

**BOARDS' REPORT
AND
FINANCIAL STATEMENTS OF
GOKAK POWER & ENERGY LIMITED
FOR THE YEAR ENDED MARCH 31, 2024**



Directors	: Vinod J. Bhandawat	- Non-Executive Director and Chairman
	Pradip N. Kapadia	- Independent Director
	Nikhil J. Bhatia	- Independent Director
	Ramesh R. Patil	- Wholetime Director (upto January 06, 2024)
	Gautam V. Kumtakar	- Wholetime Director (w.e.f January 08, 2024)
Chief Financial Officer	: Vipin Kumar Sharma	
Company Secretary & Compliance Officer	: Rakesh M. Nanwani	
Statutory Auditors	: Batliboi & Purohit, Chartered Accountants	
Bankers	: ICICI Bank Limited HDFC Bank Limited	
Hydro Power House	: Gokak Falls - 591 308 (District Belagavi - Karnataka)	
D J Madan Power House	: Dupdhal - 591306, Taluka: Gokak Dist. Belagavi, Karnataka	
Registered Office	: #1, 2nd Floor, 12th Cross, Ideal Homes, Near Jayanna Circle, Rajarajeshwari Nagar, Bengaluru – 560 098	
CIN	: U40103KA2012PLC062107	
GSTIN	: 29AAECG7331B1ZU	

Report of Board and Management Discussion & Analysis

To
The Members of
Gokak Power & Energy Limited

Your Directors present their Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2024.

1. Financial Results and State of Company's Affairs

(₹ in Lakhs)

Particulars		For the Financial Year 01.04.2023 to 31.03.2024	For the Financial Year 01.04.2022 to 31.03.2023
(a)	Gross Revenue	686.85	961.79
(b)	Exceptional Items (Income)	0.00	212.35
	Less: Costs	288.87	251.68
(c)	Earnings before Interest, Depreciation & Taxation after Exceptional Items	397.98	922.46
	Less: Interest	477.21	550.47
(d)	Cash Profit / (Loss)	-79.23	371.99
	Less: Depreciation	356.83	355.58
(e)	Profit Before Tax (PBT)	-436.05	16.41
	Less: Deferred Tax	0.00	0.00
	Other Comprehensive Income	-0.13	-1.91
(f)	Net Profit / (Loss)	-436.18	14.50

2. Operations

During the year under review, the Company has recorded gross income of ₹ 686.85 lakhs (previous year ₹ 961.79 lakhs) and net profit / (loss) for the year of ₹ (436.18) lakhs (previous year ₹ 14.50 lakhs).

During the year under review GPEL generated 15.25 Million Units of electricity (previous year 23.8 Million Units were generated).

The Company was selling significant portion of their generation to Indian Electricity Exchange Limited (IEX) till 17-October-2023. The State Government vide their G.O. No ENERGY 82 PPT 2023, Bengaluru, Dt: 16.10.2023 invoked Section-11 of the Electricity Act 2003 and specified the generating companies in the state to supply the Discoms in the state till May-2024.

3. Outlook

As per forecast by India Meteorological Department, it is expected that the monsoon is most likely to be above normal (>104% of Long Period Average(LPA)). Quantitatively, the seasonal rainfall over the country as a whole is likely to be 106% of LPA with a model error of ± 5%. There is a likelihood that reservoir of Hidkal Dam will achieve their designed capacity and water availability for power generation would be available throughout the year. The company shall put all efforts to maximize the power generation through efficient management and adequate maintenance of the plant.

4. Share Capital

The paid up equity share capital of the Company as on March 31, 2024 was ₹ 49 Crores. During the year under review, the Company has not issued any shares with differential voting rights or 'sweat equity shares' and has not granted any stock options.

**5. Dividend and Transfer to Reserves**

In view of the results for the year, no dividend has been recommended for the year. No amount has been transferred to the Reserves during the year.

6. Material changes and commitments

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the Report.

7. Holding Company / Subsidiary Company/Joint venture/Associate

The Company is subsidiary of Gokak Textiles Limited, which holds 51 % of the paid-up share capital. Gokak Textiles limited is engaged in the business of textiles, manufacturing cotton yarn, blended yarn, fabrics, terry towels, t-shirts, undergarments, etc. and generation of solar power.

The Company does not have any subsidiary / associate or joint venture Company.

8. Deposits

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and Rules framed there under and there is no outstanding deposit.

9. Board of Directors and Key Managerial Personnel

The composition of Board of Directors of the Company is as under:

Sr. No	Name of the Director	Designation	Category
1	Mr. Vinod J. Bhandawat (DIN: 02873571)	Director	Non-Executive Non-Independent
2	Mr. Pradip N. Kapadia (DIN:00078673)	Director	Non-Executive Independent
3	Mr. Nikhil J. Bhatia (DIN: 00414281)	Director	Non-Executive Independent
4	Mr. Ramesh R. Patil (DIN:07568951)*	Wholetime Director	Executive Non-Independent
5	Mr. Gautam V. Kumtakar (DIN: 09791999) #	Wholetime Director	Executive Non-Independent

* resigned w.e.f January 06, 2024

Changed designation to Wholetime Director w.e.f January 08, 2024

Mr. Vinod Bhandawat is due to retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors recommends his re-appointment as Director of the Company.

Mr. Ramesh R. Patil, Wholetime Director, resigned w.e.f close of business hours of January 06, 2024.

The Board places on record its appreciation for the invaluable services and guidance rendered by Mr. Ramesh R. Patil to the Board and the Company during his tenure as Member of the Board/Committees of the Board.

Based on the recommendation of Nomination and Remuneration Committee and subject to approval of the Shareholders of the Company at the ensuing Annual General Meeting, the Board appointed Mr. Gautam V. Kumtakar as Whole-time Director for a term of three years commencing from January 08, 2024. Accordingly category / designation of Mr. Kumtakar was changed from Non-Executive Director to Wholetime Director (Executive Director) w.e.f January 08, 2024.

In the Notice of ensuing Annual General Meeting of the Company an item for Change in Designation of Mr. Gautam V. Kumtakar as Wholetime Director (Executive Non – Independent) of the Company has been included.

Key Managerial Personnel of the Company as on March 31, 2024 were Mr. Gautam V. Kumtakar, Whole-time Director, Mr. Rakesh M. Nanwani, Company Secretary & Compliance Officer and Mr. Vipin Kumar Sharma, Chief Financial Officer.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances, which may affect their status as the Independent Directors during the year.

10. Meetings of the Board of Directors and Attendance

The Board met at least once in each quarter. 4 Meetings were held during the financial year ended March 31, 2024 i.e. on May 26, 2023; August 11, 2023; November 09, 2023 and February 14, 2024. The number of meetings held and attended during the year are as under:

Sr.No	Name of the Directors	Number of Board Meetings held during the Financial year ended March 31, 2024	
		Held	Attended
1.	Mr. Vinod Bhandawat	4	4
2.	Mr. Pradip N. Kapadia	4	4
3.	Mr. Nikhil J. Bhatia	4	4
4.	Mr. Ramesh R. Patil*	4	3
5.	Mr. Gautam V. Kumtakar	4	4

* resigned w.e.f January 06, 2024

11. Committees of the Board**a. Audit Committee**

The Company has an Audit Committee at the Board level which acts as the link between the Management and the Statutory and Internal Auditors and the Board of Directors. It interacts with statutory and internal auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with necessary assistance and information, so as to enable it to carry out its function effectively.

The composition of Audit Committee of the Company is as under:

Sr. No	Name of the Director	Category
1	Mr. Nikhil J. Bhatia - Chairman (DIN: 00414281)	Non-Executive Independent
2	Mr. Pradip N. Kapadia (DIN:00078673)	Non-Executive Independent
3	Mr. Gautam V. Kumtakar (DIN: 09791999)	Executive Non-Independent

The Chairman of the Audit Committee is an Independent Director. Majority of Members of the Audit Committee including its Chairperson have the ability to read and understand the financial statement. The Whole-time Director and Chief Financial Officer are permanent invitees to the Audit Committee Meetings. The Company Secretary also functions as Compliance Officer.

The Statutory Auditors and Internal Auditors of the Company are also invited to the Audit Committee Meetings. Discussions with the Management and the Statutory Auditors, the audit plan for the financial year and a joint post-audit review of the same are held at regular intervals.

The Company places all the relevant details before the Audit Committee periodically.

The Committee meets at least once in each quarter. 4 Meetings were held during the financial year ended March 31, 2024 i.e on May 26, 2023; August 11, 2023; November 09, 2023 and February 14, 2024.

The number of meetings held and attended during the year are as under:

Sr. No	Name of the Directors	Number of Audit Committee Meetings held during the Financial year ended March 31, 2024	
		Held	Attended
1.	Mr. Nikhil J. Bhatia – Chairman	4	4
2.	Mr. Pradip N. Kapadia	4	4
3.	Mr. Gautam V. Kumtakar	4	4

**b. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee is responsible for determining the compensation payable to Directors, Executive Director and the Senior Management Personnel, based on industry practices and performance of individuals.

Brief description of terms of reference:

1. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal.
2. Shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
3. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
4. Devising a policy on Board diversity.
5. Recommending the remuneration after taking into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
6. Reviewing and determining all elements of remuneration package striking the balance between the interest of the Company and the shareholders.
7. All information about the Directors/Managing Director/ Whole time Director/ Key Managerial Personnel i.e background details, past remuneration, recognition or awards, job profile, etc., shall be considered and disclosed to Shareholders, whenever required.

The composition of Nomination and Remuneration Committee of the Company is as under:

Sr. No	Name of the Director	Category
1	Mr. Nikhil J. Bhatia - Chairman (DIN: 00414281)	Non-Executive Independent
2	Mr. Pradip N. Kapadia (DIN:00078673)	Non-Executive Independent
3	Mr. Gautam V. Kumtakar (DIN: 09791999)*	Non-Executive Non-Independent
4	Mr. Vinod J. Bhandawat (DIN: 02873571)#	Non-Executive Non-Independent

* Member of the Committee upto February 12, 2024

Member of the Committee w.e.f February 13, 2024

Two (2) Meetings were held during the financial year ended March 31, 2024 i.e. on November 09, 2023 and February 14, 2024.

The number of meetings held and attended during the year are as under:

Sr.No	Name of the Directors	Number of Nomination and Remuneration Committee Meetings held during the Financial year ended March 31, 2024	
		Held	Attended
1.	Mr. Nikhil J. Bhatia - Chairman	2	2
2.	Mr. Pradip N. Kapadia	2	2
3.	Mr. Gautam V. Kumtakar *	2	1
4.	Mr. Vinod J. Bhandawat #	2	1

* Member of the Committee upto February 12, 2024

Member of the Committee w.e.f February 13, 2024

12. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually, as well as, the evaluation of the working of its Audit and Nomination and Remuneration Committees.

In a separate meeting of Independent Directors, performance of Non- Independent Directors of the Board as a whole and the performance of the Chairman were evaluated.

13. Particulars of Employees

During the financial year 2023 - 24, the Company did not have any employee who was in receipt of remuneration in aggregate not less than ₹ 1.02 crores P.A if employed through the financial year and in aggregate not less than ₹ 8.50 lakhs P.M if employed for part of financial year.

14. Auditors and Auditors Report :**(a) Statutory Auditors**

Pursuant to the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Batliboi & Purohit, Chartered Accountants (ICAI Firm Registration no. 101048W) were appointed as the Statutory Auditors of the Company for a term of 5 (five) years to hold office from the conclusion of the 6th Annual General Meeting of the Company till the conclusion of the 11th Annual General Meeting of the Company.

Pursuant to the provisions of section 139 (2), M/s Batliboi & Purohit, Chartered Accountants, were eligible to be re-appointed as statutory auditors of the Company for another term of five years.

The shareholders of the Company at their 11th Annual General Meeting held (AGM) held on September 29, 2022 had re-appointed Batliboi & Purohit Chartered Accountants as Statutory Auditors of the Company until the Conclusion of the 16th Annual General Meeting of the Company to be held in the year 2027 and authorized the Board to fix the remuneration.

The Audit Report of the Statutory Auditors forms part of the Annual Report. The Auditors' Report does not contain any qualification. Notes to Accounts and Auditor's remarks in their report are self-explanatory and do not call for any further comments.

(b) Secretarial Auditor

Pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has appointed KDSH & Associates LLP, Company Secretaries, to conduct Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as **Annexure I** to this Report. The Report of the Secretarial Auditor of the Company does not contain any qualification, reservation or adverse remark or disclaimer.

15. Particulars of loans, guarantees or investments under section 186

Particulars of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements, as applicable.

16. Particulars of contracts or arrangements with related parties:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business.

During the year under review, there were no materially significant related party transactions with the Promoter, Directors, Key Managerial Personnel or the Designated Persons, which may have a potential conflict with the interest of Company at large except sale of power to the holding company, which has been approved by the shareholders.

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for transactions which are of a foreseen and repetitive nature. The transactions entered pursuant to the omnibus approval so granted are placed before the Audit Committee on a quarterly basis.

The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section

(1) of section 188 of the Companies Act, 2013 has been disclosed in Form No. AOC-2 as **Annexure II** to this report.

**17. Statutory Disclosures :**

There are no significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status and Company's operations in future.

18. Obligation of Company under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has adopted a policy as per the provisions of Sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder for prevention, prohibition and redressal of complaints of sexual harassment at workplace. Internal Complaints & Committee (ICC) has been setup to redress complaints received regarding sexual harassment as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaints on sexual harassment were received.

19. Conservation of energy, technology absorption and foreign exchange earnings and outgo :

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy :

(i)	The steps taken or impact on conservation of energy.	NIL
(ii)	The steps taken by the Company for utilizing alternate sources of energy.	NIL
(iii)	The capital investment on Energy conservation equipments	NIL

(b) Technology absorption :

(i)	the efforts made towards technology absorption	Implemented Supervisor Control and Data Acquisition (SCADA) systems to all generating units
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Controls established to regulate power supply to the grid as per schedule, optimising the revenue
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NIL
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof and future plan of action	
(iv)	the expenditure incurred on Research and Development	

(c) Foreign exchange earnings and outgo : NIL**20. Human Resources :**

Human resource is the most important resource for your company and this resource has been provided opportunity for self-development and provided very good working and social environment to attract and retain the talent.

The employee relations have been very cordial and this has helped put forth sustained efforts even during challenging period to achieve the desired output of the plant.

21. Directors' Responsibility Statement:

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013 and based on the representations received from the operating management, the Directors hereby confirm that :-

- in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts, on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. Internal Financial Control and their adequacy:

The Company has Internal Control systems, which ensure that all transactions are satisfactorily recorded and reported and all assets are protected against loss from an unauthorized use or otherwise. The internal control systems are supplemented by an internal audit system carried out by independent firm of Chartered Accountants and a periodical review by the management. The findings of such Internal Audits are addressed through suitable corrective measures. The Audit Committee of the Board meets at a regular intervals and advises on significant issues raised by, both, the Internal Auditors and the Statutory Auditors. The process of internal control, systems, statutory compliance, risk analysis, information technology and its management are woven together to provide a meaningful support to the management of the business.

Batliboi & Purohit, Chartered Accountants, the statutory auditors of the Company have audited the financial statements included in this annual report and have issued report, inter alia, on the internal financial controls over financial reporting as defined under section 143 of the Companies Act, 2013.

23. Risk Management Policy:

The Company recognizes that risk is an integral part of business. The company has developed and implemented a 'Risk Management Policy' as per which the Directors themselves periodically assess risks in the internal and external environment as also elements of risk, if any, which may threaten the existence of the company.

The main objective of this plan is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the plan establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, Competition, Business risk, Technology obsolescence, retention of talent and expansion of facilities. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

24. Details of Fraud Report by Auditor:

There have been no instances of fraud reported by the Statutory Auditor of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed there under either to the Company or to the Central Government.

25. Corporate Social Responsibility Committee (CSR)

The provisions of section 135 of the Companies Act, 2013 are not presently applicable to the Company.

The Company has ensured necessary compliance with the requirements of the Companies Act, 2013 and other authorities and the details of non-compliance and penalties are not applicable. The Company follows all relevant Accounting Standards. The Company as complied with all the Secretarial Standards (SS) issued by The Institute of Company Secretaries of India.

26. Annual Return:

Pursuant to the provisions of Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, every company shall place a copy of annual return on the website of the company, if any, and the web-link of such



annual return shall be disclosed in the Board's Report and a copy of the Annual Return shall be filed with the Registrar. The Company does not have website, the Annual Return will be filed with Registrar.

27. Change In The Nature Of Business, If Any:

There is no change in the Nature of Business of the Company.

28. Transfer of Unclaimed Dividend to Investor Education And Protection Fund:

Since no dividend has been declared by the Company, there was no unpaid/unclaimed dividend and accordingly the provisions of Section 125 of the Companies Act, 2013 do not apply.

29. Details Of Application Made Or Any Proceeding Pending Under The Insolvency And Bankruptcy Code, 2016 (31 Of 2016) During The Year Along With Their Status As At The End Of The Financial Year: NIL

30. The Details Of Difference Between Amount Of The Valuation Done At The Time Of One Time Settlement And The Valuation Done While Taking Loan From The Banks Or Financial Institutions Along With The Reasons Thereof:

The Company has not undergone for valuation during the year.

31. Acknowledgements:

Your Directors wish to place on record their sincere appreciation for the assistance given by the Company's Bankers and acknowledge that their support has been a source of considerable strength. The Directors commend the continued commitment and dedication of employees at all levels. The Directors also wish to acknowledge with thanks all other stakeholders for their valuable sustained support and encouragement. Your Directors look forward to receiving similar support and encouragement from all stakeholders in the years ahead.

For and on behalf of the Board of Directors

Place : Mumbai,
Date : May 25, 2024

Gautam V. Kumtakar
Whole-time Director
DIN : 09791999

Vinod J. Bhandawat
Chairman
DIN: 02873571

**Form No.MR-3
SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

[Pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

FOR THE FINANCIAL YEAR ENDED: 31st March, 2024

To,
The Members,
Gokak Power & Energy Limited
CIN: U40103KA2012PLC062107
#1, 2nd Floor, 12th Cross Ideal Homes,
Near Jayanna Circle, Rajarajeshwari Nagar
Bangalore-560098

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GOKAK POWER & ENERGY LIMITED (CIN: U40103KA2012PLC062107)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; -Not Applicable
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investment and overseas direct investment and External Commercial Borrowings. (No such transaction took place during the Audit Period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; -Not Applicable
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;- Not Applicable
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; -Not Applicable
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; -Not Applicable
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021; -Not Applicable
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;- Not Applicable
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -Not Applicable
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations,2018; -Not Applicable
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; -Not Applicable
- vi. Other laws applicable specifically to the Company namely:

Labour Laws

- a) The Factories Act, 1948
- b) The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
- c) The Employees Provident Fund & Miscellaneous Provisions Act, 1952 and Employees Deposit Linked Insurance Scheme, 1976
- d) The Employees State Insurance Act, 1948
- e) The Payment of Wages Act, 1936
- f) The Child Labour (Regulation & Abolition) Act, 1970



- g) The Shops & Establishments Act, 1961
- h) The Karnataka Industrial Establishments (National and Festival Holidays) Act, 1963
- i) The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- j) The Industrial Disputes Act, 1947
- k) The Minimum Wages Act, 1948
- l) Payment of Bonus Act, 1965
- m) The Industrial Employment (Standing Orders) Act, 1946
- n) The Karnataka Labour Welfare Fund Act, 1965
- o) Payment of Gratuity Act, 1972

Power Sector

- a) The Electricity Act, 2003
- b) National Tariff Policy
- c) Essential Commodities Act, 1955

Other Laws

- a) The Indian Stamp Act, 1899
- b) Information Technology Act, 2000
- c) The Competition Act, 2002

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting i.e SS-1 and SS-2.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and no dissenting views have been recorded.

Based on the review of systems and processes adopted by the Company and the Statutory Compliance self-certification by the Whole-time director of the Company which was taken on record by the Board of Directors, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure Compliance with applicable laws, rules, regulations and guidelines as per the list of such laws as mentioned above in Point No. vi of this report.

There was no event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc., during the audit period.

For **KDSH & Associates LLP**

Kiran Desai

Designated Partner

FCS10056| CP No: 12924

UDIN: **F010056F000409941**

Peer Review Certificate Number 2406/2022

Place: Bangalore

Date: 21/05/2024

* This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

To,
The Members,
Gokak Power & Energy Limited
CIN: U40103KA2012PLC062107
#1, 2nd Floor, 12th Cross Ideal Homes,
Near Jayanna Circle, Rajarajeshwari Nagar
Bangalore-560098

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/Whole-time Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws and Environment laws.
8. We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **KDSH & Associates LLP**

Place: Bangalore
Date: 21/05/2024

Kiran Desai
Designated Partner
FCS10056| CP No: 12924
UDIN: **F010056F000409941**
Peer Review Certificate Number 2406/2022



Form AOC-2

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

Forms for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of The Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1.	Details of contracts / arrangements or transactions not at arm's length basis	Nil
2.	Details of material contracts / arrangements or transactions at arm's length basis	01-April-2023 to 31-March-2024
a.	Name of related party and nature of relationship	Gokak Textiles Limited (Holding Company)
b.	Nature of contracts / arrangements /transactions	Agreement for transfer of power between Gokak Power & Energy Limited and Gokak Textiles Limited, Holding Company captive user for consumption.
c.	Duration of contracts / arrangements/ transactions	20 years w.e.f. 27.09.2012
d.	Salient terms of the contracts / arrangements/ transactions including Value, if any	Captive user agrees to pay ₹ 4.47 + ₹ 0.20 (electricity duty) for every unit of power transferred, subject to conditions laid out in the agreement
e.	Dates of Approval by the Board, if any	22.05.2012
f.	Amount received as advance, if any	Security Deposit – Rupees One Lakh
1	Details of contracts or arrangements or transactions not at arm's length basis	Nil
2	Details of material contracts or arrangement or transactions at arm's length basis:	01-April-2023 to 31-March-2024
a.	Name(s) of the related party and nature of relationship	Gokak Textiles Limited (Holding Company)
b.	Nature of contracts/arrangements/ Transactions	Novation Agreement for unsecured loan
c.	Duration of the contracts/arrangements/ Transactions	Payable on demand
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Novated unsecured loan of ₹ 6427.30 lakhs (principle amount ₹ 4069.00 lakhs) @ 11.50 % P.A.
e.	Date(s) of approval by the Board, if any:	November 09, 2022
f.	Amount paid as advances, if any:	Nil
g.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	July 14, 2023

For and on behalf of the Board of Directors

Place : Mumbai,
Date : May 25, 2024

Gautam V. Kumtakar
Whole-time Director
DIN : 09791999

Vinod J. Bhandawat
Chairman
DIN: 02873571

INDEPENDENT AUDITORS' REPORT

To the Members of Gokak Power & Energy Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **Gokak Power & Energy Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 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 of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, 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 audit 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 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 financial statements that give a true and fair view of the financial position, financial performance, 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. 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 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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 to the best of our information and according to the explanations given to us, there is no remuneration paid/provided by the Company to its directors during the year under 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, 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.
 - 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.
 - 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on audit procedures performed, nothing has come to our attention that causes us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
 - vi. 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. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.



As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 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 BATLIBOI & PUROHIT
Chartered Accountants
ICAI Firm Reg. No.101048W

Place : Mumbai
Date : May 25, 2024

N. S. Gaur
Partner
Membership No. 137138
ICAI UDIN: 24137138BKGEMQ7818

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)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all items of Property, Plant and Equipment are verified once in every two years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the said programme, certain items of Property, Plant and Equipment were physically verified during the year and no material discrepancies were observed on such verification.
- (c) Based on our examination of According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title in respect of self-constructed building (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventories (consisting of stores and spares) at reasonable intervals during the year. In our opinion, with regards to the nature and size of its inventories, the coverage and procedure of such physical verification carried out during the year were appropriate. Discrepancies noted during such physical verification were less than 10% of respective inventory classes. All discrepancies noted during the year were properly dealt with in the books of account.
- (b) During the year, the Company did not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from any banks on the basis of security of its current assets. Accordingly, paragraph 3(ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has not made any investments in, 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, paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or given guarantees in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Accordingly, reporting under paragraph (iv) of the Order is not applicable.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) To the best of our knowledge and as explained the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, though there has been slight delays in few cases.

According to the information and explanations given to us, no undisputed statutory dues referred above were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us by the Company and on the basis of our examination of the books of account and the record, there are no dues of Provident Fund, employees' state insurance Income Tax, Goods and service tax, Duty of Customs, outstanding on account of any dispute.
- viii) According to the information and explanations given to us, no transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which was not recorded in the books of account. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) (a) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not defaulted in repayment of principal and payment of interest to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, no term loans were obtained during the year by the Company. Accordingly, paragraph 3(ix)(c) of the Order is not applicable.
- (d) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, no funds have been raised on short term basis by the Company.
- (e) According to the information and explanations given to us and based on the audit procedures performed by us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.
- (x) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) during the year.
- (xi) (a) According to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, no report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was filed with the Central Government during the year or upto the date of the Report.
- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a 'nidhi' company and it has not accepted any deposits. Accordingly, paragraph 3(xii)(a), paragraph 3(xii)(b) and paragraph 3(xii)(c) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on the audit procedures performed by us, transactions with the related parties during the year were in compliance with sections 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Provisions of Section 177 of the Act are not applicable to the Company.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of section 192 of the Act and paragraph 3(xv) of the Order are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.
- (c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, the Group (as defined the Core Investment Companies (Reserve Bank) Direction 2016) has two Core Investment Companies (CICs) as part of the Group.
- (xvii) According to the information and explanations given to us and based on audit procedures performed by us, the Company has incurred cash losses of ₹ 79.35 lakhs in the current financial year. The Company had not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) (a) According to the information and explanations given to us and based on audit procedures performed by us, the Company was not required to spend any amount in terms of Section 135 of the Act during the year. Accordingly, second proviso to sub-section (5) of section 135 of the said Act and paragraph 3(xx)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on audit procedures performed by us, the Company did not have any ongoing project in terms of Section 135 of the Act during the year. Accordingly, provision of sub-section (6) of section 135 of the said Act and paragraph 3(xx)(b) of the Order is not applicable.

For BATLIBOI & PUROHIT
Chartered Accountants
ICAI Firm Reg. No.101048W

N. S. Gaur
Partner

Membership No. 137138
ICAI UDIN: 24137138BKGEMQ7818

Place : Mumbai
Date : May 25, 2024



Annexure - B to the Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of the Company of even date)

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

Opinion

We have audited the Internal Financial Controls with reference to the financial statements of Gokak Power & Energy Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31 2024, based on the criteria for internal control with reference to the financial statements 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.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the criteria for Internal Control with reference to the financial statements 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 with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an Audit of Internal Financial Controls, both issued by ICAI. 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 with reference to the financial statements 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 with reference to the financial statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to the financial statements included obtaining an understanding of Internal Financial Controls with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the Auditor's Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to the financial statements

A company's Internal Financial Control with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of the financial statements for external purposes in accordance with generally accepted Accounting Principles. A company's Internal Financial Control with reference to the financial statements 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 the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations

of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the financial statements

Because of the inherent limitations of internal financial controls with reference to the financial statements, 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 with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For BATLIBOI & PUROHIT
Chartered Accountants
ICAI Firm Reg. No.101048W

N. S. Gaur
Partner
Membership No. 137138
ICAI UDIN: 24137138BKGEMQ7818

Place : Mumbai
Date : May 25, 2024



BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note No.	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Assets			
1 Non-current assets			
a) Property, Plant and Equipment	3	8,402.93	8,757.20
b) Capital work-in-progress	3A	5.41	-
		8,408.34	8,757.20
c) Financial Assets:			
i) Investments	4	0.26	0.26
d) Tax assets			
i) Deferred tax assets (net)	24	-	-
ii) Income tax assets (net)		7.47	6.94
		7.47	6.94
e) Other non-current assets	8A	39.94	0.50
		8,456.01	8,764.90
Total Non-current assets			
2 Current assets			
a) Inventories	6	8.25	10.12
b) Financial Assets:			
i) Trade receivables	5	77.22	585.73
ii) Cash and cash equivalents	7A	1.71	1.42
iii) Bank balances other than (ii) above	7B	-	-
		87.18	597.27
c) Other current assets	8B	24.44	34.07
		111.62	631.34
Total Current assets			
		8,567.63	9,396.24
Total Assets			
Equity and Liabilities			
Equity			
a) Equity share capital	9	4,900.00	4,900.00
b) Instruments entirely equity in nature	10A	80.00	80.00
c) Other equity	10B	(3,344.60)	(2,908.42)
		1,635.40	2,071.58
Total Equity			
Liabilities			
1 Non-current liabilities			
a) Financial liabilities:			
i) Borrowings	11A	846.58	-
ii) Other financial liabilities	12A	1.00	1.00
		847.58	1.00
b) Provisions	13A	1.66	1.53
		849.24	2.53
Total Non-current liabilities			
2 Current liabilities			
a) Financial liabilities:			
i) Borrowings	11B	5,990.57	7,223.48
ii) Trade payables	15	-	-
- dues to Micro and small enterprises		10.30	13.44
-dues to Creditors other than Micro and small enterprises		20.91	17.72
iii) Other financial liabilities	12B	6,021.78	7,254.64
b) Provisions	13B	11.39	9.98
c) Other current liabilities	14	49.81	57.51
		6,082.98	7,322.13
Total current liabilities			
		6,932.23	7,324.66
Total Liabilities			
		8,567.63	9,396.24
Total Equity and Liabilities			
		8,567.63	9,396.24

See accompanying notes forming part of the financial statements

1 to 36

The notes are an integral part of the these financial statements.

For and on behalf of the Board of Directors

As per our report of even date

For **BATLIBOI & PUROHIT**

Chartered Accountants

Firm Reg No. 101048W

Vipan Kumar Sharma

Chief Financial Officer

Vinod Bhandawat

Chairman

(DIN: 02873571)

N. S. Gaur

Partner

Membership No. 137138

Place: Mumbai

Date: May 25, 2024

Rakesh M. Nanwani

Company Secretary

Membership No. A45718

Place: Mumbai

Date: May 25, 2024

Gautam V. Kumtakar

Whole-time Director

(DIN: 09791999)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Particulars		Note No.	Year Ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
I	Revenue from operations	16	685.58	956.10
II	Other income	17	1.27	5.69
III	Total Income		686.85	961.79
IV	Expenses			
	Employee benefits expense	18	78.23	73.63
	Finance costs	19	477.21	550.47
	Depreciation and amortisation expense	20	356.83	355.58
	Other expenses	21	210.64	178.05
	Total expenses		1,122.90	1,157.73
V	Profit / (Loss) before exceptional items and tax		(436.05)	(195.94)
VI	Exceptional items	21.1	-	212.35
VII	Profit / (loss) before tax		(436.05)	16.41
VIII	Tax expense:			
	Current tax		-	-
	Deferred tax		-	-
			-	-
IX	Profit /(loss) for the year		(436.05)	16.41
X	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	Remeasurement of the defined benefit plans	22	(0.13)	(1.91)
	Other Comprehensive Income, net of tax		(0.13)	(1.91)
XI	Total Comprehensive Income / (loss) for the year		(436.18)	14.50
XII	Earning per equity share	23		
	Basic and diluted earnings per equity share		₹ (0.89)	₹ 0.03

See accompanying notes forming part of the financial statements

1 to 36

For and on behalf of the Board of Directors

As per our report of even date

For **BATLIBOI & PUROHIT**

Chartered Accountants

Firm Reg No. 101048W

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Gautam V.Kumtakar

Whole-time Director

(DIN: 09791999)



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Profit \ (Loss) before tax for the year	(436.05)	16.41
	Adjustments for:		
	Depreciation expenses	356.83	355.58
	Finance Cost	477.21	550.47
	Balances written off / (back)	(0.85)	(1.41)
	Interest Income	(0.42)	(4.27)
	Exceptional Income	-	(212.35)
	Cash Generated from operations before working capital changes	396.71	704.42
	Adjustments for:		
	(Increase)/decrease in trade receivables	(172.19)	(347.03)
	(Increase)/decrease in inventories	1.87	0.27
	(Increase)/decrease in Other Assets	(29.81)	10.56
	Increase/(decrease) in trade payables	(2.29)	2.07
	Increase / (Decrease) in Provision	1.41	(0.47)
	Increase / (Decrease) in other Financial Liabilities	3.19	(8.07)
	Increase / (Decrease) in other Liabilities	(7.70)	(7.13)
	Cash generated from operations	191.20	354.61
	Taxes paid (net of refunds)	(0.55)	4.07
	Net cash generated from operating activities - [A]	190.65	358.68
B.	Cash Flow from Investing Activities :		
	Purchase of tangible assets (including CWIP)	(7.97)	(1.66)
	Insurance claim received	-	212.35
	Movements in other bank balances	-	792.05
	Interest received	0.42	4.27
	Net cash flow from/ (used in) investing activities - [B]	(7.55)	1,007.01
C.	Cash Flow from Financing Activities :		
	Finance Cost Paid	(47.80)	(30.24)
	Proceeds from instruments entirely equity in nature - perpetual loans	-	80.00
	Repayment of instruments entirely equity in nature - perpetual loans	-	(180.00)
	Repayment of Borrowings (including current maturities)	(135.00)	(1,234.89)
	Proceeds from Borrowings	-	-
	Net cash flow from/ (used in) financing activities - [C]	(182.80)	(1,365.13)
	Net increase/ (decrease) in cash and cash equivalents [D]= [A]+[B]+[C]	0.29	0.56
	Cash and cash equivalents as at beginning - [E]	1.42	0.86
	Cash and cash equivalents as at closing [D]+[E]	1.71	1.42

PARTICULARS		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
D.	COMPONENTS OF CASH AND CASH EQUIVALENTS		
	Cash on Hand	0.06	0.00
	Balances with banks:		
	- In current accounts	1.65	1.42
		1.71	1.42

Notes:

- i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (IND AS-7), "Statement of Cash Flows".
- ii) Change in Borrowings are shown net of receipts and payments.
- iii) Previous year figures have been rearranged/regrouped wherever necessary.

For and on behalf of the Board of Directors

As per our report of even date

For **BATLIBOI & PUROHIT**

Chartered Accountants

Firm Reg No. 101048W

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Chief Financial Officer

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Membership No. A45718

Place: Mumbai

Date: May 25, 2024

Gautam V.Kumtakar

Whole-time Director

(DIN: 09791999)



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity share Capital

Current reporting period

(` in Lakhs)

Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2024
4,900.00	-	4,900.00	-	4,900.00

Previous reporting period

(` in Lakhs)

Balance as at April 01, 2022	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance as at March 31, 2023
4,900.00	-	4,900.00	-	4,900.00

B. Instruments entirely equity in nature

Current reporting period

(` in Lakhs)

Balance as at April 01, 2022	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance as at March 31, 2023
80.00	-	80.00	-	80.00

Previous reporting period

(` in Lakhs)

Balance as at April 1, 2022	Changes in Instruments due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Instruments during the current year	Balance as at March 31, 2023
-	-	-	80.00	80.00

C. Other Equity

Current reporting period

(` in Lakhs)

Particulars	Reserves and surplus (` In Lakhs)	
	Retained earnings	Total Equity attributable to equity holders of the Company
Balance as at April 1, 2023	(2,908.42)	(2,908.42)
Profit for the year	(436.05)	(436.05)
Other comprehensive income for the year, net of income tax	(0.13)	(0.13)
Total comprehensive income for the year	(436.18)	(436.18)
Balance as at March 31, 2024	(3,344.60)	(3,344.60)
Total Other Equity	(3,344.60)	(3,344.60)

Particulars	Reserves and surplus (₹ In Lakhs)	
	Retained earnings	Total Equity attributable to equity holders of the Company
Balance as at April 1, 2022	(2,922.91)	(2,922.91)
Profit / (Loss) for the year	16.41	16.41
Other comprehensive income for the year, net of income tax	(1.91)	(1.91)
Total comprehensive income for the year	14.50	14.50
Balance as at March 31, 2023	(2,908.42)	(2,908.42)
Total Other Equity	(2,908.42)	(2,908.42)

For and on behalf of the Board of Directors

As per our report of even date

For **BATLIBOI & PUROHIT**

Chartered Accountants

Firm Reg No. 101048W

Vipan Kumar Sharma

Chief Financial Officer

Vinod Bhandawat

Chairman

(DIN: 02873571)

N. S. Gaur

Partner

Membership No. 137138

Place: Mumbai

Date: May 25, 2024

Rakesh M. Nanwani

Company Secretary

Membership No. A45718

Place: Mumbai

Date: May 25, 2024

Gautam V.Kumtakar

Whole-time Director

(DIN: 09791999)



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

1 Corporate Information

Gokak Power & Energy Limited ('the Company') is public company incorporated on January 17, 2012 under the provisions of erstwhile Companies Act, 1956. The Company is in the business of generation of hydro power. The Company has 10.80 MW of Hydro power plant. Its registered office at #1, 2nd Floor, 12th Cross Ideal Homes, Near Jayanna Circle ,Rajarajeshwari Nagar, Bangalore KA 560098 .

2 Basis of preparation

(a) Statement of Compliance

The financial statement have been prepared in accordance with Indian Accounting standards (IND AS) notified under section 133 of the Companies Act 2013, the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 2.1

(b) Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to two decimal places to the nearest lakhs, unless otherwise indicated.

(c) Basis of measurement

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

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

(d) Use of Estimates :

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Assumptions and estimations of uncertainties

Information about assumptions and estimations of uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2024 is included in the following notes:

Note 2.1(g) - recognition of deferred tax assets

Note 25 - measurement of defined benefit obligations: key actuarial assumptions;

Note 2.1(b) - useful life of property, plant and equipment

(e) Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

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 for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.1 Significant accounting policies**(a) Property, plant and equipment:**

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and any other directly attributable costs of bringing the assets to its working condition for its intended use. Adjustments arising from the exchange rates variances relating to liabilities attributable to fixed assets are expensed out.

(b) Depreciation /Amortisation:

Depreciation is provided on a pro-rata basis on the straight line method at the rates prescribed under Schedule II to the Companies Act, 2013.

Sr. No.	Particulars	Useful Life In years
1	Building and Structures	30
2	Plant and Machinery	40
3	Furniture and Fixture	10
4	Office Equipments	5

(c) Borrowing cost :

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(d) Financial instruments**i. Recognition and initial measurement**

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii. Classification and subsequent measurement**Financial assets****Financial assets carried at amortised cost:**

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



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

Financial assets at fair value through other comprehensive income:

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

Financial assets at fair value through profit or loss:

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

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss (FVTPL).

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Equity

An equity is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

iii. De-recognition

Financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial assets.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

Financial liabilities

The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also de-recognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

iv. Off setting

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

Financial assets and financial liabilities are off set and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

(e) Revenue recognition :

Revenue from Generation, Transmission and Distribution of power is recognised net of cash discounts, for each unit of electricity delivered at the contracted rate.

Revenue from renewable energy certificates is recognised on accrual basis.

(f) Provisions and Contingent Liability

A provision is recognised when enterprise has present obligation as a result of past event; it is probable that an outflow of resources will be required to the obligations, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Reimbursement against a provision is recognised as a separate asset based on virtual certainty. Contingent Assets are not recognised.

(g) Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction.
- temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company off sets, the current tax assets and liabilities (on year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

(h) Earnings per Share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, on Earnings Per Share. Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year. Diluted earnings per equity share have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

(i) Impairment

(i) Financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

(ii) Non-financial assets

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

(j) Inventories :

Inventories are valued at lower of cost and net realisable value. Stores, Spares and loose Tools cost is determined on weighted average method.

(k) Employee Benefits :

Short - term obligations

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

Other long term Employee benefit obligation

Long-term compensated absence of permanent employees is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. Compensated absences of badli workers are provided on accrual basis.

Defined Contribution Plans:

Employee benefits in the form of Provident Fund and Superannuation are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....**Defined Benefit Plan**

Retirements benefits in the form of Gratuity for eligible employees is considered as defined benefit obligations and are provided on the basis of actuarial valuation, using the projected unit credit method. Gratuity of badli workers is determined on accrual basis based on the proportionate time of services rendered. The present value of the defined benefit obligation 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 present value of the defined benefit obligation 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. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

(l) Cash and Cash equivalents :

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, bank balance, deposits held at call with financial institutions.

(m) Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

(n) 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.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

3. Property, plant and equipment

(₹ in lakhs)

Particulars	Building and structures	Plant and machinery	Furniture, Fixtures and Office Equipments	Vehicles	Total
Gross Block :					
Cost or Deemed cost					
Balance at March 31, 2022	6,777.64	4,644.67	1.14	9.08	11,432.53
Additions	-	1.49	0.17	-	1.66
Disposal	-	-	-	-	-
Balance at March 31, 2023	6,777.64	4,646.17	1.31	9.08	11,434.19
Additions	-	-	2.55	-	2.55
Disposal	-	-	-	-	-
Balance at March 31, 2024	6,777.64	4,646.17	3.85	9.08	11,436.74
Accumulated depreciation :					
Balance at March 31, 2022	1,547.34	772.21	0.89	0.97	2,321.41
Eliminated on disposals of assets	-	-	-	-	-
Depreciation expense	236.57	117.82	0.13	1.06	355.58
Balance at March 31, 2023	1,783.91	890.02	1.01	2.04	2,676.99
Eliminated on disposals of assets	-	-	-	-	-
Depreciation expense	237.22	118.16	0.38	1.07	356.83
Balance at March 31, 2024	2,021.14	1,008.18	1.39	3.10	3,033.81
Net Carrying Value :					
Balance at March 31, 2022	5,230.30	3,872.47	0.26	8.11	9,111.13
Balance at March 31, 2023	4,993.72	3,756.14	0.30	7.04	8,757.20
Balance at March 31, 2024	4,756.50	3,637.98	2.47	5.98	8,402.93

3A. Capital Work-in-Progress:

Ageing Schedule for Projects in progress and Projects temporarily suspended :

(₹ in lakhs)

Particulars	Amount of CWIP as at March 31, 2024					Total
	Less than 01 year	01-02 years	02-03 years	More than 03 years	More than 03 Years	
Projects in Progress	5.41	-	-	-	5.41	0.54
Projects Temporarily Suspended	-	-	-	-	-	-

Particulars	Amount of CWIP as at March 31, 2023					Total
	Less than 01 year	01-02 years	02-03 years	More than 03 years	More than 03 Years	
Projects in Progress	-	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

4. Non Current Investments

Break-up of investments

(₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Qty	Amount	Qty	Amount
Unquoted Investments at FVTPL				
Equity Instruments				
1. In unquoted 2600 equity shares of ₹ 10 each fully paid up of Suryodaya One Energy Private Limited (Refer Note below)	2,600	0.26	2,600	0.26
Total	2,600	0.26	2,600	0.26

Note: Suryoday One Energy Private Limited has merged into Gokak Textiles Limited with effect from April 01, 2022 based on the order of National Company Law Tribunal (NCLT) dated April 24, 2024. Section 19 of Companies Act, 2013, restricts Subsidiary Company from holding shares in its Holding Company, in compliance with section 19 of the Companies Act, 2013, preference shares will not be allotted to the Company hence these equity shares will be canceled on date of allotment.

5. Trade receivables

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
a) Related Parties - Holding Company	47.04	578.22
b) Others	30.18	7.52
Less: Expected credit loss allowance	-	-
Total	77.22	585.73

5.1. Trade receivables

The average credit period on sales is 60 days. No interest is charged on trade receivables overdue. The Company has a policy for recognition of expected credit loss at 100% against all receivables over 365 days and 50% against all receivables between 180 -365 days.

5.2. Ageing Schedule :

As on 31st March 2024

Particulars	Outstanding for following periods from due date of payments						Total Outstanding
	Not Due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2.74	74.48	-	-	-	-	77.22
(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	-	-	-	-	-	-	-



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

Particulars	Outstanding for following periods from due date of payments						Total Outstanding
	Not Due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	2.74	74.48	-	-	-	-	77.22

As on 31st March 2023

Particulars	Outstanding for following periods from due date of payments						Total Outstanding
	Not Due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	44.99	329.33	211.41	-	-	-	585.73
(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	44.99	329.33	211.41	-	-	-	585.73

6. Inventories

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Inventories (lower of cost and net realisable value) Stores and spares	8.25	10.12
Total	8.25	10.12

7. Cash and Bank Balances

7A. Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
- In current accounts	1.65	1.42
Cash on hand	0.06	-
Total	1.71	1.42

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

7B. Other Bank balances

Particulars	As at March 31, 2024	As at March 31, 2023
a) In deposit accounts with original maturity of more than 3 months but less than 12 months	-	-
Total	-	-

8. Other assets

8A. Non Current

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Capital Advance	39.60	-
Prepaid expenses	0.34	0.50
Total	39.94	0.50

8B. Current

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
a) Advances for supply of goods and services (others)	11.23	20.24
b) Security Deposits	0.22	0.22
c) Prepaid expenses	8.09	8.21
d) Medical advance/staff advance	0.03	0.24
e) Prepaid contribution to employee benefit plan	4.86	5.16
Total	24.44	34.07

9. Equity Share Capital

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Authorised Share capital :		
5,00,00,000 fully paid equity shares of ₹ 10 each	5,000.00	5,000.00
Issued, subscribed and paid-up share capital:		
4,90,00,000 fully paid equity shares of ₹ 10 each	4,900.00	4,900.00
Total	4,900.00	4,900.00



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

9.1.Fully paid equity shares

(₹ in lakhs)

Particulars	Number of shares	Share capital (₹ in Lakhs)
Balance as at April 01, 2022	4,90,00,000	4,900.00
Movements	-	-
Balance as at March 31, 2023	4,90,00,000	4,900.00
Movements	-	-
Balance as at March 31, 2024	4,90,00,000	4,900.00

Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing 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 the number of equity shares held by the shareholders.

The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

9.2. Details of shares held by the holding company, its subsidiaries and associates

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the period :		
Gokak Textiles Limited - Holding Company (51%)	2,49,90,000	2,49,90,000
Total	2,49,90,000	2,49,90,000

9.3.Details of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
Fully paid equity shares				
Shapoorji Pallonji Infrastructure Capital Company Private limited	2,40,10,000	49%	2,40,10,000	49%
Gokak Textiles Limited - Holding Company	2,49,90,000	51%	2,49,90,000	51%
	4,90,00,000	100%	4,90,00,000	100%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

9.4 Details of shares held by Promoters :

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
Fully paid equity shares				
Shapoorji Pallonji Infrastructure Capital Company Private limited	2,40,10,000	49%	2,40,10,000	49%
Gokak Textiles Limited - Holding Company	2,49,90,000	51%	2,49,90,000	51%
	4,90,00,000	100%	4,90,00,000	100%

10A. Instruments entirely equity in nature

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Perpetual Loans		
From Evangelous Ventures Private Limited		
Opening balance		
Reclassified during the year (Refer Note (a) below)	-	180.00
Repaid during year (Refer Note (a) below)	-	(180.00)
Received during the year (Refer Note (b) below)	80.00	80.00
	80.00	80.00

- (a) During the previous year, the Company entered into a revised agreement with Evangelous Ventures Private Limited ('the Lender'), where unsecured Inter-Corporate-Deposits ('ICD') having principal amount aggregating to ₹ 180.00 lakhs as at March 31, 2022 repayable on demand with interest rate of 8.00% per annum, were converted into an unsecured perpetual loan ('the Perpetual Loan') with effect from April 01, 2022. The said Perpetual Loan had no maturity or defined tenure and repayment of any amount in part or in full is at sole discretion of the Company. Interest accrual on the Perpetual Loan is non-cumulative and is payable at sole discretion of the Company up to 8.00% per annum for any particular or preceding financial year/s. The said Perpetual Loan ranked subordinate to all existing amount borrowed or debt securities issued by the Company to any other person (other than the Lender itself) and shall be ranked only senior to the equity share capital of the Company. Based on the above terms, the Company did not have any obligation or repayment or distribution (of interest) under the said agreement and repayment or distribution (of interest), if any, is at the sole discretion of the Company. Accordingly, the said Perpetual Loan was classified as instruments entirely equity in nature. Subsequently, the Company also repaid ₹ 183.83 lakhs including interest accrued thereon.
- (b) On October 25, 2022, the Company had received perpetual loan from Evangelos Ventures Private Limited. As per the agreed terms and conditions, the said loan has no maturity or defined tenure and repayment of any amount in part or in full is at sole discretion of the Company. Interest accrual on the Perpetual Loan is non-cumulative and is payable at sole discretion of the Company up to 8.00% per annum for any particular or preceding financial year/s. The said Perpetual Loan shall be subordinate to all other debts and shall be ranked only senior to the equity share capital of the Company. Based on the above terms, the Company does not have any obligation or repayment or distribution (of interest) under the said agreement and repayment or distribution (of interest), if any, is at the sole discretion of the Company. Accordingly, the said Perpetual Loan has been classified as instruments entirely equity in nature.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....****10B Other equity**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Surplus/ (Deficit) in retained earnings		
Balance at beginning of the year	(2,908.42)	(2,922.91)
Profit / (loss) during the year	(436.05)	16.41
Other comprehensive income for the year, net of income tax	(0.13)	(1.91)
Balance at end of the year	(3,344.60)	(2,908.42)

Note: Retained earnings represents net profits after distributions and transfers to other reserves.

11. Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
11A. Non-current		
Unsecured - at amortised cost		
a) Loans from related parties:		
- From Holding Company	-	-
- From Other related parties	846.58	-
Total	846.58	-
11B. Current		
Unsecured - at amortised cost		
a) Loans from related parties:		
- From Holding Company (Refer Note below)	5,990.57	-
- From Other related parties (Refer Note below)	-	7,223.48
Total	5,990.57	7,223.48

Note: During the year, the Company has entered into a 'Novation' agreement ('the Agreement') on August 29, 2023 which is effective from April 01, 2023 ('the effective date') in respect of transfer of the Inter-corporate-deposits (ICDs) aggregating to ₹ 6,427.30 lakhs (including interest) outstanding in the books of the Company repayable to the Ultimate Holding Company (i.e. Shapoorji Pallonji & Company Private Limited). According to the said Agreement, the ICD liabilities towards the Ultimate Holding Company has been novated to the Holding Company (i.e. Gokak Textiles Limited) from the effective date on existing terms.

12. Other financial liabilities**12A. Non Current**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured considered good		
Security deposits	1.00	1.00
Total	1.00	1.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

12B Current

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Salary Payables and Others	20.91	17.72
Total	20.91	17.72

13. Provisions

13A Non current

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Employee benefits		
Compensated absences	1.66	1.53
Total	1.66	1.53

13B. Current

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Employee benefits		
Compensated absences	0.03	0.03
Gratuity (Badli workers)	11.36	9.95
Total	11.39	9.98

14. Deferred tax balances

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Statutory remittances	49.81	57.51
	49.81	57.51

15. Trade payables

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
- dues to Micro and small enterprises	-	-
- dues to Related Parties	5.71	5.42
- dues to other Creditors	4.60	8.02
Total	10.30	13.44

15.1 There are no dues outstanding to Micro, Small and Medium enterprises as per MSMED Act 2006.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

15.2 Trade Payable ageing

As on March 31, 2024

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	3.98	1.01	0.95	0.45	3.91	10.30
Disputed Dues - Others	-	-	-	-	-	-
Disputed Dues - MSME	-	-	-	-	-	-
Total	3.98	1.01	0.95	0.45	3.91	10.30

As on March 31, 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	2.11	3.71	0.92	1.90	4.80	13.44
Disputed Dues - Others	-	-	-	-	-	-
Disputed Dues - MSME	-	-	-	-	-	-
Total	2.11	3.71	0.92	1.90	4.80	13.44

16. Revenue from operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Contracts with customers		
a) Income from Sale of Power	660.68	842.29
	660.68	842.29
b) Other operating revenues		
i) Sale of Renewable Energy Certificates	23.60	113.49
ii) Scrap Sales	1.30	0.32
Total (b)	24.90	113.81
Total (a+b)	685.58	956.10

* There are no adjustments during the year to the contract price for revenue recognition.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

17. Other Income

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Interest Income		
Interest on deposits with bank	-	3.98
Interest on Income tax	0.42	0.29
b) Other Non-Operating Income		
Credit balances / excess provision written back	0.85	1.41
Total	1.27	5.69

18. Employee benefits expense

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Salaries and Wages	66.65	62.59
ii) Contribution to provident and other funds	9.27	8.84
iii) Staff Welfare Expenses	2.31	2.20
Total	78.23	73.63

19. Finance costs

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest costs measured at amortised costs		
Interest on Security Deposits	0.12	0.12
Interest on bank Term Loans	-	26.39
Other Interest	0.01	0.02
Interest on Inter Corporate Deposits	477.08	523.94
Total	477.21	550.47

20. Depreciation and Amortisation expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Depreciation of property, plant and equipment	356.83	355.58
Total	356.83	355.58

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....****21. Other expenses**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Consumption of stores and spare parts	28.90	20.68
ii) Power and fuel	1.05	0.49
iii) Freight and Handling	6.47	28.21
iv) Directors Sitting fees	6.52	8.38
v) Repairs to :		
a) Buildings	0.46	0.15
b) Plant and machinery	42.33	20.22
c) Others	8.30	4.83
vi) Insurance	25.66	29.69
vii) Rates and taxes	4.67	2.48
viii) Open Access and IEX Charges	48.92	13.11
ix) Legal and professional charges	12.03	16.90
x) Travelling and conveyance	1.92	0.75
xi) Calibration & Testing Charges	0.12	-
xii) Water Royalty Charges	21.12	29.34
xiii) Miscellaneous expenses	0.27	0.17
Total	208.74	175.40
xiv) To Statutory auditors		
a) For audit fee	1.90	1.90
b) For tax audit fee	-	0.75
Total (B)	1.90	2.65
Total (A+B)	210.64	178.05

21.1 Exceptional Item

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Insurance claim received	-	212.35
Total	-	212.35

22. Other comprehensive income

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Re-measurement of defined benefit obligation	(0.13)	(1.91)
Total	(0.13)	(1.91)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

23. Earnings per share

The earnings per share is calculated by dividing the Profit/ (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The numbers used in calculating basis and diluted earnings are stated below :-

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	₹ per share	₹ per share
From Continuing operations Basic and Diluted earnings per share	(0.89)	0.03

Basic & Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(₹ in lakhs)	
Profit / (Loss) for the year attributable to owners of the Company (A)	(436.05)	16.41
Weighted average number of equity shares for the purposes of basic earnings per share (Quantity in Lakhs) (B)	490.00	490.00
Basic & Diluted Earnings per share (A/B)	(0.89)	0.03

24. Deferred tax assets (net)

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(₹ in lakhs)	
Deferred tax assets	1,388.51	1,384.53
Deferred tax liabilities	(1,388.51)	(1,384.53)
Net Deferred tax assets/(liabilities)	-	-

Note:- The Company has restricted the recognition of deferred tax assets on account of unabsorbed depreciation and brought forward business loss and certain other assets to set off the deferred tax liabilities arising on account of temporary difference arising on Property, Plant and Equipment and other assets. The Company did not have any deferred tax liability as on March 31, 2024, accordingly, the Company has not recognised any deferred tax assets. Unabsorbed depreciation and brought forward business losses on which deferred tax assets have not been recognised (in the absence of virtual certainty of taxable income) were ₹ 7,093.97 lakhs as on March 31, 2024 (Previous year: ₹ 6,661.03 lakhs).

Current Year (2023-24)

Particulars	Opening balance	Recognised in profit or loss	Closing balance
	(₹ in lakhs)		
Deferred tax (liabilities)/assets in relation to:			
a) Property, plant and equipment	(1,384.53)	(3.98)	(1,388.51)
b) Provision for Bonus	0.99	0.48	1.47
c) Defined benefit obligation	2.90	0.39	3.28
d) Others - Unabsorbed Depreciation and losses	1,380.64	3.11	1,383.75
Net Deferred tax assets/(liabilities)	-	-	-



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

Previous Year (2022-23)

(₹ in lakhs)

Particulars	Opening balance	Recognised in profit or loss	Closing balance
Deferred tax (liabilities)/assets in relation to:			
a) Property, plant and equipment	(1,368.34)	(16.19)	(1,384.53)
b) Provision for Bonus	0.94	0.06	0.99
c) Defined benefit obligation	2.53	0.37	2.90
d) Others - Unabsorbed Depreciation and losses	1,364.87	15.77	1,380.64
Net Deferred tax assets/(liabilities)	-	-	-

25. Employee benefits obligations :

Defined-contribution plans:

The Company's provident fund scheme is a defined contribution plan. The Company's contribution paid/payable under the schemes is recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. The Company makes specified monthly contributions towards employee provident fund. The contribution towards Provident Fund is deposited with the Regional Provident Fund Commissioner.

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provident fund	5.56	5.33
Superannuation fund	0.46	0.56
Total contribution	6.02	5.89

Defined Benefit Plan:

The Company's gratuity scheme is a defined benefit scheme. The Company maintains its plan assets with LIC of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner.

(₹ in lakhs)

Sr. No.	Year Ended March 31, 2024	Year Ended March 31, 2023
Change in Present Value of Obligation		
Present value of the obligation at the beginning of the year	11.48	10.60
Current Service Cost	0.55	0.60
Interest Cost	0.86	0.77
Actuarial (Gain) / Loss on Obligation due to experience	(0.08)	1.97
Actuarial (Gain) / Loss on Obligation due to change in financial assumptions	0.29	(0.20)
Benefits Paid	-	(2.26)
Present value of the obligation at the end of the year	13.10	11.48
Change in Plan Assets		
Fair value of Plan Assets at the beginning of the year	16.63	17.74
Interest Income	1.24	1.29
Benefits Paid	-	(2.26)
Return on plan assets excluding interest income	0.08	(0.14)
Contributions by Employer	-	0.01
Fair value of Plan Assets at the end of the year	17.96	16.63

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

(₹ in lakhs)

Sr. No.	Year Ended March 31, 2024	Year Ended March 31, 2023
Amounts Recognised in the Balance Sheet		
Present value of Obligation at the end of the year	(13.10)	(11.48)
Fair value of Plan Assets at the end of the year	17.96	16.63
Net asset/(liability) at the end of the year	4.86	5.16
Amounts Recognised in the Statement of Profit and Loss		
Current Service Cost	0.55	0.60
Finance cost / (income)	(0.39)	(0.52)
Past service cost	-	-
Net impact on the loss before tax	0.17	0.08
Amounts Recognised in Other Comprehensive Income		
Actuarial (gains) / losses for the period	0.21	1.77
Return on plan asset excluding interest income	(0.08)	0.14
Net (income) / expenses for the period recognised in other comprehensive income	0.13	1.91
Actuarial Assumptions		
i) Discount Rate	7.19%	7.47%
ii) Expected Rate of Return on Plan Assets	7.19%	7.47%
iii) Salary Escalation Rate	4.00%	4.00%
iv) Attrition Rate	1.00%	1.00%
v) Mortality	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

(₹ in lakhs)

Maturity Analysis of the benefit payments : from the fund	2023-24	2022-23
Projected Benefits payable in future years from the date of reporting		
1 St Following Year	0.24	0.22
2 nd Following Year	0.26	0.23
3 rd Following Year	0.27	0.24
4 th Following Year	0.29	0.26
5 th Following Year	0.30	0.27
Sum of years 6 th to 10 th	9.47	6.42
Sum of years 11th and above	13.85	15.84

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....**

(₹ in lakhs)

Maturity Analysis of the benefit payments : from the fund	2023-24	2022-23
Projected Benefit obligation On Current Assumptions	13.10	11.48
Delta effect of +1% Change in rate of Discounting	(1.00)	(0.95)
Delta effect of -1% Change in rate of Discounting	1.11	1.06
Delta effect of +1% Change in rate of Salary increase	1.14	1.09
Delta effect of -1% Change in rate of Salary increase	(1.04)	(0.99)
Delta effect of +1% Change in rate of Employee Turnover	0.20	0.23
Delta effect of -1% Change in rate of Employee Turnover	(0.22)	(0.25)

Sensitivity for significant actuarial assumption is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Above disclosures have been made on the basis of certificate received from actuary.

The assumptions with regards to salary escalation and attrition rates are the expectations of the entity based on the salary escalation that the entity will provide in future and the expected attrition rate in the future. Historical trends of these assumptions may or may not be suitable to be extrapolated for the future projections, as it is the entity's prerogative to decide on the expected future trends and thereby the assumptions given by the entity are accepted.

The assumptions with regards to discount rate has been considered as per the requirement of the standard. Since no separate analysis of the mortality rate of the entity was undertaken, we have considered the latest mortality table available.

The results are particularly sensitive to some assumptions, such as discount rate, level of salary inflation, level of employee turnover and mortality. Such as decrease in the assumed discount rate are an increase in salary inflation will lead to increase in reported liability.

26. Related Party Disclosures :**Current Year****(a) Name of the Related Parties and Description of Relationship:**

Nature of Relationship	Name of Entity
Holding Company	Gokak Textiles Limited
Ultimate Holding Company	Shapoorji Pallonji & Company Private Limited
Fellow Subsidiaries	Shapoorji Pallonji Infrastructure Capital Company Private Limited Shapoorji Pallonji Energy (Gujarat) Private Limited
Key Management Personnel and their relatives	Mr. Vinod Bhandawat, Chairman Mr. Pradip N. Kapadia, Director Mr. Nikhil Bhatia, Director Mr. Ramesh R Patil, Whole Time Director (till 06/01/2024) Mr. Gautam Kumtakar, Whole Time Director (08/01/2024 onwards) Mr. Vipam Kumar Sharma, Chief Financial Officer Mr. Rakesh M. Nanwani, Company Secretary & Compliance Officer
Other common control entities	Gokak Falls Education & Medical Trust

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

(b) transactions/ balances with above mentioned related parties

(₹ in lakhs)

Nature of Transactions		Holding Company	Ultimate Holding Company	Associate Companies	Fellow Subsidiary	Key Managerial Personnel	Trust	Total
1	INCOME							
(i)	Sales (including Electricity Tax)	341.18	-	-	-	-	-	341.18
	<i>Previous Year (including Electricity Tax)</i>	436.20	-	-	-	-	-	436.20
2	EXPENSES							
(i)	Interest Accrued	421.20	-	-	56.01	-	-	477.21
	<i>Previous Year</i>	0.12	467.94	-	56.01	-	-	524.07
(ii)	Services received	-	0.52	-	-	-	-	0.52
	<i>Previous Year</i>	-	0.55	-	-	-	-	0.55
(iii)	Director sitting fees	-	-	-	-	5.85	-	5.85
	<i>Previous Year</i>	-	-	-	-	7.80	-	7.80
3	Reimbursement of Expenditure	-	-	-	-	-	0.85	0.85
	<i>Previous Year</i>	-	-	-	-	-	1.11	1.11
	Refund Received	-	-	-	-	-	-	-
	<i>Previous Year</i>	-	-	-	-	-	-	-
4	Borrowings during the year (novated)	6,427.30	-	-	-	-	-	6,427.30
	<i>Previous Year</i>	-	-	-	80.00	-	-	80.00
5	Repayment during the year (novated)	815.70	6,427.30	-	-	-	-	7,243.00
	<i>Previous Year</i>	-	-	-	183.83	-	-	183.83
6	OUTSTANDINGS							
	Receivables	47.04	-	-	-	-	-	47.04
	<i>Previous Year</i>	578.22	-	-	-	-	-	578.22
	Deposit Payable	1.00	-	-	-	-	-	1.00
	<i>Previous Year</i>	1.00	-	-	-	-	-	1.00
								-
	Payables ICD	5,990.57	-	-	926.58	-	-	6,917.15
	<i>Previous Year</i>	-	6,427.30	-	876.18	-	-	7,303.48



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

(₹ in lakhs)

Nature of Transactions	Holding Company	Ultimate Holding Company	Associate Companies	Fellow Subsidiary	Key Managerial Personnel	Trust	Total
							-
Payables	-	5.71	-	-	-	0.05	5.76
<i>Previous Year</i>	-	<i>5.15</i>	-	-	-	<i>0.09</i>	<i>5.23</i>
Investments in Equity Shares of Associate Company	-		0.26	-	-	-	0.26
<i>Previous Year</i>	-		<i>0.26</i>		-	-	<i>0.26</i>

(b) transactions/ balances with above mentioned related parties

(₹ in lakhs)

Nature Of Transaction	Year Ended March 31, 2024	Year Ended March 31, 2023
Sale of Electricity		
Gokak Textiles limited	341.18	436.20
Services Received		
Shapoorji Pallonji and Company Private Limited	0.52	0.55
Interest Expense		
Gokak Textiles limited	421.20	0.12
Shapoorji Pallonji and Company Private Limited	-	467.94
Shapoorji Pallonji Infrastructure Capital Company Private Limited	52.56	52.56
Shapoorji Pallonji Energy (Gujarat) Private Limited	3.45	3.45
Evangelos Venturs Private Limited	-	-
Loans / Perpetual Loans Taken		
Shapoorji Pallonji Infrastructure Capital Company Private Limited	-	-
Gokak Textiles limited (Novation)	6,427.30	-
Evangelos Venturs Private Limited*	-	80.00
(*Converted to perpetual loan during the previous year)		
Loan/Perpetual Loans Repaid (including interest)		
Gokak Textiles limited	815.70	-
Shapoorji Pallonji and Company Private Limited (Novation)	6,427.30	
Evangelos Venturs Private Limited	-	183.83
Reimbursement of Expenditure		
Gokak Textiles limited	-	-
Gokak Falls Education & Medical Trust	0.85	1.11
Investments in Equity Shares of Associate Company		
Suryoday One Energy Private Limited (Refer Note 4)	0.26	0.26
Deposit Payable		
Gokak Textiles Limited	1.00	1.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

(₹ in lakhs)

Nature Of Transaction	Year Ended March 31, 2024	Year Ended March 31, 2023
Receivables		
Gokak Textiles limited	47.04	578.22
Director Sitting Fees		
Mr. C. G. Shah	-	2.10
Mr. Pradip N. Kapadia	2.25	2.25
Mr. Nikhil Bhatia	2.25	2.25
Mr. Vinod Bhandawat	1.35	1.20
Payables		
Gokak Falls Education & Medical Trust	0.05	0.09
Shapoorji Pallonji and Company Private Limited (ICD)	-	6,427.30
Shapoorji Pallonji and Company Private Limited (trade payable)	5.71	5.15
Shapoorji Pallonji Energy (Gujarat) P Ltd (ICD)	63.62	60.52
Shapoorji Pallonji Infrastructure Capital Company Private Limited (ICD)	782.96	735.66
Evangelos Venturs Private Limited (Perpetual Loan)	80.00	80.00
Gokak Textiles Limited (ICD)	5,990.57	-

27. Capital Management :

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in note 11 offset by cash and bank balances) and total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans. The funding requirements are met through short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The capital components of the Company are as given below :

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023
Total Equity	1,635.40	2,071.58
Short Term Borrowings (Inter Corporate Deposits from Holding Company)	5,990.57	7,223.48
Long Term Borrowings (Inter Corporate Deposits Group Companies)	846.58	-
Total Debt	6,837.15	7,223.48
Cash and Cash equivalents	1.71	1.42
Total Cash and Cash Equivalents	1.71	1.42
Net Debt	6,835.45	7,222.06
Debt Equity ratio	4.18	3.49
Debt Equity Ratio = Net debt / Total Equity		

28. Financial risk management objectives :

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial assets include trade receivables, cash and cash equivalents that comes directly from its operations and financial liabilities comprises of borrowings, trade and other payables, and financial guarantee contracts. It has an integrated financial risk management system which proactively identifies monitors and takes precautionary and mitigation measures in respect of various identified risks.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....**

The Company is exposed to market risk, liquidity risk and credit risk. The Company's senior management oversees the management of these risks, which evaluates and exercises independent control over the entire process of financial risks.

(a) Market Risk :

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price. Market risk is attributable to all market risk sensitive financial instruments, loans and borrowings.

The finance department undertakes management of cash resources, borrowing mechanism and ensuring compliance with market risk limits.

Currency risk :

The company is not exposed to currency risk, since there are not transaction in foreign currency.

Interest Risk and Sensitivity Analysis :

Interest rate risk is the risk that the future cash flows or the fair value of a financial instrument will fluctuate because of changes in market interest rates. The outstanding borrowings of the Company at reporting date consists of Inter corporate deposits from ultimate parent and its group companies at fixed rates, accordingly, the company is not exposed to interest rate fluctuation risks in the short term.

(b) Liquidity Risk :

Prudent liquidity risk management implies maintaining sufficient cash and bank balance and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company's finance department is responsible for liquidity, funding as well as settlement management and then processes related to such risks are overseen by senior management through rolling forecasts on the basis of expected cash flows. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner. The Company do not have credit lines as at the end of the reporting period. The Company has obtained inter corporate deposits from ultimate parent group companies which are repayable on demand and dependent upon financial support from the ultimate parent in case of any immediate demand.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables shows principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Maturities of Financial Liabilities	March 31, 2024			
	Total	Upto 1 year	1 to 3 Years	3 years above
Borrowings (Long term and Short term, Including current maturities)	6,837.15	5,990.57	846.58	-
Trade Payables	10.30	10.30	-	-
Other Financial Liabilities	21.91	20.91	-	1.00
Total	6,869.36	6,021.78	846.58	1.00

Maturities of Financial Liabilities	March 31, 2023			
	Total	Upto 1 year	1 to 3 Years	3 years above
Borrowings (Long term and Short term, Including current maturities)	7,223.48	7,223.48	-	-
Trade Payables	13.44	13.44	-	-
Other Financial Liabilities	18.72	17.72	-	1.00
Total	7,255.63	7,254.63	-	1.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

(c) 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, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial assets that potentially expose the Company to credit risks are listed below:

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023
Trade receivables	77.22	585.73
Total	77.22	585.73

The above receivables are pertaining to only two customers i.e. the Holding Company and a State government companies, hence the company's credit risk is significantly low.

29. Movement in financial liabilities included under financing activities in statement of cash flows :

Particulars	As at April 01, 2023	Cash in flow	Cash out flow	Non cash movement (net)	As at March 2024
Short Term Borrowings	7,223.48	-	(135.00)	(1,097.91)	5,990.57
Long Term Borrowings	-	-	-	846.58	846.58

30. Financial Instrument - Fair Value Disclosures :

(₹ in lakhs)

	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
i) Financial Assets						
Investments	0.26	-	-	0.26	-	-
Trade Receivables	-	-	77.22	-	-	585.73
Cash and Bank Balances	-	-	1.71	-	-	1.42
Bank balances other than above	-	-	-	-	-	-
	0.26	-	78.93	0.26	-	587.15
ii) Financial liabilities						
Borrowings	-	-	6,837.15	-	-	7,223.48
Trade Payables	-	-	10.30	-	-	13.44
Other Financial Liabilities	-	-	21.91	-	-	18.72
	-	-	6,869.36	-	-	7,255.63

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....****31. Segment reporting :**

The Chief Operating Decision maker of the Company examines Company's performance as one operating segment only namely - Power

Out of the total revenue, 60% (Previous year 81%) of the revenue pertains to only two customers i.e. the Holding Company and Karnataka State Government Power Companies.

32. Other disclosures as required by Shchedule iii Division ii of the Act :

- 1) No proceeding has been initiated or pending against the Company for holding any Benami property.
- 2) The Company did not have any transactions with companies struck off during current or preceding financial year.
- 3) The Company does not have any charges or satisfaction pending to be registered with ROC beyond the statutory period.
- 4) The Company has not traded or invested in Crypto currency or Virtual Currency during the current or preceding financial year.
- 5) No funds have been advanced or loaned or invested by the Company to/in any intermediary 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 or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Further, no funds have been received from any person or entity ('Funding parties') with the understanding that the Company 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 or provide any guarantee, security or the like on behalf of the Funding Party.
- 6) The Company does not have 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).
- 7) The Company has not been declared as a wilful defaulter.
- 8) The Company has not made any loans or advances in the nature of loans that are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

33. Ratio Analysis :

Ratios	Numerator	Denominator	31-Mar-24	31-Mar-23	Variation (%)	Reason for variance in the ratio by more than 25%
Current Ratio (times)	Total Current Assets	Total Current Liabilities	0.02	0.09	-78.72%	Due to relative lower reduction in borrowings as compared with reduction in Trade receivable.
Debt equity ratio (times)	Total borrowings	Total Equity	4.18	3.49	19.90%	-
Debt service coverage ratio (times)	Net profit after tax + Depreciation + Finance Expense	Interest including principle payments of borrowings	2.18	0.73	198.58%	Due to significant reduction in profit.
Return on equity (%)	Profit/(Loss) for the year	Average Total Equity	(0.27)	(0.09)	181.90%	Due to significant reduction in profit.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 Cont....

Ratios	Numerator	Denominator	31-Mar-24	31-Mar-23	Variation (%)	Reason for variance in the ratio by more than 25%
Trade receivables turnover ratio (times)	Revenue from Operations	Average trade receivables	2.07	2.21	-6.33%	-
Net capital turnover ratio (times)	Revenue from Operations	Working capital (Current Assets - Current Liabilities)	(0.11)	(0.14)	-19.66%	Due to reduction in Sales
Net profit ratio (%)	Profit/(Loss) for the year (before exceptional items)	Revenue from Operations	(0.64)	(0.20)	210.36%	Due to increase in losses
Return on capital employed (%)	Earning before interest and tax	Tangible net worth + Total Borrowings	0.00	0.06	-100.00%	Due to significant reduction in profit.

- i. The Company does not purchase or hold any inventories of goods except the inventory of stores and spares of plant, machinery and equipment used in the generation of electricity. Accordingly, inventory turnover and trade payables ratio is not considered applicable.

34. Bonus Payable :- Bonus Payable :-

Bonus payable for the financial year 2022-23 ₹ 2.66 Lakhs has been deferred up to October 31, 2024 as per agreed terms with Labour Union.

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

36. These financial statements were approved for issue by the board of directors on May 25, 2024.

For and on behalf of the Board of Directors

As per our report of even date

For **BATLIBOI & PUROHIT**

Chartered Accountants

Firm Reg No. 101048W

Vipan Kumar Sharma

Chief Financial Officer

Vinod Bhandawat

Chairman

(DIN: 02873571)

N. S. Gaur

Partner

Membership No. 137138

Place: Mumbai

Date: May 25, 2024

Rakesh M. Nanwani

Company Secretary

Membership No. A45718

Place: Mumbai

Date: May 25, 2024

Gautam V. Kumtakar

(Whole-time Director)

(DIN: 09791999)