i) and (ii) below)	326.00	326.00

(i) The Company disputed the demands raised by GAIL (India) Limited with respect to retrospective revision in prices of gas supplied during July, 2005 to March, 2010. The Company paid the amount of INR 296 lakhs under protest. The matter is pending with Hon'ble Supreme Court of India.

(ii) The Company disputed the demand raised by Oil and Natural Gas Corporation Limited (ONGC) with respect to increase in price of gas supplied during June, 2014 to July, 2014 for an amount of INR 30 lakhs. The matter is submitted to arbitrator as per the order of Hon'ble Districts and Sessions Court, East Godavari district, Rajahmundry.

(iii) The Company disputed the demand raised by the Income Tax department for the financial year 2014-15 and approached Commissioner appeal for resolution. In this regard paid an amount of Rs. 8.00 Lakhs.

29. Commitments

(a) Capital Commitments:

There are no capital commitments as at the March 31, 2024 (As at March 31, 2023- Nil)

30. Segment reporting

The Company is predominantly engaged in the business of generating and distributing power. The Managing Director has been identified as the Chief Operating Decision maker (CODM). There is only one segment in the Company.

As the Company does not have revenue during the year, the related information as required under paragraph 34 of Ind AS 108 has not been disclosed.

The Company has its entire operations within India and therefore there are no assets or liabilities outside India.

31. Earnings per share

	For the Year ended March 31, 2024	For the year ended March 31, 2023
Profit/(Loss) after Tax	(163.40)	(312.21)
Net Profit for calculation of Basic and Diluted EPS (A)	(163.40)	(312.21)
Weighted average number of equity shares for Basic EPS (B)	3,33,97,090	3,33,97,090
Basic earnings per share (A/B)	(0.49)	(0.93)

There is no dilution to the Basic Earnings per Share as there are no dilutive potential equity shares.

32. Dues to micro and small enterprises

Based on information available with the management, the Company has no dues to suppliers registered under 'The Micro, Small and Medium Enterprises Development Act, 2006' (MSMED Act).

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024
Note 33

(All amounts in INR Lakhs, unless otherwise stated)

The Schedule III amendment requires the companies to disclose the following 11 ratios:		2023-24	2022-23	Variance	Variance	Reasons for variance
a) Current ratio		22.36	18.46	3.90	21%	Increase in current ratio due to increase in FD made during the year and no transactions for 10 months during year, hence reduced liabilities.
b) Debt-Equity ratio		-	-	-	100%	
c) Debt service coverage ratio		-	-	-	100%	
d) Return on equity ratio		(0.12)	(0.22)	0.10	-44%	Decrease in Equity ratio is due to decrease in profit made during the year as there are no sales made for 10 months during the year.
e) Inventory turnover ratio		-	2.16	(2.16)	-100%	Decrease in Inventory ratio is due to decrease in purchase of stores because of closure of plant for 10 months during the year.
f) Trade receivables turnover ratio		-	-	-	0%	Decrease in both the Sales and Closing Trade receivables compared to previous years figures. During the year plant operated only 2 months. And there is no receivables pending as on date
g) Trade payables turnover ratio		-	6.25	(6.25)	-100%	Decrease in both the purchases and Closing Trade Payables compared to previous years figures. During the year plant operated only 2 months.
h) Net capital turnover ratio		-	0.15	(0.15)	-100%	Decrease in Net Capital Turnover ratio is due to decrease in sales and decrease in net working capital as compared to previous year
i) Net profit ratio		-	(1.17)	1.17	-100%	Increase in the loss due to decrease in Sales in current year as plant operated 2 months and in the previous year plant operated only 08 Months.
j) Return on capital employed		(0.12)	(0.21)	0.09	-41%	Decrease in ROCE due to non operation of plant for 10 months and made a provision for doubtful receivables.
Return on Investment (Equity investment - Himalaya Hydro Private Limited)		-	-	-	-	
Return on Investment (FDs)		7%	4%	0.03	71%	Interest Rate for new deposits made in current year is 7.1% where as with respect to deposits made in previous year, Interest rate varies from 4% to 6%

1 Disclosure of Ratios

Srivathsa Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024

34. Related Party Transactions (All amounts in INR Lakhs, unless otherwise stated)

a) Details of related parties:

Description of relationship	Names of Related Parties
Holding Company	Avanti Feeds Limited
Key Management Personnel (KMP)	Mr. C.Ramachandra Rao, Managing Director
Directors	Indra Kumar Alluri
Enterprises where KMP having Significant Influence	Srinivasa Cystine Private Limited Patikari Power Private Limited Avanti Frozen Foods Pvt Ltd

b) Details of related party transactions during the year:

Particulars	For the Year ended Mar 31, 2024	For the Year ended March 31, 2023
Reimbursement of Expenses		
Paid to Avanti Feeds Limited	1.10	0.54
- Recd. From Srinivasa Cystine Private Limited	-	-
Remuneration to Key Management Personnel *		
Mr. C.Ramachandra Rao, Managing Director	9.00	9.00
Rent		
Paid to Avanti Feeds Limited	1.40	2.51
Sale of Power #		
- Avanti Feeds Limited	-	265.52
Interest Income		
- Patikari Power Pvt Ltd	-	-
Sitting Fee		
Indra Kumar Alluri	1.21	1.00
Raghuvera Prasad Chunchu	-	1.00
Narasimha Rao Bommidi	-	1.00
N V D S Raju	0.20	-

* Remuneration paid to KMP does not include gratuity as this is provided in the books of account on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

Sale of Power to Avanti Feeds Limited revenue amounting Rs. Nil lakhs (PY - Rs. 265.52 lakhs-The above figure is Net Sales i.e net of Credit notes amounting Rs. 10.36 lakhs issued during the previous year).

c) Year-end balances:

Particulars	As at Mar 31 2024	As at Mar 31 2023
Loans and advances, including interest accrued		
Srinivasa Cystine Private Limited	-	-
Patikari Power Private Limited	-	-
Interest Receivable		
Srinivasa Cystine Private Limited	-	-
Patikari Power Private Limited	-	-
Trade Receivable		
Avanti Feeds Limited	-	-

Srivatha Power Projects Private Limited
Notes to the Financial statements for the Year ended 31st March, 2024

(All amounts in INR Lakhs, unless otherwise stated)

35. Employee Benefits

(i) Defined Contribution Plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs 5.23 lakhs (year ended March 31, 2023; Rs 4.68 lakhs) for Provident Fund contributions in the Statement of Profit and Loss for the year.

(ii) Post employment benefit obligation Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Balance sheet amounts- Gratuity

The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

	31st Mar 2024	31 March 2023
	Present value of obligation	Present value of obligation
Opening balance	33.00	30.86
Current Service Cost	2.22	2.22
Interest expense/(income)	2.35	2.32
Contributions		
Total amount recognised in profit or loss	4.57	4.55
<i>Remeasurements</i>		
Return on plan assets, excluding amounts included in interest expense/(income)		
(Gain)/loss from change in demographic assumptions		
Benefits paid	-8.94	
Past service cost (Vested benefits)		
Experience (gains)/losses	(1.98)	(2.41)
Total amount recognised in other comprehensive income	(10.92)	(2.41)
Employer contributions		
Benefit payments		
Closing Balance	26.65	33.00

Note: Gratuity is not funded, hence information relation to plan assets are not included.

The net liability disclosed above relates to funded and unfunded plans are as follows:

	31 March 2023	31 March 2022
Present value of funded obligations	26.65	33.00
Fair value of plan assets	-	-
Deficit of funded plan	26.65	33.00
Unfunded plans	-	-
Deficit of gratuity plan	26.65	33.00

(ii) Significant estimates: actuarial assumptions

The significant actuarial assumptions for defined benefit obligation are as follows:

	31 March 2024	31 March 2023
Discount rate	7.02%	7.17%
Salary escalation rate	10.00%	10.00%
Employee attrition rate	1.00%	1.00%
Assumptions regarding mortality rate are set based on actuarial advice in accordance with published statistics. IALM(2012-14)	IALM(2012-14)	IALM(2012-14)

The discount rate is based on the benchmark yields available on Government Bonds as at the balance sheet date for the estimated term of the obligation.

The estimate of future salary increases considered, taken into account the inflation, seniority, promotion and other relevant factors.

(iii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Impact on defined benefit obligation	
	March 31 2024 (Rs. in lakhs)	March 31 2023 (Rs. in lakhs)	March 31 2024 (Rs. in lakhs)	March 31 2023 (Rs. in lakhs)
Discount rate	7.02%	7.17%	33.00	25.44
Salary escalation rate	10.00%	10.00%	Increase by 25.44	Decrease by 25.49

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iv) Risk exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields: A decrease in bond yields will increase plan liabilities and the Company ensures that it has enough reserves to fund the liability.

36. Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- 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:
 - 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 to or on behalf of the Ultimate Beneficiaries
- 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 Group shall:
 - 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.
- The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

37. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached

For Karvy & Co.,
Chartered Accountants
ICAI Firm Registration No: 017575

Dedeepya Nalluri
Partner
Membership No. 225106

Place: Hyderabad
Date :

For and behalf of the Board of Directors

A. Indra Kumar
Director
DIN 00190168

C. Ramachandra Rao
Managing Director
DIN 00026010

C. Sharda Shastry
Company Secretary

K. Srinivasulu
CFO