

R Kothari & Co LLP
CHARTERED ACCOUNTANTS
KOLKATA, NEW DELHI
INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
MP Smart Grid Private Limited
Report on the Audit of Ind-As Financial Statements

Opinion

We have audited the accompanying Ind-As Financial Statements of **MP Smart Grid Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles accepted in India, of the state of affairs of the Company as at 31st March, 2022 and its Profit including Other Comprehensive Income, the Statement of Changes in Equity and its Cash Flow Statement for the year ended on that date.

Basis for Opinion

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

Information other than the Ind-As Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion & Analysis, Board's Report including annexure to Board Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind-As Financial Statements and our Auditor's report thereon.

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R Kothari & Co (a partnership firm with FRN-307069E) converted into R Kothari & Co LLP. (a Limited Liability Partnership with LLP Identification No, AAS-5294 w. e. f 3rd June, 2020)



Our opinion on the Ind-As 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 Ind-As Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind-As 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 not received any such information; hence we are not able to comment on such matter.

Responsibility of the Management for the Ind-As 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 the Ind-As Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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

Auditor's Responsibilities for the Audit of the Ind-As 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 Ind-As Financial Statements.

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

- Identify and assess the risks of the material misstatement of the Financial Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit



evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind-As Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind-As Financial Statements, including the disclosures, and whether the Ind-As Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind-As Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind-As 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 Ind-As 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.

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



- I. As required by the Companies (Auditors Report) Order, 2020 ('the order') issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the order, to the extent applicable.
- II. 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 purpose 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, Statement of Profit and Loss including Other Comprehensive Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, therefore said Ind-As Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- III. 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, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has no pending litigations on the financial position in the Ind-As 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 has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.



For R. Kothari & Co LLP
Chartered Accountants
FRN: 307069E/E300266

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CA. Kailash Chandra Soni
Partner
Membership No. 057620

Place: Kolkata
Date: 23rd May, 2022
UDIN: 22057620AJPAAK8613

The Annexure A referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the Ind-As Financial Statements of the Company for the year ended 31st March, 2022, we report that:

- (i) (a) to (d) The Company has does not have any Property, Plant & Equipment and Intangible Assets. Hence, sub clause (a) to (d) of Paragraph 3(i) is not applicable to the company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, neither any proceedings have been initiated nor are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- (ii) (a) The management has conducted physical verification of Inventories at reasonable intervals during the year and no material discrepancies were noticed on physical verification between physical stocks and book records.

(b) The company has not been sanctioned working capital limits from banks or financial institutions on the basis of security of current assets. Hence, sub-clause (b) of Paragraph 3(ii) of the Order is not applicable to the company.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured/unsecured, to companies/firms/Limited Liability Partnerships/other parties. Hence paragraph 3(iii) of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanation given to us the Company has not made any loan, investment, and guarantees to any person specified under section 185 and section 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iv) of the Order are not applicable to the Company.
- (v) The company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the reporting under Paragraph 3 (v) of the said Order is not applicable to the Company.
- (vi) As per the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing undisputed statutory dues including Income-Tax and any other statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.



(b) According to the information and explanations given to us, there are no dues of Income-Tax and any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

- (viii) According to the information and explanations given to us, there is no such transaction recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) Based on our audit procedures and on the information and explanations given by the management, the company has not taken any loans or borrowings from financial institutions, banks, government. The company has not issued any debenture. Hence, Paragraph 3(ix) of the Order is not applicable to the Company.
- (x) (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments during the year. Accordingly, the reporting under sub clause (a) to Paragraph 3(x) of the order is not applicable to the Company.
- (b) According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year under review. Accordingly, the reporting under sub clause (b) Paragraph 3 (x) of the Order is not applicable to the Company.
- (xi) (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has neither committed any fraud nor has any fraud on the Company by its officers or employees has been noticed or reported.
- (b) The company has not committed any fraud during the year. Hence, sub-clause (b) of Paragraph 3(xi) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us, the Company has not received any complaints from any whistle- blower during the year (and upto the date of this report) and hence reporting under this clause is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the reporting under Paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) Based upon the audit procedures performed and the information and explanations given by the management, all transactions with the related parties are in compliance with section 57 and 188 of Companies Act, 2013 and the details have been disclosed in the Note 22 of the Ind-As Financial Statements as required by the applicable accounting standards.
- (xiv) The company has an internal check system commensurate with the size and nature of its business. The requirement of Internal Audit as per Companies Act, 2013 is not applicable. Hence, Paragraph 3(xiv) of the Order is not applicable to the company.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the reporting under Paragraph 3 (xv) of the Order is not applicable to the Company.



- (xvi) a) Based upon the audit procedures performed and the information and explanations given by the management, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.
- b) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) Based upon the audit procedures performed and the information and explanations given by the management, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under Paragraph 3 (xvi) (c) of the Order is not applicable to the Company.
- d) Based upon the audit procedures performed and the information and explanations given by the management, the Group does not have any Core Investment Company (CIC) as part of Group. Therefore, reporting under clause 3 (xvi) (d) of the said Order is not applicable.
- (xvii) Based upon the audit procedures performed and the information and explanations given by the management, the company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) According to the information and explanations given to us and based on our examination of the records of the Company, there has not been any resignation of the statutory auditors of the company during the year.
- (xix) Based upon the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind-As Financial Statements and our knowledge of the Board of Directors and management plans, We are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- (xx) Based upon the audit procedures performed and the information and explanations given by the management, the Company is not required to transfer any amount to any fund specified in Schedule VII and sub-section (5) of Section 135 of the Companies Act, 2013. Hence, Paragraph 3(xx) of the Order is not applicable to the company.
- (xxi) In our opinion, the company is not required to prepare Consolidated Ind-As Financial Statements. Hence, Paragraph 3(xxi) of the Order is not applicable to the Company.



For R. Kothari & Co LLP
Chartered Accountants
FRN: 307069E/E300266

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CA. Kailash Chandra Soni
Partner
Membership No. 057620

Place: Kolkata

Date: 23rd May, 2022

UDIN: 22057620AJPAAK8613

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("The Act")

We have audited the Internal Financial Controls over financial reporting of **MP Smart Grid Private Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the Ind-As Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind-As Financial Statements, whether due to fraud or error.

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



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R. Kothari & Co LLP
Chartered Accountants
FRN: 307069E/E300266



CA. Kailash Chandra Soni
Partner
Membership No. 057620

Place: Kolkata
Date: 23rd May, 2022
UDIN: 22057620AJPAAK8613

MP Smart Grid Private Limited
Balance Sheet as at 31st March 2022

(Rs in lakhs)

Particulars	Note no.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Current assets			
(a) Financial assets			
(i) Trade receivables	4	421.37	550.94
(ii) Cash and cash equivalents	5	141.30	24.32
(b) Current tax assets (net)		58.30	6.39
(c) Other current assets	6	333.76	164.74
Total Assets		954.73	746.39
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	7	10.00	10.00
(b) Other equity	8	78.90	72.46
		88.90	82.46
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	9	400.00	-
(ii) Trade payables	10		
1) Total outstanding dues of micro enterprises and small enterprises		49.08	621.95
2) Total outstanding dues of creditors other than micro enterprises and small enterprises		377.66	-
(iii) Other financial liabilities	11	27.42	8.91
(b) Other current liabilities	12	11.67	33.07
		865.83	663.93
Total Equity and Liabilities		954.73	746.39

Significant accounting policies and other accompanying notes (1-29) are an integral part of financial statements

Significant Accounting Policy 2

Critical accounting judgements, assumptions and key sources 3

For R. Kothari & Co. LLP

Chartered Accountants

Firm Registration No.: 307069E/E300266

CA. Kailash Chandra Soni

Partner

Membership No.: 057620



For and on behalf of the Board


Somesh Dasgupta
Director

DIN: 01298835


Argha Ghosh
Director

DIN: 09038856

Place : Kolkata

Date: May 23, 2022

MP Smart Grid Private Limited
Statement of Profit and Loss for the year ended 31st March, 2022

(Rs in lakhs)

Particulars	Note no	Year ended 31st March, 2022	Period ended 31st March, 2021
Income			
Revenue from Operations	13	2,816.19	2,566.90
Other income	14	0.16	2.91
Total Income		2,816.35	2,569.81
Expenses			
Cost of Material Consumed & Installation services	15	2,737.44	2,426.72
Finance Cost	16	24.94	10.67
Other expenses	17	45.27	34.63
Total expenses		2,807.65	2,472.02
Profit before tax		8.70	97.79
Tax expense:	18		
Current tax		2.26	25.33
Deferred tax		-	-
Profit for the year		6.44	72.46
Total Comprehensive Income for the year		6.44	72.46
Earnings per equity share:			
Basic and Diluted (in Rs)	19	6.44	72.46

Significant accounting policies and other accompanying notes (1-29) are an integral part of financial statements

As per our report on even date.

For R. Kothari & Co. LLP
Chartered Accountants
Firm Registration No.: 307069E/E300266




CA. Kailash Chandra Soni
Partner
Membership No.: 057620

For and on behalf of the Board



Somesh Dasgupta
Director
DIN: 01298835



Argha Ghosh
Director
DIN: 09038856

Place : Kolkata
Date: May 23, 2022

MP Smart Grid Private Limited

Cash Flow Statement for the year ended 31st March, 2022

Particulars	(Rs in lakhs)	
	Year ended 31st March, 2022	Period ended 31st March, 2021
A. Cash flows from operating activities		
Profit before tax for the year	8.70	97.79
Adjustments for:		
Interest income on Fixed Deposits	(0.16)	(2.91)
Operating profit before working capital changes	8.54	94.88
Adjustments for:		
(Increase) / decrease in Current Asset	(39.45)	(715.68)
Increase / (decrease) in Current liabilities	(198.09)	663.93
Cash flow generated from operations	(229.01)	43.12
Direct taxes paid	(54.17)	(31.72)
Net cash flow (used in) / from operating activities (A)	(283.18)	11.41
B. Cash flows from investing activities		
Interest received on Fixed Deposits	0.16	2.91
Net cash flow (used in) / from investing activities (B)	0.16	2.91
C. Cash flows from financing activities		
Proceeds from issue of Share Capital	-	10.00
Borrowings from Body Corporate	400.00	-
Net cash (used in) / from financing activities (C)	400.00	10.00
Net increase / (decrease) in cash or cash equivalents (A+ B+C)	116.98	24.32
Cash and cash equivalents at the beginning of the year	24.32	-
Cash and cash equivalents at the end of the year (refer note 5)	141.30	24.32

Significant accounting policies and other accompanying notes (1-29) are an integral part of financial statements

As per our report on even date.

For R. Kothari & Co. LLP
Chartered Accountants
Firm Registration No.: 307069E/E300266

CA. Kailash Chandra Soni
Partner
Membership No.: 057620



Place : Kolkata
Date: May 23, 2022

For and on behalf of the Board

Somesh Dasgupta
Director
DIN: 01298835

Argha Ghosh
Director
DIN: 09038856

MP Smart Grid Private Limited

Statement of change in equity for the year ended 31st March, 2022

A. Equity Share Capital

(Rs in lakhs)

Balance as at 1st April, 2021	Changes in equity share capital due to prior period	Restated balance as at 1st April, 2021	Changes in equity share capital during the year	Balance as at 31st March, 2022
10.00	-		-	10.00

Balance as at 1st April, 2020	Changes in equity share capital due to prior period	Restated balance as at 1st April, 2020	Changes in equity share capital during the period	Balance as at 31st March, 2021
-	-		10.00	10.00

B. Other Equity

(Rs in lakhs)

Particulars	Reserve and Surplus	
	Retained Earnings	Total
Balance as at 1st April, 2020	-	-
Total Comprehensive Income for the period	72.46	72.46
Balance as at 31st March, 2021	72.46	72.46
Total Comprehensive Income for the year	6.44	6.44
Balance as at 31st March, 2022	78.90	78.90

Significant accounting policies and other accompanying notes (1-29) are an integral part of financial statements

As per our report on even date.

For R. Kothari & Co. LLP

Chartered Accountants

Firm Registration No.: 307069E/E300266



CA. Kailash Chandra Soni

Chartered Accountants

Membership No.: 057620

Place : Kolkata

Date: May 23, 2022

For and on behalf of the Board

Somesh Dasgupta

Director

DIN: 01298835

Argha Ghosh

Director

DIN: 09038856

1 Corporate Information

MP Smart Grid Private Limited was incorporated in India on 31st May 2020 under the Companies Act, 2013 (18 of 2013). The company is a wholly owned subsidiary of India Power Corporation Limited (the Holding Company). The company has entered into a Turnkey contract under Integrated Power Development Scheme (IPDS) of Govt. of India (GOI) on Partial OPEX Model for "Design, Supply, Installation, Testing, Commissioning, Reading, Analysis and 5 years Operation and Maintenance of Smart Meters, AMI System & Communication Infrastructure with a network platform in selected Towns viz. Ujjain, Dewas, Ratlam, Mhow and Khargone. The contract period is 7.5 years (90 months) consisting of 2.5 Years of Execution Period (i.e. for 30 months) and 5 Years of Operation and Maintenance Contract period i.e. of 60 months.

2 Significant Accounting Policy

a) Basis of Preparation

- i) 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]
- ii) The financial statements are presented in Indian Rupees (₹) which is the Company's functional and presentation currency. All financial information presented in ₹ has been rounded to the nearest lakhs (upto two decimals), except as stated otherwise.
- iii) The financial statements have been prepared on historical cost conventional on accrual basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost convention is generally based on fair value of the consideration given in exchange for goods and services. 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

b) Revenue Recognition

Company's revenue arise from supply and installation services and other income. Revenue from other income comprises interest from bank.

Revenue from supply and installation services

Revenue is measured based on the consideration that is specified in a contract with the customer or is expected to be received in exchange for the product or services. The company recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the product or services is transferred to a customer.

The company applies judgement to determine whether each product or services promised to a customer are capable of being distinct and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand alone selling price. Rebate and discount, if any, are recognised as deduction from revenue on the basis of management estimates

Interest Income

Interest income is recognised, when no significant uncertainty as to measurability or collectibility exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest method (EIR)

c) Borrowing Cost

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the statement of profit and loss using the effective interest method except to the extent attributable to qualifying Property Plant & Equipment (PPE) which are capitalised to the cost of the related assets, if any. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

d) Investment & other Financial Assets

Financial Assets

Initial Recognition & Measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument

and are measured initially at fair value adjusted for transaction costs, directly attributable to the acquisition or issue of financial instrument.

Subsequent Measurement

Financial assets at amortized cost – the financial instrument is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model.

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial Liabilities

Initial Recognition & Measurement

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortized cost.

Subsequent Measurement

Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. These liabilities include borrowings and deposits.

De-recognition of financial liabilities

A financial liability is de-recognized 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

f) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

g) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed in the financial statement by way of notes to account when an inflow of economic benefit is probable.

h) Earning per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

i) Income Taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes, if any, are calculated using the liability method. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.



j) **Current and non-current classification**

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- It is held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period

or

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within month after the reporting period

or

There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current

k) **Related party transaction**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transaction

3 **Critical accounting judgements, assumptions and key sources of estimation and uncertainty**

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

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

a) **Income taxes**

Significant judgments is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes Accordingly, such provision has been made considering concession/allowances including those based on expert advice/judicial pronouncements.

b) **Impairment loss on trade receivables**

The company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The company bases the estimates on the ageing of the trade receivables balance, credit worthiness of the trade receivables .



4 Current financial assets - Trade Receivables

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Billed		
Considered good - Unsecured	421.37	550.94
Less: Allowance for bad and doubtful debt	-	-
Total	421.37	550.94

4 Current financial assets - Trade Receivables Ageing Schedule (Contd.)

(Rs in lakhs)

Particulars	Not due	Less than 6 months	1 - 2 years	Total
<u>As at 31st March, 2022</u>				
Billed				
Undisputed trade receivables - considered good - unsecured	238.42	166.30	16.65	421.37
Less: Allowance for bad and doubtful debt	-	-	-	-
Total	238.42	166.30	16.65	421.37
<u>As at 31st March, 2021</u>				
Billed				
Undisputed trade receivables - considered good - unsecured	550.94	-	-	550.94
Less: Allowance for bad and doubtful debt	-	-	-	-
Total	550.94	-	-	550.94

4.1 Refer note 25 (A) for details with respect to credit risk

5 Current financial assets - Cash and cash equivalents

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with banks:		
Current account	141.30	24.32
Total	141.30	24.32

6 Other Current Assets

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
GST input	324.98	151.78
Prepaid expenses	8.78	12.96
Total	333.76	164.74



7 Equity share capital

(Rs in lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity Shares of ₹ 10 each	1,50,000	15.00	1,50,000	15.00
Issued, subscribed & fully paid up				
Equity shares of ₹ 10 each	1,00,000	10.00	1,00,000	10.00
Total	1,00,000	10.00	1,00,000	10.00

7.1 The company has only one class of equity shares having a par value of ₹ 10 each. Each share has one voting right.

7.2 There is no movement of shares outstanding and amount of share capital as at 31st March 2021 and 31st March 2022

7.3 The Company is a wholly owned subsidiary of India Power Corporation Limited (IPCL), entire equity share capital being held by IPCL and its Nominees.

7.4 Details of Shareholders holding more than 5% of equity shares each, are set out below:

(Rs in lakhs)

Name of Shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% held	No. of Shares	% held
India Power Corporation Ltd (along with its nominees)	1,00,000	100%	1,00,000	100%

7.5 Details of Shareholding of Promoters

(Rs in lakhs)

Promoter name	As at 31st March, 2022			As at 31st March, 2021		
	No. of Shares	% held	% change during the year	No. of Shares	% held	% change during the period
India Power Corporation Ltd (along with its nominees)	1,00,000	100%	-	1,00,000	100%	100%

8 Other Equity

(Rs in lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Retained Earnings				
Balance at the beginning of the year	72.46		-	
Surplus as per statement of profit and loss for the year	6.44		72.46	
Balance at the end of the year	78.90		72.46	

8.1 Retained Earnings generally represent the undistributed profits/amount of accumulated earnings of the company



9 Current Financial Liabilities - Borrowings

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Unsecured</u>		
Loan from Related Parties - Inter corporate deposit*	400.00	-
Total	400.00	-

* Repayable on or before 31.03.2023

10 Current Financial Liability - Trade payable

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
1) Total outstanding dues of micro enterprises and small enterprises (Refer Note 21)	49.08	621.95
2) Total outstanding dues of creditors other than micro enterprises and small enterprises	377.66	-
Total	426.74	621.95

10 Current Financial Liability -Ageing for Trade payable (contd.)

(Rs in lakhs)

Particulars	Not Due	Less than 1 year	Total
<u>As at 31st March, 2022</u>			
1) Total outstanding dues of micro enterprises and small enterprises (Refer Note 21)	49.08	-	49.08
2) Total outstanding dues of creditors other than micro enterprises and small enterprises	307.30	70.36	377.66
Total	356.38	70.36	426.74
<u>As at 31st March, 2021</u>			
1) Total outstanding dues of micro enterprises and small enterprises (Refer Note 21)	504.26	117.69	621.95
2) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
Total	504.26	117.69	621.95

11 Current Financial Liability - Other financial liabilities

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest accrued	18.32	-
<u>Others</u>		
Liabilities for expenses	9.10	8.91
Total	27.42	8.91

12 Other Current Liabilities

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Others</u>		
Statutory Dues payable	11.67	33.07
Total	11.67	33.07



MP Smart Grid Private Limited

Notes on financial statement for the year ended 31st March 2022

13 Revenue from operations

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Period ended 31st March, 2021
Supply of Meters & Installation services	2,816.19	2,566.90
Total	2,816.19	2,566.90

14 Other Income

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Period ended 31st March, 2021
Interest income on fixed deposits	0.16	2.91
Total	0.16	2.91

15 Cost of Material Consumed & Installation services

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Period ended 31st March, 2021
Cost of Meters & Installation services	2,737.44	2,426.72
Total	2,737.44	2,426.72

16 Finance cost

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Period ended 31st March, 2021
Interest on Inter Corporate Deposit	21.59	0.96
Interest on others	0.40	9.71
Loan application fees	2.95	-
Total	24.94	10.67

17 Other Expenses

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Period ended 31st March, 2021
Commission charges	25.98	27.27
Preliminary expenses	-	0.67
Professional Charges	0.37	0.21
Rates & Taxes	0.03	0.03
Auditor's Remuneration		
-Statutory Audit Fees	1.00	1.00
-Tax audit fee	0.50	0.50
- For certification	1.50	1.50
Director's Fee	0.40	-
Insurance expenses	15.45	3.00
Miscellaneous expenses	0.04	0.45
Total	45.27	34.63



MP Smart Grid Private Limited

Notes on financial statement for the year ended 31st March 2022

18 Taxes

a) The major components of income tax expenses for the period are as

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Period ended 31st March, 2021
Income tax recognised in the statement of Profit and Loss		
Current tax:		
- Current period	2.26	25.33
- Deferred tax	-	-
Total income tax expenses recognised in the statement of profit and loss	2.26	25.33

b) Reconciliation of tax expenses

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Period ended 31st March, 2021
Profit before tax	8.70	97.79
Statutory income tax rate of 25.168%	2.19	24.61
Add: Non Deductible expenses for tax purpose	-	-
Others	0.07	0.72
At effective income tax rate	2.26	25.33
Income tax expenses recognised in the statement of profit and loss	2.26	25.33

19 Earning per equity Share

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Period ended 31st March, 2021
Profit/ (Loss) after tax	6.44	72.46
No. of equity shares outstanding	1,00,000	1,00,000
Earning per share (Basic & Diluted) (in Rs)	6.44	72.46
Face value per equity share (in Rs)	10	10

20 Contingent liabilities

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Contract Performance guarantee given to M/s Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd by India Power Corporation Ltd (holding company) on behalf of the company	2,597.69	2,597.69

21 Dues to Micro and Small Enterprise

The details of amount outstanding to micro and small enterprises as defined under Micro Small and Medium Enterprise Development Act, 2006 (MSMED Act) based on information available with the Company are given below:

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) the principal amount remaining unpaid to any supplier at the end of the period	49.08	621.95
b) the amount of interest paid in terms of Section 16 of the MSMED Act along with the amount paid to the suppliers beyond the appointed day	-	-
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
d) the amount of interest accrued and remaining unpaid	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-



22 Related party Disclosures

Related parties have been identified in terms of Ind AS 24 on "Related Party Disclosure" as listed below :

Name of the related	Relationship
India Power Corporation Limited	Holding Company
Mr. Somesh Dasgupta	Director
Mr. Argha Ghosh	Director
Mr. Asok Kumar Goswami (resigned w.e.f. 29/10/2021)	Director
Mr. Debi Prasad Patra (appointed w.e.f. 23/07/2021)□	Director
IPCL Pte Limited	Fellow Subsidiary
Parmeshi Energy Limited	Fellow Subsidiary
India Uniper Power Services Private Limited	Joint Venture of India Power Corporation Ltd
Arka Energy B.V.	Joint Venture of IPCL Pte. Ltd
Arkeni Solar sh.p.k	Wholly owned subsidiary of Arka Energy B.V

Transaction during the period with related parties

(Rs in lakhs)

Particulars	Year ended 31st March, 2022	Period ended 31st March, 2021
Loan taken		
India Power Corporation Limited	750.00	-
Loan repaid		
India Power Corporation Limited	350.00	-
Interest expenses		
India Power Corporation Limited	21.59	-
Supply		
India Power Corporation Limited	675.41	-
Sitting fees		
Mr. Debi Prasad Patra	0.40	-
Reimbursement against expenses		
India Power Corporation Limited (IPCL)	-	9.72
Guarantee		
India Power Corporation Limited (Bid Security guarantee given to M/s Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd by IPCL on behalf of the company)	-	472.76
India Power Corporation Limited (Contract Performance guarantee given to M/s Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd by IPCL on behalf of the company)	-	2,597.69

Details of amount due to or from Related parties

(Rs in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Loan taken		
India Power Corporation Limited	400.00	-
Interest payable		
India Power Corporation Limited	18.32	-
Payable for supply		
India Power Corporation Limited	377.66	-
Guarantee		
India Power Corporation Limited (Contract Performance guarantee given to M/s Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd by IPCL on behalf of the company)	2,597.69	2,597.69

22.1 Transactions with the related parties are made on normal commercial terms and conditions and at market rates



23 Fair Value Measurements

Fair value of financial assets and liabilities measured at amortized cost

(Rs in lakhs)

	As at 31st March, 2022		As at 31st March, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Trade Receivables	421.37	421.37	550.94	550.94
Cash and Cash Equivalents	141.30	141.30	24.32	24.32
Total Financial Assets	562.67	562.67	575.26	575.26
Financial Liabilities				
Borrowings	400.00	400.00	-	-
Trade Payables	426.74	426.74	621.95	621.95
Other financial liabilities	27.42	27.42	8.91	8.91
Total Financial Liabilities	854.17	854.17	630.86	630.86

23.1 The carrying amount of current trade receivables, cash and cash equivalents, trade payables, borrowings and other financial liabilities are considered to be the same as their fair values due to their short term nature

24 Ratios

Ratios	Numerator	Denominator	As at 31st March, 2022	As at 31st March, 2021	% Variance	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.10	1.12	-2%	
Debt-equity ratio	Total Long term debt	Shareholder's Equity	-	-	-	
Debt service coverage ratio	Earning Before Interest & Taxes	Interest on long term debt + Principal repayment of long term debt	-	-	-	
Return on equity ratio	Net Profit after Tax	Average shareholder's Equity	7.52%	87.87%	-91%	Increase in contract Cost
Inventory turnover ratio	Cost of Goods Sold or sales	Average Inventory	-	-	-	
Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	5.79	4.66	24%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payable	5.22	3.90	34%	Due to payout to the creditors
Net capital turnover ratio	Net Sales	Working Capital	31.68	31.13	2%	
Net profit ratio	Net Profit	Net Sales	0.23%	2.82%	-92%	Increase in contract Cost
Return on capital employed	Earning Before Interest & Taxes	Capital Employed	6.20%	119.75%	-95%	Increase in contract Cost and short term Inter-corporate deposit
Return on investment	Income generated from investments	Time weighted average investments	-	-	-	



25 Financial Risk Management

The company's principal financial liabilities comprises trade payables and other payables. The main purpose of these financial liabilities is to finance the company's operation. The company's principal financial assets include trade receivable and cash and cash equivalents that derive directly from its operations. The company expose to the following risk from its use of financial instruments:-

(A) Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the company. Credit risk arises principally from Trade receivables.

Trade Receivables:- The company earns its revenue from government controlled entities. As these entities are government controlled, the counter party risk attached to such receivables are considered to be insignificant

(B) 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 always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation

Maturities of Financial Liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Upto 6 month	6 months to 12 months
<u>As at 31st March, 2022</u>		
Interest bearing Borrowings		
- principal		400.00
- Interest		18.32
Trade Payables	426.74	
Other financial liabilities	9.10	
Total Financial liabilities	435.84	418.32

Contractual maturities of financial liabilities	Upto 6 month	6 months to 12 months
<u>As at 31st March, 2021</u>		
Trade Payables	621.95	
Other financial liabilities	8.91	
Total Financial liabilities	630.86	-

26 Capital Management Risk Management

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

27 Estimation uncertainty relating to the global health pandemic on COVID-19

The Company, being an essential service provider, does not expect significant impact due to Covid 19. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the company, if any.

28 Current year figures have not been comparable with the previous year figures i.e., comprised from 31.05.2020 to 31.03.2021. The same has been regrouped, rearranged, wherever deemed necessary.

29 These financial statements has been approved and adopted by Board of Directors of the Company in their meeting dated 23rd May, 2022 for issue to the Shareholders for their adoption.

As per our report on even date.

For R. Kothari & Co. LLP
Chartered Accountants
Firm Registration No.: 307069E/E300266

CA. Kailash Chandra Soni
Partner
Membership No.: 057620



For and on behalf of the Board

Somesh Dasgupta
Director
DIN: 01298835

Argha Ghosh
Director
DIN: 09038856

Place : Kolkata
Date: May 23, 2022