First Energy Private Limited

Board of Directors
Hemant Mohgaonkar
Rajendran Arunachalam
Ashish Bhandari

Registered Office
Thermax House,
14, Mumbai – Pune Road, Wakdewadi,
Pune – 411003

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Key Managerial Personnel
Ravi Damaraju, CEO
Mitish Somani, CFO
Sampada Sakhare, CS

Bankers
HSBC Bank
ICICI Bank

Corporate Office
Unit No. 601, 6th Floor,
Cello Platina, F.C. Road,
Shivajinagar, Pune 411005

DIRECTORS' REPORT

Dear Shareholder,

The Directors have the pleasure of presenting the Fifteenth Annual Report of the Company for the year ended March 31, 2023.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Total income	1597.18	2653.91	1932.64	2655.18
Profit/(Loss) before depreciation	(1508.28)	126.40	(1882.37)	122.04
Depreciation and impairment	83.89	24.74	164.05	24.74
Profit/(Loss) before tax	(1592.17)	101.66	(2046.42)	97.30
Provision for taxation (incl. deferred tax)	36.16	-	43.37	-
Items that not to be reclassified to profit or loss	-	-	-	-
Profit/(Loss) after tax	(1628.33)	101.66	(2089.79)	97.30

State of Company's Affairs

The Company has completed its first set of projects comprising of a 16MWp Group Captive, solar project in the state of Tamil Nadu and an 11.5 MWp Captive solar project in Maharashtra progressively between December 2022 and March 2023. The Company also launched its first hybrid project of 51.8 MWp in Gujarat, and the project is currently in an advanced stage of completion and expected to get commissioned by June 2023. In Q4, the Company also launched a 130 MWp bundled solar wind project in Tamilnadu for which the land acquisition is presently underway.

Material changes affecting financial position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Dividend

In view of the losses, the directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves

During the year, the company has not transferred any amount to the General Reserve.

Share Capital

During the year there were changes in the capital structure of the Company. The Paid-up Share Capital of the Company is Rs. 153, 40, 63, 650 divided into Equity Shares of Rs. 15, 34, 06, 365 of Rs.10 each. During the year under review, the Company has made the further issue of shares to the existing shareholders on a rights basis. Details of the further issue of shares are as follows:

Date of Issue	Number of Shares	Nominal value per share (Rs.)	Amount (Rs.)
07/06/2022	1,26,00,000	10	12,60,00,000
16/08/2022	7,40,00,000	10	74,00,00,000
02/02/2023	11,00,00,000	10	1,10,00,00,000

The Company has increased its authorized share capital to Rs. 325,00,00,000/- (Rupees Three hundred and twenty five crores only) divided into 32,50,00,000 (Thirty two crores fifty lakhs) Equity Shares of Rs.10/- each from earlier Rs. 200,00,00,000/- (Rupees two hundred crores only) divided into 20,00,00,000 (Twenty crores) Equity Shares of Rs.10/- each. The increase in share capital was approved by the members of the Company in their Extra-Ordinary General Meeting held on March 29, 2023.

The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures and Associates

During the year the Company has incorporated five subsidiaries namely First Energy 3 Private Limited, First Energy 4 Private Limited, First Energy 5 Private Limited, First Energy 6 Private Limited, and First Energy 7 Private Limited for carrying out its Group Captive or Captive Power projects in different states. The Company has acquired two private limited companies, namely Jalansar Wind Energy Private Limited and Kanakal Wind Energy Private Limited w.e.f. June 22, 2022, for carrying out its Captive Solar Project in the state of Maharashtra.

The annual accounts of the subsidiary companies and related detailed information are available to the shareholders of the holding and subsidiary company as well as to the statutory authorities. On request, these documents will be made available for inspection at the Company's corporate office.

Highlights of performance of subsidiaries

During the year, the Company undertook Captive Renewable Projects under its five SPVs in different states. As these projects were at their early stage of commissioning their contribution to the consolidated performance of the Company was limited during the period under review.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2023.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements. During the year, the Company did not give any guarantee.

Restriction on purchase by Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors or Key Managerial Personnel, for purchase or subscribe shares of the Company.

First Energy Private Limited

Business Risk Management

The Company has identified the below types of risks in its Renewable Energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involves risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability.

- **Renewable Sources and Grid Availability**

  The risk identified by the Company is lower generation on account of lower radiation, wind speed, and Grid failures. The Company continuously studies the radiation levels and Wind Resources Assessment with historical data from reliable sources and accordingly sizes the plant and the financial models for arriving at the right tariff for the available conditions. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk results in revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance. The Company is also using waterless robotic technology for cleaning modules and therefore manpower dependency is reduced.

Health and Safety

Health and Safety at project sites are of paramount importance to the Company. The Company strives for continuous improvement and its objective is to establish the best safety practices at sites. Safety culture is inculcated as part of daily operations by site managers.

During the year the Company took below health and safety initiatives:

- Participation and contribution of the corporate safety council (divisional level) to discuss the HSE improvement action plan.
- Organising discussions of Lifesaving rules, Behavior base safety and Incident management for site officials.
- Organising a safety week celebration during the 1st week of March at all sites.
- Organising national road safety awareness programs at Maharashtra and Gujarat sites

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Rajendran Arunachalam, Director (DIN: 08446343) retires by rotation and being eligible offers, himself for re-appointment.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its performance and of its individual Directors.

Key Managerial Personnel

During the year, Mr. Navjit Gill resigned from the position of Chief Executive Officer w.e.f. September 19, 2022 and Mr. Ravi Damaraju was appointed as Chief Executive Officer of the Company w.e.f. November 8, 2022.

Board Meetings

The Board met ten times during the year under review, on April 26, 2022, May 10, 2022, June 7, 2022, July 11, 2022, July 27, 2022, August 16, 2022, November 8, 2022, December 5, 2022, February 2, 2023, and March 29, 2023. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs during the year.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.

b) The Directors 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 and loss of the Company for that period.

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The Directors have prepared the annual accounts on a going concern basis; and

e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

The Institute of the Company Secretaries of India (ICSI) has issued the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2). The Company is in compliance with the revised standards.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions were placed before the Board for approval. During the financial year 2022-23, the Company entered a transaction with a related party that was at arm's length but not in the ordinary course of business, and for such a related party transaction, the approval of the Board of Directors and shareholders were taken in compliance with the Companies Act, 2013. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel, or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

The Company has adopted the Related Party Transaction Policy of Thermax Limited, the holding company of the Company, which is applicable to all subsidiaries of Thermax Limited.

Standalone and Consolidated Financial Statements

The financial statements for the year ended March 31, 2023, have been prepared as per Schedule III to the Companies Act, 2013, as amended from time to time. The consolidated financial statements of the group are prepared in compliance with the Accounting Standards.

Maintenance of Cost Records

The requirement for maintenance of the Cost Records pursuant to Section 148(1) of the Companies Act, 2013, is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar, Wind, and associated Renewable energy generation sources for commercial & industrial customers. As a part of its “Build-Green” initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning.

Foreign Exchange Earnings and Outgo

Below are the details of foreign currency earnings and outgo made during the year.

Foreign currency earnings	Amt. Rs. 15,191,337.09
Foreign currency outgo	Amt. Rs. 434,068,966.20

Particulars of Employees

The total number of permanent employees on the rolls of the company as on March 31, 2023, was 52.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant or material orders passed by the Regulators / Courts.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to providing a safe and conducive work environment to its employees. There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 and during the year there is no instance of one-time settlement with any Bank or Financial Institution.

Auditors

Statutory Auditors

The members of the Company in their Thirteenth Annual General Meeting had appointed M/s. B. K. Khare & Co., Chartered Accountants as Statutory Auditors for the period of five years from the conclusion of the Thirteenth Annual General Meeting until the conclusion of the Eighteenth Annual General Meeting.

However, there was a casual vacancy and M/s Price Waterhouse Chartered Accountants LLP (FRN. 012754N/N500016) were appointed as the Statutory Auditors of the Company for FY 2022-23 in the Fourteenth Annual General Meeting held on July 27, 2022, to fill the casual vacancy caused by the resignation of B.K. Khare & Co, Chartered Accountants until the conclusion of the 15th Annual General Meeting to be held in FY 2023-24.

Secretarial Auditors

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s. Amit Jaste & Associates, Company Secretaries, Pune, to undertake the secretarial audit of the Company for FY 2022-23. The Secretarial Audit Report for FY 2022-23 is attached as Annexure 1 to this Report.

The observations of the secretarial auditors in their report are self-explanatory and therefore, the directors do not have any further comments to offer on the same.

The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

Annual Return

The Company shall place an annual return filed with the Registrar of Companies for the financial year 2022-23 on its website: www.feplglobal.com once the same is filed with the Registrar of Companies.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company’s customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work and support.

For and on behalf of the Board of Directors of
First Energy Private Limited

Ashish Bhandari
Chairman

Pune, May 10, 2023

Annexure – 1

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

[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]

To,
The Members,
First Energy Private Limited
Thermax House, 14, Mumbai Pune Road,
Wakdewadi, Pune MH 411003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **First Energy Private Limited (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 audit period covering the financial year ended on 31st March, 2023 (Audit Period) 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 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 to the Company during the Audit period)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (not applicable to the Company during the Audit period)

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment; (not applicable to the Company during the Audit period)

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): (Following sub-clauses (a) to (h) are not applicable to the Company during the Audit period as Company continues to be a Unlisted Public Company in its Articles under Section 2(71) of the Act)

  a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

  f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and

  h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

(vi) Following important specific laws applicable to the Company, as confirmed by the Company:

(i) The Electricity Act, 2003 (ii)The Environment (Protection) Act, 1986 (v) The Contract Labour (Regulation and Abolition), Act 1970

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

(i) Secretarial Standards (SS.1 relating to meetings of Board of Directors & SS.2 relating to General Meetings) issued by the Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not applicable to the Company during the Audit Period)**

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive 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, except when meetings were called at shorter notice as permitted u/s. 173(3) of the Act 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of Board of Directors or Committee of Board as the case maybe.

I further report that 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.

I further report that during the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc; except as follows:

- Special Resolution passed by the Shareholders of the Company at their Extra Ordinary General Meeting held on 5th January 2023 for increase in borrowing powers of the Board with power/option to convert the borrowed funds into equity.
- Special Resolution passed by the Shareholders of the Company at their Extra Ordinary General Meeting held on 20th September 2022 for creation of security on the properties of the Company, both present and future, in favour of lenders.
- Special Resolution passed by the Shareholders of the Company at their Extra Ordinary General Meeting held on 29th March 2023 for Issuance of loan or Corporate Guarantee or providing of Security to the subsidiaries of the Company.
- Ordinary Resolution passed by the Shareholders of the Company at their Extra Ordinary General Meeting held on 29th March 2023 for Increase in Authorized Capital from Rs. 200 Crores to Rs. 325 crores.
- Increase in the Paid Up capital of the Company by allotment of 1.26 crore shares of Rs. 10 each amounting to Rs. 12.60 crores on 7th June 2022 and increase in the Paid Up capital of the Company by allotment of 7.40 crore shares of Rs. 10 each amounting to Rs. 74.00 crores on 16th August 2022
- Company has incorporated various subsidiaries during the year for the purpose of various projects and made substantial investments in those subsidiaries.

For Amit Jaste & Associates Practicing Company Secretaries

Amit Jaste FCS No.:7289
Proprietor CP No.:12234
Date May 10, 2023
Place: Mumbai
UDIN: F007289E000280201
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.

Annexure A

To,
The Members,
First Energy Private Limited
Thermax House, 14, Mumbai Pune Road,
Wakdewadi, Pune MH 411003

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

1) Maintenance of secretarial records 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 processes 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.

For Amit Jaste & Associates Practicing Company Secretaries

Amit Jaste FCS No.:7289
Proprietor CP No.:12234

Date May 10, 2023
Place: Mumbai
UDIN: F007289E000280201

First Energy Private Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy Private Ltd

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of First Energy Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March, 31, 2023, and total comprehensive loss (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director'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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. 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

7. 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.

8. As part of an audit in accordance with SAs, we exercise professional judgement 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 control 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 with reference to financial statements 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.

9. 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.

10. 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.

Other Matter

11. The standalone financial statements of the Company for the year ended March 31, 2022, were audited by another firm of chartered accountants

under the Companies Act, 2013 who, vide their report dated May 10, 2022, expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of above matter.

Report on other legal and regulatory requirements

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

13. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone financial statements comply with the 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, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements

    ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.

    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

    iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 49 to the financial statements);

    (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 49 to the financial statements); and

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

    v. The Company has not declared or paid any dividend during the year.

14. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for maintaining books of account in accounting software having a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

15. The provisions of section 197 read with Schedule V of the Act are applicable to the Company. However, the Company has not paid/ provided any managerial remuneration during the year.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846
UDIN : 23109846BGYFLC5312

Place: Pune
Date: May 11, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 13 (f) of the Independent Auditor's Report of even date to the members of First Energy Private Limited on the standalone financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 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 financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846
UDIN : 23109846BGYFLC5312

Place: Pune
Date: May 11, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of First Energy Private Limited on the standalone financial statements as of and for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not own any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) (Refer Note 3(a)) to the financial statements). Therefore, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from bank on the basis of security of current assets. As informed to us, the Company is not required to file quarterly returns or statements with such banks and accordingly, the question of our commenting on whether these returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investments in 8 companies, granted unsecured loans to 5 companies, provided security in respect of loans taken by 5 companies. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries are as per the table given below:

(₹ lakhs)

	Security	Loans
Aggregate amount granted/ provided during the year		
- Subsidiaries	3,346.98	32,529.69
Balance outstanding as a balance sheet date in respect of the above case		
- Subsidiaries	3,346.98	16,129.69

(Also refer Note 14 and 38 to the financial statements)

(b) In respect of the aforesaid investments, securities and loans, the terms and conditions under which such loans were granted/ investments were made/security provided are not prejudicial to the Company's interest.

(c) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

(e) Following loans were granted to parties, which has fallen due during the year and were extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan…

Name of the party	Aggregate amount dues extended	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
First Energy 3 Private Limited	1,196.35	4%

(f) The loans granted during the year, including to related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues goods and services tax have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious. The Company is generally regular in depositing undisputed statutory dues in respect of income tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, duty of customs and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. lakhs)	Period to which the amount relates	Amount paid under protest (Rs.)	Forum where the dispute is pending
Karnataka Sales Tax Act	Sales tax	164.82	FY 2014-15 to FY 2017-18	16.89	Department of Commercial Tax, Bengaluru

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, except for the loan amounting to Rs. 411.62 lakhs repayable on demand and terms and conditions for payment of interest on it which have not been stipulated, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has taken funds from the following entities and persons on account of or to meet the obligations of its subsidiaries as per details below:

Nature of fund taken	Name of lender	Amount involved (Rs lakhs)	Name of the subsidiary	Relation	Nature of transaction for which fund utilized
Short term borrowing	Thermax Limited	90.00	First Energy TN1 Private Limited	Subsidiary	Working capital requirement
Short term borrowing	Thermax Limited	14,200.00	First Energy 3 Private Limited	Subsidiary	For Capital expenditure
Short term borrowing	Thermax Limited	12,357.50	First Energy 4 Private Limited	Subsidiary	For Capital expenditure
Short term borrowing	Thermax Limited	2,610.00	First Energy 5 Private Limited	Subsidiary	For Capital expenditure
Short term borrowing	Thermax Limited	1,072.18	First Energy 6 Private Limited	Subsidiary	For Capital expenditure

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received a whistle-blower complaint during the year, which has been considered by us for any bearing on our audit and reporting under this clause.

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

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

(xiv) (a) In our opinion and based on our examination, the Company did not have an internal audit system during the year.

(b) The Company is not mandated to have an internal audit system during the year.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group has one CIC as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has incurred cash losses of Rs. 1,521.60 lakhs in the financial year and had not incurred cash losses in the immediately preceding financial year.

xviii. We noted no issues, objections or concerns raised by the outgoing statutory auditors in their aforesaid letter.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 45 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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. The provisions relating to Corporate Social Responsibility under section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846
UDIN : 23109846BGYFLC5312

Place: Pune
Date: May 11, 2023

Standalone Balance Sheet as at March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
Assets			
I. Non-current assets			
Property, plant and equipment	3(a)	586.42	31.00
Right-of-use assets	3(b)	356.62	451.72
Other intangible assets	4	34.65	14.28
Financial assets			
(a) Investments	5 (a)	10,275.30	2,200.00
(b) Finance lease receivable	37	202.06	-
(c) Other financial assets	6	43.41	39.62
Deferred tax assets (net)	7	-	36.16
Income tax assets (net)	8	60.65	7.35
Other non-current assets	9	-	681.07
Total non-current assets		**11,559.11**	**3,461.20**
II. Current assets			
Inventories	10	-	2,882.14
Financial assets			
(a) Investments	5 (b)	37.84	35.77
(b) Trade receivables	11	209.68	241.22
(c) Cash and cash equivalents	12	1,063.46	1,728.52
(d) Bank balances other than (c) above	13	0.94	0.89
(e) Finance lease receivable	37	59.04	-
(f) Loans	14	16,129.69	-
(g) Other financial assets	15	809.97	351.18
Other current assets	16	752.09	1,941.31
Total current assets		**19,062.71**	**7,181.03**
Total assets		**30,621.82**	**10,642.23**
Equity and liabilities			
III. Equity			
Equity share capital	17	15,340.64	3,946.64
Other equity	18	(5,128.44)	(651.10)
Total Equity		**10,212.20**	**3,295.54**
IV. Non-current liabilities			
Financial liabilities			
Borrowings	19	-	411.62
Lease Liabilities	37	275.10	346.76
Provisions	20	473.56	18.77
Total non-current liabilities		**748.66**	**777.15**
V. Current liabilities			
Financial liabilities			
(a) Borrowings	19	17,311.62	-
(b) Lease Liabilities	37	103.30	99.56
(c) Trade payables	22		
i. Total outstanding dues of micro enterprises and small enterprises		88.64	191.41
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		242.63	4,682.83
(d) Other financial liabilities	21	1,194.13	17.52
Provisions	24	45.80	12.21
Other current liabilities	23	674.84	1,566.01
Total current liabilities		**19,660.96**	**6,569.54**
Total equity and liabilities		**30,621.82**	**10,642.23**

The above Balance Sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred in our report of even date

Standalone Statement of profit and loss for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	25	1,551.30	2,256.48
Other income	26	531.08	397.43
Total Income (I)		**2,082.38**	**2,653.91**
Expenses			
Cost of raw materials and components consumed	27	1,127.78	2,011.70
Purchase of traded goods		(2,882.14)	2,882.14
(Increase) / decrease in inventories of finished goods and traded goods	28	2,882.14	(2880.50)
Employee benefits expense	29	1,232.77	289.07
Finance costs	30	627.42	9.98
Depreciation, amortisation expense and impairment	31	72.65	24.74
Other Expenses	32	613.94	215.12
Total expenses (II)		**3,674.56**	**2,552.25**
Profit/(Loss) before tax (I - II)		**(1,592.18)**	**101.66**
Tax expense			
Current tax		-	-
Deferred tax	35	36.16	-
Total tax expense		**36.16**	**-**
Profit/(Loss) for the year		**(1,628.34)**	**101.66**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit obligations		4.75	-
Tax relating to these items		-	-
Total other comprehensive income for the year, net of tax.		4.75	-
Total comprehensive income/ (loss) for the year		**(1,623.59)**	**101.66**
Basic and Diluted Earning/(loss) per equity share [Nominal value per share Rs. 10/- (March 31, 2022: 10/-)]	33	**(1.56)**	**0.54**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss referred in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date: May 11, 2023

For and on behalf of the Board of Directors of First Energy Pvt. Ltd.

Rajendran Arunachalam
Director
DIN: 08446343

Hemant Mohgaonkar
Director
DIN :01308831

Ravi Damaraju
Chief Executive Officer

Mitish Somani
Chief Financial Officer

Sampada Sakhare
Company Secretary

Place: Pune
Date: May 10, 2023

First Energy Private Limited

Standalone Cash flow statement for the period ended March 31, 2023

(All amounts are in Rupees Lakhs, except stated otherwise)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A)	**Cash flows used in operating activities**		
	Profit/(Loss) before tax	(1,592.18)	101.66
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortization expenses	111.63	24.74
	Bad debts written off	-	14.53
	Interest Expenses	642.44	9.98
	Interest income from investment in Mutual funds/Fair value gain	(40.93)	(3.31)
	Loss on sale / discard of assets (net)	-	21.34
	Net gain on current investments designated at FVPL	(2.07)	(1.40)
	Interest Income on loan to subsidiaries	(485.20)	-
	Waiver of Interest given by Holding Company	-	(337.68)
	Working capital adjustments		
	(Increase)/Decrease in trade receivables	31.54	(222.21)
	(Increase) / Decrease in Inventories	2,882.14	(2,879.21)
	(Increase) in other financial assets	(459.84)	(1,956.09)
	(Increase) / Decrease in other assets	1,985.29	(953.70)
	Increase / (Decrease) in trade payables	(4,542.97)	4,791.17
	Increase in provisions	493.13	5.40
	Increase in other financial liabilities	89.28	1,275.90
	(Decrease) in other current liabilities	(891.17)	-
	Cash used in operations	**(1,778.91)**	**(108.88)**
	Income taxes paid (net of refunds received)	(53.30)	2.56
	Net cash used in operating activities	**(1,832.21)**	**(106.32)**
B)	**Cash flows used in investing activities**		
	Payments for property, plant and equipment	(43.05)	(42.61)
	Payments for intangible assets	(27.27)	-
	Fixed Deposits with Banks placed	(0.05)	(0.95)
	Investment in subsidiaries companies	(8,649.30)	(2,200.00)
	Sale of shares of subsidiary company	576.00	-
	Acquisition of subsidary companies (refer note 41)	(2.00)	-
	Interest income received	523.39	3.31
	Loan to subsidiaries	(32,529.69)	-
	Repayment of loans by subsidiaries	16,400.00	-
	Net cash flows used in investing activities	**(23,751.97)**	**(2,240.25)**
C)	**Cash flows from financing activities**		
	Proceeds from issue of Equity Instruments	8,644.00	2,600.00
	Share application money received	-	2,750.00
	Proceeds from borrowings	38,468.43	-
	Repayment of borrowings	(21,568.43)	(1,200.00)
	Principal elements of lease payments	(67.92)	(29.18)
	Interest paid	(453.21)	(9.98)
	Cost related to issue of Own Equity Instruments	(103.75)	(143.68)
	Net cash flows from financing activities	**24,919.12**	**3,967.16**
	Net increase /(decrease) in cash and cash equivalents	**(665.06)**	**1,620.59**
	Cash and cash equivalents at the beginning of the year	1,728.52	107.93
	Cash and cash equivalents at the end of the year	**1,063.46**	**1,728.52**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2023	March 31, 2022
Cash and cash equivalents (Note 12)	1,063.46	1,728.52
Book overdraft	-	-
Balances as per Cash flow statement	**1,063.46**	**1,728.52**

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date: May 11, 2023

For and on behalf of the Board of Directors of First Energy Pvt. Ltd.

Rajendran Arunachalam
Director
DIN: 08446343

Hemant Mohgaonkar
Director
DIN :01308831

Ravi Damaraju
Chief Executive Officer

Mitish Somani
Chief Financial Officer

Sampada Sakhare
Company Secretary

Place: Pune
Date: May 10, 2023

Statement of changes in Equity for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A Equity Share Capital

	Notes	March 31, 2023	March 31, 2022
Balance at the beginning of the year	17	3,946.64	1,346.64
Changes in equity shares capital during the year	17	11,394.00	2,600.00
Balance at the end of the year	**17**	**15,340.64**	**3,946.64**

B Other Equity

Particulars	Reserves & Surplus			Share Application Money	Equity component of Compound Financial Instruments	Total Equity
	Retained Earnings	Securities Premium	Total			
As at April 1, 2021	**(4,813.44)**	**1,171.48**	**(3,641.96)**	**-**	**246.72**	**(3,395.24)**
Profit for the year	101.66	-	101.66	-	-	101.66
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	**101.66**	**-**	**101.66**	**-**	**-**	**101.66**
Cost related to issue of Own Equity Instruments	-	(107.52)	(107.52)	-	-	(107.52)
Share application money received for allotment of shares	-	-	-	5,350.00	-	5,350.00
Shares allotted against the share application money received	-	-	-	(2,600.00)	-	(2,600.00)
As at March 31, 2022	**(4,711.78)**	**1,063.96**	**(3,647.82)**	**2,750.00**	**246.72**	**(651.10)**
Loss for the year	(1628.34)	-	(1628.34)	-	-	(1,628.34)
Other Comprehensive Income	4.75	-	4.75	-	-	4.75
Total Comprehensive Income	**(1,623.59)**	**-**	**(1,623.59)**	**-**	**-**	**(1,623.59)**
Share application money received for allotment of shares	-	-	-	8,644.00	-	8,644.00
Shares allotted against the share application money received	-	-	-	(11,394.00)	-	(11,394.00)
Cost related to issue of Own Equity Instruments	-	(103.75)	(103.75)	-	-	(103.75)
As at March 31, 2023	**(6,335.37)**	**960.21**	**(5,375.16)**	**-**	**246.72**	**(5,128.44)**

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date: May 11, 2023

For and on behalf of the Board of Directors of First Energy Pvt. Ltd.

Rajendran Arunachalam
Director
DIN: 08446343

Hemant Mohgaonkar
Director
DIN :01308831

Ravi Damaraju
Chief Executive Officer

Mitish Somani
Chief Financial Officer

Sampada Sakhare
Company Secretary

Place: Pune
Date: May 10, 2023

1. Corporate information

First Energy Private Limited ("the Company") is primarily involved in providing behind the meter solutions like supply of solar power generating systems and related services.

The Company is a private limited company incorporated and domiciled in India. The address of its registered office is 14, Thermax House, Old Mumbai-Pune Highway, Wakdewadi Pune - 411003, India. The Board of Directors have authorized to issue these standalone financial statements on May 09, 2023. The CIN of the company is U40200PN2008FTC139032.

2. Summary of Significant accounting policies

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

2.1. Basis of preparation and measurement

(a) Basis of preparation

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the act.

The preparation of the standalone financial statements require the use of certain critical accounting judgements, estimates and assumptions. It also requires the management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the standalone financial statements are disclosed in note 2.3.

The accounting policies adopted for preparation and presentation of these standalone financial statements have been consistently applied.

(b) Historical cost convention

The standalone financial statements have been prepared on the accrual and going concern basis under historical cost convention except the following:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2 Summary of significant accounting policies

a. Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end are recognised in profit and loss and are presented in the Standalone Statement of Profit and Loss on a net basis.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

b. Fair value measurement

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

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

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant judgements, estimates and assumptions (note 2.3)
- Quantitative disclosures of fair value measurement hierarchy (note 43)
- Financial instruments (including those carried at amortized cost) (note 44)

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

c. **Property, Plant and Equipment**

Property, plant and equipment (PPE) and capital work in progress are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of profit and loss during the financial year in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The management has estimated, supported by independent assessment by professionals, the useful lives of certain classes of assets. The following useful lives are adopted by the management:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	15 to 20
Office equipment	15	15
Furniture and fixtures	15	10
Computers and data processing units	4 to 6	3 to 6

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

d. **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

e. **Inventories**

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Write down of inventories are calculated based on an analysis of foreseeable changes in demand, technology, market conditions and ageing of inventories

f. **Revenue recognition**

i. Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.3.

The Company has the following streams of revenue:

- **Revenue from Engineering, Procurement and Construction contracts**

Engineering, Procurement and Construction (EPC) contracts are contracts (or a Company of contracts secured together) specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof etc., execution of which is spread over different accounting periods. The Company identifies distinct performance obligations in each contract. For most of the project contracts, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted for as one performance obligation.

The Company may promise to provide distinct goods or services within a contract, in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The Company uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation in case of contracts with more than one distinct performance obligations.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over a period of time if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date.

The Company recognizes revenue over time as it performs because of continuous transfer of control to the customer. For all project contracts, this continuous transfer of control to the customer is supported by the fact that the customer typically controls the work in process.

The Company uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated profits, are recorded proportionally as costs are incurred.

Costs associated with bidding for contracts are charged to the Statement of profit and loss when they are incurred. Costs that relate directly to a contract and are incurred in securing the contract are included as part of the contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

Contract modification, when approved by both the parties to the contract, are considered as modification, if it creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are not distinct from the existing contract due to the significant integration service provided under the contract prior to modifications and are therefore, accounted for as part of the existing contract. The effect of a contract modification is recognized as an adjustment to revenue on a cumulative catch-up basis.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Company recognizes the expected losses from onerous contract as an expense immediately.

Penalties for any delay or improper execution of a contract are recognized as a deduction from revenue. In the balance sheet, such provisions are presented on net basis of the contract receivables.

- ***Revenue from Sale of services***

Revenue in respect of operation and maintenance contract, awarded on a standalone basis or included in long term contracts and identified as a separate performance obligation, is recognized on a time proportion basis under the contracts.

Contract balances

Contract assets: The contract assets relate to unbilled work in progress. If the Company satisfies performance obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to Trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue and Customer advances as the case may be.

ii. Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

iii. Rental income

Rental income from operating leases (net of any incentives given to the lessee) is recognised on a straight-line basis over the lease term.

g. Financial instruments

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

Financial assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

ii. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

iii. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the Statement of profit and loss, even on the sale of the investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month. The Company considers current and anticipated future economic conditions relating to industries of the customer and the countries where it operates.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

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

Offsetting of financial instruments

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

h. Derivative financial instruments

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts, to manage its exposure to foreign exchange. Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain/loss is recognized in Statement of profit and loss.

i. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

j. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees, amounts paid to legal, accounting and other professional advisers, printing costs and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

k. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

l. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m. Leases

Company as a lessee

The Company lease asset classes primarily consist of office buildings and leasehold lands. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. 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 Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at present value of the future lease payments. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Company as a lessee

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

n. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companys of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses including impairment on inventory are recognized in the Statement of profit or loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

o. Provisions

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

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

p. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which is unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of profit and loss in subsequent periods.

Past service costs are recognized in the Statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The liabilities for Other long-term employee benefits such as privileged leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Standalone Statement of Profit and Loss. The Company does not have an unconditional right to defer settlement for any of these obligations and therefore have been classified as current liability. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within twelve months.

Provision for Long term incentive is calculated using the projected unit credit method to determine the present value of its defined benefit obligations and the related current service cost.

q. Segment Reporting

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

The Board of Directors of the First Energy Private Limited has been identified as the chief operating decision maker of the Company.

r. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

s. Earnings Per Share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares (which includes the various stock options granted to employees).

t. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises the

- fair value of assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests inssued by the Company

- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any noncontrolling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets.

u. Rounding of amounts:

Amounts disclosed in the standalone financial statements are presented in INR in lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

2.3. Significant accounting judgments, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures including contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2.3.1. Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the standalone financial statements:

i. Revenue from contracts with customers

A significant revenue of the Company's business relates to EPC contracts which is accounted using cost-based input method, recognizing revenue as the performance on the contract progresses. This requires management to make judgement with respect to identifying contracts for which revenue need to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Company has right to payment for performance completed till date, either contractually or legally. The input method requires management to make significant judgements of the extent of progress towards completion including accounting of multiple contracts which need to be combined and considered as a single contract.

ii. Ind AS 116 – Leases

In determining whether revenue contract (power purchase agreement) with customer especially when entire contractual capacity of one project (solar / wind project) is committed to one customer, management exercises judgement in concluding whether contract contains lease. Management takes into consideration who is responsible for design of the project and who has right to direct the use of solar plant.

iii. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would not lead to a material change to the amount of impairment.

2.3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i. EPC contracts:

Project cost to complete estimates: At each reporting date, the Company is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete on such contracts requires the Company to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, work-in-progress, billings in excess of costs, estimated earnings and accrued contract expenses.

ii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the terminal growth rate used.

iii. Defined benefit plans - gratuity

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter which is most subjected to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

iv. Long term incentives

The provision for long term incentives is recognized considering the estimated payout expected by the Company at present value using projected unit credit method. These include the determination of the discount rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter which is most subjected to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the long term incentives.

v. **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vi. **Useful lives of property, plant and equipment and intangible assets**

The Company determines, based on independent technical assessment, the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

vii. **Deferred taxes**

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

3 (a) Property, Plant and Equipment

Particulars	Buildings	Plant and equipment	Office Equipment	Computer	Furniture and Fixtures	Total
Gross carrying amount as at March 31, 2021	**10.33**	**641.30**	**12.50**	**67.98**	**23.96**	**756.07**
Additions	-	-	4.62	25.87	1.01	31.50
Disposals / Adjustment	10.33	641.30	12.50	67.98	23.96	756.07
Gross carrying amount as at March 31, 2022	**-**	**-**	**4.62**	**25.87**	**1.01**	**31.50**
Additions (refer note below)	-	541.93	0.61	22.31	0.20	565.05
Gross carrying amount as at March 31, 2023	**-**	**541.93**	**5.23**	**48.18**	**1.21**	**596.55**
Closing accumulated depreciation as at March 31, 2021	**10.33**	**616.34**	**12.50**	**67.98**	**23.96**	**731.11**
Charge for the year	-	-	0.04	0.45	0.01	0.50
Disposals / Adjustment	10.33	616.34	12.50	67.98	23.96	731.11
Closing accumulated depreciation as at March 31, 2022	**-**	**-**	**0.04**	**0.45**	**0.01**	**0.50**
Charge for the year	-	-	0.32	9.24	0.07	9.63
Closing accumulated depreciation as at March 31, 2023	**-**	**-**	**0.36**	**9.69**	**0.08**	**10.13**
Net carrying amount as on March 31, 2023	**-**	**541.93**	**4.87**	**38.49**	**1.13**	**586.42**
Net carrying amount as on March 31, 2022	**-**	**-**	**4.58**	**25.42**	**1.00**	**31.00**

Asset Acquistion

During the year, the Company acquired solar plants from the fellow subsidiary for consideration of Rs. 782.90 lakhs. The aforesaid acquisition is not considered as business combination as it does not meet the definition of "business" given in Ind AS 103 – Business Combinations. The Company has recognised assets and liabilities acquired at their relative fair value as below, also refer note 40.

Net amount of Assets and Liabilities acquired

Particulars	Amount
Assets	
Solar plant	541.93
Finance lease receivable	261.10
Total assets acquired	**803.03**
Liabilties	
Security deposit of customer	20.13
Total Liabilities Assumed	**20.13**
Net Assets Acquired	**782.90**

First Energy Private Limited

Notes to standalone financial statements for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

3 (b) Right- of- use assets

Particulars	Buildings	Total
Gross carrying amount as at April 1, 2021	-	-
Additions	475.50	475.50
Disposals/ Transfers/ Adjustment	-	-
Gross carrying amount as at March 31, 2022	**475.50**	**475.50**
Additions	-	-
Disposals/ Transfers/ Adjustments	-	-
Gross carrying amount as at March 31, 2023	**475.50**	**475.50**
Accumulated depreciation as at April 1, 2021	**-**	**-**
Charge for the year	23.78	23.78
Disposals/ Transfers/ Adjustments	-	-
Accumulated depreciation as at March 31, 2022	**23.78**	**23.78**
Charge for the year	95.10	95.10
Disposals/ Transfers/ Adjustments	-	-
Closing accumulated depreciation as at March 31, 2023	**118.88**	**118.88**
Net carrying amount as on March 31, 2023	**356.62**	**356.62**
Net carrying amount as on March 31, 2022	**451.72**	**451.72**

The Company has taken certain assets on lease which has been accounted in accordance with Ind AS 116-Leases under right of use assets. Refer note 37 for further disclosure on leases.

4 Intangible Assets

Particulars	Computer Software	Total
Gross carrying amount as on March 31, 2021	-	-
Additions	14.75	14.75
Disposals/Adjustments	-	-
Gross carrying amount as on March 31, 2022	**14.75**	**14.75**
Additions	27.27	27.27
Disposals/Adjustments	-	-
Gross carrying amount as on March 31, 2023	**42.02**	**42.02**
Closing accumulated amortisation as at March 31, 2021	**-**	**-**
Amortisation charge for the year	0.47	0.47
Disposals	-	-
Closing accumulated amortisation as at Mar 31, 2022	**0.47**	**0.47**
Amortisation charge for the year	6.90	6.90
Disposals	-	-
Closing accumulated amortisation as at March 31, 2023	**7.37**	**7.37**
Net Block March 31, 2023	**34.65**	**34.65**
Net Block March 31, 2022	**14.28**	**14.28**

5 (a) Current Investments

Particulars	Face value per unit	Number of units		Amount	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Investments in equity instruments (fully paid up)					
Investments valued at cost					
Equity shares in Subsidiaries (Unquoted)					
First Energy TN 1 Private Limited* (30% shares pledged as security in respect of the term loan availed by First Energy TN 1 Private Limited in current year)	Rs. 10	16,240,000	22,000,000	1,624.00	2,200.00
First Energy 2 Private Limited* (51% shares pledged as security in respect of the term loan availed by First Energy 2 Private Limited in current year)	Rs. 10	8,535,006	-	853.50	-
First Energy 3 Private Limited* (30% shares pledged as security in respect of the term loan availed by First Energy 3 Private Limited in current year)	Rs. 10	73,850,000	-	7,385.00	-
Jalansar Wind Energy Private Limited* (51% shares pledged as security in respect of the term loan availed by Jalansar Wind Energy Private Limited in current year)	Rs. 10	1,639,000	-	163.90	-
Kanakal Wind Energy Private Limited* (51% shares pledged as security in respect of the term loan availed by Kanakal Wind Energy Private Limited in current year)	Rs. 10	2,459,000	-	245.90	-
First Energy 4 Private Limited	Rs. 10	10,000	-	1.00	-
First Energy 5 Private Limited	Rs. 10	10,000	-	1.00	-
First Energy 6 Private Limited	Rs. 10	10,000	-	1.00	-
Total value of investments (A)				**0,275.30**	**2,200.00**
Less: Impairment in value of investments				-	-
Total non-current investments				**10,275.30**	**2,200.00**
Aggregate amount of quoted investments				-	-
Aggregate amount of unquoted investments				10,275.30	2,200.00
Aggregate amount of impairment in the value of investments				-	-

Notes to standalone financial statements for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

*The Company has written put options over the remaining equity interest in these subsidiaries. Based on the analysis of the terms of the agreement, the shares over which the put options have been written do not meet the definition of an "underlying" as per Ind AS 109 and therefore these put options have not been accounted for as a derivative contract.

5 (b) Current investments

Particulars	Face value per unit	Number of units March 31, 2023	Number of units March 31, 2022	Amount March 31, 2023	Amount March 31, 2022
Investments in Mutual Funds :					
Investments at Fair value through Profit and Loss					
Aditya Birla Sun Life Money Manager Fund Growth- Regular	Rs. 10	11,967	11,967	37.84	35.77
Total current investments				**37.84**	**35.77**
Aggregate amount of quoted investments and market value thereof				-	-
Aggregate amount of unquoted investments				37.84	35.77
Aggregate amount of impairment in the value of investments				-	-

Investments at fair value through profit or loss reflect investment in unquoted equity and debt securities. Refer note 43 for determination of their fair values.

6 Other non current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
At Amortized Cost		
Security deposits	43.41	39.62
Total	**43.41**	**39.62**

7 Deferred tax assets (net)

Deferred tax assets amounting to Rs.1,304.55 lakhs (March 31, 2022 - Rs. 994.71 lakhs) have not been recognised in respect of following items, because it is not probable that future profit will be available against which the Company can use the benefits therefrom.

Particulars	Expiry date (Year ending March 31)	As at March 31, 2023		As at March 31, 2022	
		As of March 31, 2023	As of March 31, 2022 Tax impact	As of March 31, 2022	As of March 31, 2022 Tax impact
Tax losses	2024	361.41	90.97	361.41	90.97
	2025	398.48	100.30	398.48	100.30
	2027	152.42	38.36	152.42	38.36
	2030	209.12	52.64	209.12	52.64
	2031	1,090.27	274.42	-	-
Total Tax Losses		**2,211.70**	**556.69**	**1,121.43**	**282.27**
Unabsorbed depreciation	No expiry period	2,206.91	555.48	2,123.85	534.57
Employee benefit expenses		88.52	22.28	30.98	7.80
Capital Loss	2030	810.00	170.10	810.00	170.10
Total		**5,317.13**	**1,304.55**	**4,086.26**	**994.74**

8 Income tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax assets (net)	60.65	7.35
Total	**60.65**	**7.35**

9 Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with government authorities	-	681.07
Total	**-**	**681.07**

There were no advances due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which ay director is a partner or a member

10 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Valued at lower of cost and net realizable value		
Traded goods	-	2,882.14
Total	**-**	**2,882.14**

11 Trade receivables

Current trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables from:		
Billed		
i) Related parties (note 40)	92.42	81.98
ii) Others	117.26	159.24
Total	**209.68**	**241.22**
Sub-classification of trade receivables		
Secured, considered good	-	-
Unsecured, considered good	209.68	241.22
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
	209.68	**241.22**
Less: impairment allowance	**-**	**-**
Total	**209.68**	**241.22**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

The ageing of trade receivables

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	125.33	-	84.35	-	-	-	-	**209.68**
(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	-	-	-	-	-	-	-	-
Less: impairment allowance	-	-	-	-	-	-	-	-
Total	**125.33**	**-**	**84.35**	**-**	**-**	**-**	**-**	**209.68**

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022								
(i) Undisputed Trade Receivables- considered good	241.22	-	-	-	-	-	-	241.22
(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	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	-
	241.22	**-**	**-**	**-**	**-**	**-**	**-**	**241.22**
Less: impairment allowance	-	-	-	-	-	-	-	-
Total	**241.22**	**-**	**-**	**-**	**-**	**-**	**-**	**241.22**

12 Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- in current accounts	169.47	178.52
- in deposits with original maturity of less than three months	893.99	1,550.00
Total	**1,063.46**	**1,728.52**

13 Other bank balances

	As at March 31, 2023	As at March 31, 2022
Deposits with original maturity of more than 3 months but less than 12 months	0.94	0.89
Total	**0.94**	**0.89**

14 Loans

	As at March 31, 2023	As at March 31, 2022
Loan to subsidiaries (Refer note 38 and 40)	16,129.69	-
Total	**16,129.69**	**-**

15 Other financial assets

	As at March 31, 2023	As at March 31, 2022
Interest accrued on fixed deposits	4.18	1.44
Other receivables from group companies	785.75	329.70
Others	20.04	20.04
Total	**809.97**	**351.18**

16 Other current assets

	As at March 31, 2023	As at March 31, 2022
Unsecured considered good		
Advance to supplier	66.63	16.69
Unbilled revenue (Contract Assets)	500.49	1,924.62
Prepaid Expenses	10.50	-
Balances with government authorities	174.47	-
Total	**752.09**	**1,941.31**

There were no advances due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which ay director is a partner or a member

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

17 Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized shares		
325,000,000 (Previous year 200,000,000) equity shares of Rs. 10/- each.	32,500.00	20,000.00
	32,500.00	20,000.00
Issued, subscribed and fully paid share capital		
153,406,365 (Previous year 39,466,365) equity shares of Rs. 10/- each.	15,340.64	3,946.64
Total issued, subscribed and fully paid-up share capital	**15,340.64**	**3,946.64**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	No. of shares	Amount
Equity share of Rs. 10 each issued, subscribed and fully paid		
As at April 1, 2021	13,466,365	1,346.64
Changes during the year	26,000,000	2,600.00
As at March 31, 2022	39,466,365	3,946.64
Changes during the year	113,940,000	11,394.00
At March 31, 2023	**153,406,365**	**15,340.64**

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by ultimate holding / holding company

Particulars	As at March 31, 2023	As at March 31, 2022
Holding company		
Thermax Limited		
153,406,359 (Previous year: 39,466,359) equity shares of Rs. 10/- each fully paid	15,340.64	3,946.64

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2023	As at March 31, 2022	% Change during the Year
Thermax Limited, India (Promoter)			
% Holding	100.00%	100.00%	0.00%
No. of shares	153,406,359	39,466,359	

(e) Details of shareholding of promoters:

Particulars	As at March 31, 2023	As at March 31, 2022	% Change during the Year
(i) Thermax Limited, India			
% Holding	100.00%	100.00%	0.00%
No. of shares	153,406,359	39,466,359	

(f) There were no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately preceding the reporting date.

18 Other equity

	Particulars	As at March 31, 2023	As at March 31, 2022
A	**Securities premium account**		
	Opening balance	1,063.96	1,171.48
	Less: Cost related to issue of Own Equity Instruments	(103.75)	(107.52)
	Net Secutrities premium at the end of the period	**960.21**	**1,063.96**
B	**Retained earnings**		
	Opening balance	(4,711.78)	(4,813.44)
	Add: Profit/(Loss) for the year	(1,628.34)	101.66
	Add: Other Comprehensive Income for the year	4.75	-
		(6,335.37)	**(4,711.78)**
C	**Share Application money**		
	Opening balance	2,750.00	-
	Add: Addition during the year	8,644.00	5,350.00
	Less: Share allotment during the year	(11,394.00)	(2,600.00)
	Balance at the end of the year	**-**	**2,750.00**
D	**Equity component of compound financial instrument**	246.72	246.72
	Total	**(5,128.44)**	**(651.10)**

19 Borrowings

(a) Non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
Loan from holding Company	-	411.62
Total	**-**	**411.62**

(b) Current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
Loan from holding Company	17,311.62	-
Total	**17,311.62**	**-**

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2023
Unsecured				
From related parties				
Loan from holding company	Various	Repayment in one or multiple tranches within 6 months	8.00% - 8.45%	16,900.00

Net debt reconciliation

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	1,063.46	1,728.52
Other bank balances	0.94	0.89
Borrowings	(17,311.62)	(411.62)
Interest accrued	(189.23)	-
Lease liabilities	(378.40)	(446.32)
Net debt	**(16,814.85)**	**871.47**

Particulars	Other assets		Liabilities from financing activities		Total
	Cash & cash equivalents	Other Bank Balance	Borrowings	Lease Liability	
Net debt as at March 31, 2021	107.93	0.83	(1,949.30)	-	(1,840.54)
Addition to lease	-	-	-	(475.50)	(475.50)
Cash flows	1,620.59	0.06	1,200.00	29.18	2,849.83
Interest expenses	-	-	-	(9.98)	(9.98)
Other non cash movement	-	-	-	9.98	9.98
Other non cash movement	-	-	337.68	-	337.68
Net debt as at March 31, 2022	**1,728.52**	**0.89**	**(411.62)**	**(446.32)**	**871.47**
Cash flows	(665.06)	0.05	(16,900.00)	67.92	(17,497.09)
Interest expenses	-	-	(512.02)	(36.61)	(548.63)
Interest paid	**-**	**-**	**322.79**	**36.61**	**359.40**
Net debt as at March 31, 2023	**1,063.46**	**0.94**	**(17,500.85)**	**(378.40)**	**(16,814.85)**

20 Non-current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (Refer note 39)	45.72	18.77
Payable to Employees (Refer note 39)	427.84	-
Total	**473.56**	**18.77**

21 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative instruments at fair value through profit or loss		
Derivative not designated as hedges		
Foreign exchange forward contracts	-	2.53
Interest accrued but not due on loans	189.23	-
Capital Creditors	898.10	-
Security Deposits from Customers	20.13	-
Employee related payables	86.67	14.99
	1,194.13	**17.52**

22 Trade payables

Current trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro and small enterprises	88.64	191.41
Total outstanding dues of creditors other than micro and small enterprises		
(i) Related parties (note 40)	165.05	43.94
(ii) Others	77.58	4,638.89
Total	**331.27**	**4,874.24**

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

	Particulars	March 31, 2023	March 31, 2022
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	- Principal amount outstanding (whether due or not) to micro and small enterprises*	88.64	191.41
	- Interest due thereon	-	-
ii)	The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii)	The amount of payment made to the supplier beyond the appointed day during the year	-	-
iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
v)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

*Information in this regard is on basis of intimation received, on requests made by the Company, with regards to registration of vendors under the said Act.

Notes to standalone financial statements for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

The ageing of current trade payables which are due for payment :

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
(i) Micro and Small Enterprises	88.64	-	-	-	-	-	**88.64**
(ii) Others	10.24	33.41	198.98	-	-	-	**242.63**
(iii) Disputed dues- Micro and Small Enterprises		-	-	-	-	-	**-**
(iii) Disputed dues- Others		-	-	-	-	-	**-**

The ageing of current trade payables which are due for payment :

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
(i) MSME	191.41	-	-	-	-	-	**191.41**
(ii) Others	4,682.83	-	-	-	-	-	**4,682.83**
(iii) Disputed dues- MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues- Others	-	-	-	-	-	-	**-**

23 Other Current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Customer advance	374.48	1,533.20
Statutory dues*	299.93	32.81
Unearned Revenue	0.43	-
Total	**674.84**	**1,566.01**

* mainly includes tax deducted at source, provident fund, GST etc.

24 Current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity (Refer note 39)	3.22	1.92
Provision for leave encashment	39.58	10.29
Provision for onerous contract	3.00	-
Total	**45.80**	**12.21**

25 Revenue from operations (net)

(a) Revenue from contracts with customers

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from projects and products	1,509.08	2,229.68
Revenue from services	35.01	-
Total	**1,544.09**	**2,229.68**

(b) Other operating revenue

Particulars	March 31, 2023	March 31, 2022
Sale of scrap	4.68	18.80
Gain on sale of Stoves/Boilers	-	1.00
Exchange fluctuation gain (net)	2.53	7.00
Total	**7.21**	**26.80**
Revenue from operations	**1,551.30**	**2,256.48**

(c) Disclosure pursuant to IND AS 115: Revenue from contracts with cutomers

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
i) Revenue by category of contracts:		
Over a period of time basis	1,546.62	2,229.68
At a point-in-time basis	4.68	-
Total revenue from contracts with customers	**1,551.30**	**2,229.68**
ii) Revenue by geographical market:		
Within India	1,431.20	2,229.68
Outside India	120.10	-
Total revenue from contracts with customers	**1,551.30**	**2,229.68**

iii) Contract balances

The following table provides information about contract balances from contracts with customers as at the reporting date:

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables (Refer note 11)	209.68	241.22
Unbilled revenue (Refer note 16)	500.49	1,924.62
Unearned revenue (Refer Note 23)	0.43	-
Customer advances (Refer Note 23)	374.48	1,533.20

Contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date from projects and customised contracts. The Contract assets are transferred to Trade receivables on completion of milestones and its related invoicing.

The contract liabilities relate to unearned revenue and customer advances where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Company's cash positions on specific projects.

Contract assets have decreased as the group has provided fewer products and services ahead of the agreed payment schedules for fixed-price contracts. Contract liabilities have decreased as the group has received fewer advance against the future products and services to be provided.

iv) Revenue recognised in the reporting period that was included in the contract liabilities balance at the beginning of the year:

Particulars	As at March 31, 2023	As at March 31, 2022
Customer advance	1,533.20	-

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

(v) Remaining performance obligations:

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts that have an original expected duration of one year or less.

vi) Reconciliation between revenue recognised in Statement of profit and loss and contract price

There is no significant difference between revenue recognised in Statement of profit and loss and contract price.

26 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net gain on current investments designated at fair value through profit or loss (FVPL)	3.48	1.40
Interest Income on loan to subsidiaries	485.20	-
Interest Income on bank deposits	40.93	3.31
Miscellaneous income*	1.47	392.72
Total	**531.08**	**397.43**

* Includes waiver of interest by Holding Company of Rs. Nil (March 31, 2022 - Rs. 337.68) on account of redemption of preference shares.

27 Cost of raw material and components consumed

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the beginning of the year	-	1.29
Add: Purchases	1,127.78	2,010.41
Inventories at the end of the year	-	-
Total	**1,127.78**	**2,011.70**

28 (Increase) / decrease in inventories of finished goods and traded goods

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the beginning of the year		
Finished goods	-	1.64
Traded goods*	2,882.14	-
	2,882.14	**1.64**
Less: inventories at the end of the year		
Traded goods	-	2,882.14
	-	**2,882.14**
Total	**2,882.14**	**(2,880.50)**

*This relates to transfer of goods at cost to the subsidiary company which were purchased in the previous year, also refer note 40.

29 Employee benefits expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries and wages	1,364.37	271.02
Contribution to provident and other funds	64.73	12.21
Gratuity expense (Refer note 39)	39.81	0.66
Staff welfare expenses	21.79	5.18
Less: expenses recovered from group companies	257.93	-
	1,232.77	**289.07**

30 Finance costs

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest expense	512.02	-
Lease Liability	36.61	9.98
Others	93.81	-
Less: expenses recovered from group companies	15.02	-
	627.42	**9.98**

31 Depreciation, amortization expense and impairment

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation of property, plant and equipment	9.63	0.49
Depreciation of right-of-use assets	95.10	23.78
Amortization of intangible assets	6.90	0.47
Less: expenses recovered from group companies	38.98	-
	72.65	**24.74**

32 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Freight and forwarding charges (net)	-	0.48
Site expenses and Contract labour charges	197.08	4.88
Travelling and conveyance	31.17	25.16
Rent	-	0.67
Rates and taxes	74.61	0.38
Legal and professional fees (including payment to auditors, refer note 34)	114.92	4.69
Communication expenses	4.90	0.53
Advertisement and sales promotion	11.14	11.60
Repairs and maintenance		
Boiler and Stove	-	1.16
Plant and machinery	-	0.65
Buildings	0.28	-
Others	69.60	2.39
Bad debts written off	-	14.53
Power and fuel	8.04	0.90
Insurance	19.83	1.13
Loss on sale / discard of assets (net)	-	21.34
Printing and stationery	1.28	1.25
Office expenses	-	2.38
Recruitement Expenses	16.05	108.30
Miscellaneous expenses (includes bank charges, commission & brokerage etc.)	132.42	12.70
Less: expenses recovered from group companies	67.38	-
	613.94	**215.12**

Notes to standalone financial statements for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

33 Earnings / (loss) per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit/(loss) attributable to the Equity shareholders of the Company	(1,628.34)	101.66
Weighted average number of Equity shares of Rs.10/- each	104,302,584	18,864,995
Basic and Diluted Earnings / (Loss) per share	**(1.56)**	**0.54**

34 Payment to auditors

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As auditor		
Statutory audit	12.00	4.00
Tax audit	-	0.75
Others	6.90	-
Total	**18.90**	**4.75**

35 Tax expenses

The income tax expense consists of following:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current tax expense	-	-
Deferred tax (benefit) / charge	36.16	-
Total	**36.16**	**-**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Profit / (loss) before tax	(1,592.18)	101.66
Indian statutory income tax rate	25.17%	25.17%
Expected tax expense	(400.75)	25.59
Deferred tax assets not recognised on losses and depreciation	400.75	-
Previously recognised deferred tax assets written off	36.16	-
Total tax expense	**36.16**	**-**

36 Contingent Liabilities and commitments

Contingent liabilities

Others

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debt*	265.00	-

*Claims against the Company not acknowledged as debt on account of ongoing arbitration/ legal dispute with one of the vendors of the Company. Based on the legal opinion on the matter and management's assessments of the facts of the case, no provision is required to be made for the matter. Pending resolution of the matter, it is not practicable to estimate the timing of cash outflows, if any.

37 Leasing Arrangements

Where the Company is lessor

a) Amounts receivable under Finance lease -

The Company has entered into certain arrangements with its customers where the Company will supply electricity by installing solar power generating system at their customers' premises. The Company has determined, that fulfilment of these arrangements is dependent on the use of a specific asset and the arrangement conveys a right to use these specific asset to the customers. Accordingly, these arrangements qualify as arrangements in the form of lease as specified in Ind-AS 116. Based on the evaluation of terms and conditions of these arrangements, such as the contract term constituting a major part of the economic life of the specific assets, the fair value of the asset and that it has transferred the significant risks and rewards in these assets to the customers, these lease arrangements have been classified as finance leases.

Particulars	Gross Investment in lease		Present value of minimum lease payments	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Within one year	66.51	-	59.04	-
After one year but not more than five years	248.18	-	136.12	-
More than five years	297.30	-	65.94	-
	611.99	**-**	**261.10**	**-**
Less: Unearned finance income	350.89	-	-	-
Present value of minimum lease payments receivable	261.10	-	261.10	-
Allowance for uncollectible lease payments	-	-	-	-

Particulars	March 31, 2023	March 31, 2022
Current portion of finance lease receivables	59.04	-
Non-current portion of finance lease receivables	202.06	-

Particulars	March 31, 2023	March 31, 2022
Estimated unguaranteed residual value of assets under finance lease	-	-
Contingent rent recognised as income during the year	-	-
Interest rate inherent in the lease per annum	16.38% - 28.19%	-

(b) Operating Lease

The Company has leased a solar power generating system. The tenure of lease agreement is 15 years.

Particulars	March 31, 2023	March 31, 2022
Lease received for the year	-	-

Particulars	March 31, 2023	March 31, 2022
Future minimum lease rental receivables under non-cancellable operating leases are as follows:		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

(c) Operating lease: Company as lessee

The Company has taken office building for a tenure of 5 years, and has extension option for as per mutual consent. There are no variable lease payments and residual value guarantees for these leases.

Extension and termination options are included in leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations.

Carrying amounts of lease liabilities and the movements during the year:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
At the beginning of the year	446.32	-
Additions	-	475.50
Accretion of interest	36.61	9.98
Payments made	(104.53)	(39.16)
	378.40	446.32
Current portion	103.30	99.56
Non-current portion	275.10	346.76
Total	**378.40**	**446.32**

Details of amounts recognised in statement of profit and loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation expense of right-of-use assets	56.12	23.78
Interest expense on lease liabilities	21.59	9.98
Total amount recognised in statement of profit or loss	**77.71**	**33.76**

38 Disclosure required under Section 186(4) of Companies Act, 2013

a) Loans and advance to related parties includes loan given to a subsidiary. The particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013

Name of the party	Rate of interest	Repayment terms	As at March 31, 2023	As at March 31, 2022
First Energy 3 Private Limited	7.00% - 8.45%	The principal amount along with Interest has been repaid during the period	-	-
First Energy TN1 Private Limited	8.00%	Loan shall be up to 90 days which may be extended further for the period of 270 days	90.00	-
First Energy 4 Private Limited	8.00% - 8.45%	The loan shall be repaid within a period of 90 days	12,357.50	-
First Energy 5 Private Limited	8.00%	The loan shall be repaid within a period of 90 days	2,610.00	-
First Energy 6 Private Limited	8.00%	The loan shall be repaid within a period of 90 days	1,072.19	-

Purpose :
Loan to First Energy TN1 Private Limited has been granted for the working capital purpose.
All other loans have been granted to subsidiaries for the purpose of incurring capital expenditures.

b) Disclosure of loans given to/ investment made in subsidiary company from the funds received from funding party.

Name of the funding party	Amount received from funding party	Date of funding	Nature of transactions	Name of the beneficiary	Amount invested in/ loan to the beneficiary	Date of further investment into beneficiary	Nature of transactions
Thermax Limited	1,260.00	June 30, 2022	Equity	First Energy 2 Private Limited	200.00	July 5, 2022	Equity
				First Energy 2 Private Limited	25.00	July 7, 2022	Equity
				First Energy 2 Private Limited	125.00	July 29, 2022	Equity
				First Energy 2 Private Limited	500.00	August 1, 2022	Equity
				Jalansar Wind Energy Private Limited	160.00	August 1, 2022	Equity
				Kanakal Wind Energy Private Limited	240.00	August 1, 2022	Equity
Thermax Limited	4,300.00	August 4, 2022	Loan	First Energy 3 Private Limited	3,891.00	August 4, 2022	Loan
				First Energy 3 Private Limited	75.00	August 18, 2022	Loan
				First Energy 3 Private Limited	10.00	August 23, 2022	Loan
				First Energy 3 Private Limited	20.00	September 14, 2022	Loan
				First Energy 3 Private Limited	304.00	December 31, 2022	Loan
Thermax Limited	1,000.00	September 5, 2022	Equity	First Energy 3 Private Limited	500.00	September 7, 2022	Equity
				First Energy 3 Private Limited	500.00	September 8, 2022	Equity
Thermax Limited	3,000.00	September 8, 2022	Equity	First Energy 3 Private Limited	3,000.00	September 12, 2022	Equity
Thermax Limited	2,200.00	December 26, 2022	Loan	First Energy 3 Private Limited	2,200.00	February 22, 2023	Loan
Thermax Limited	5,500.00	December 28, 2022	Loan	First Energy 3 Private Limited	5,500.00	December 28, 2022	Loan
Thermax Limited	10,200.00	January 19, 2023	Loan	First Energy 4 Private Limited	10,200.00	January 19, 2023	Loan
Thermax Limited	2,384.00	January 31, 2023	Equity	First Energy 3 Private Limited	3,384.00	February 6, 2023	Equity
Thermax Limited	1,000.00	February 1, 2023	Equity				

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Thermax Limited	3,000.00	February 15, 2023	Loan	First Energy 4 Private Limited	850.00	February 15, 2023	Loan
				First Energy 5 Private Limited	1,200.00	February 15, 2023	Loan
				First Energy 6 Private Limited	547.00	February 15, 2023	Loan
Thermax Limited	2,200.00	March 1, 2023	Loan	First Energy 3 Private Limited	2,200.00	March 1, 2023	Loan
Thermax Limited	2,500.00	March 14, 2023	Loan	First Energy 4 Private Limited	752.00	March 14, 2023	Loan
				First Energy 4 Private Limited	18.00	March 20, 2023	Loan
				First Energy 5 Private Limited	1,081.00	March 14, 2023	Loan
				First Energy 5 Private Limited	29.00	March 20, 2023	Loan
				First Energy 6 Private Limited	525.00	March 15, 2023	Loan
Thermax Limited	1,200	March 29, 2023	Loan	First Energy 4 Private Limited	537.50	March 29, 2023	Loan
				First Energy TN1 Private Limited	90.00	March 29, 2023	Loan
				First Energy 5 Private Limited	300.00	March 29, 2023	Loan

39 Gratuity

A Defined Contribution plans

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs 64.73 lakhs (31 March 2022 – Rs 12.21 lakhs).

B Defined Benefit plans and Other Long Term Plans

i) Compensated Absences

The Compensated Absences cover the Company's liability for earned leave which are classified as other long-term benefits.

The entire amount of the provision of Rs.39.58 lakhs (31 March 2022 – Rs. 10.29 lakhs) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	March 31, 2023	March 31, 2022
Leave obligations not expected to be settled within the next 12 months	39.58	10.29

ii) Gratuity

The Company operates a defined benefit plan viz. gratuity for its employees as per the Payment of Gratuity Act, 1972. Every employee who has completed at least specified years of service gets a gratuity on departure at 15 days (minimum) of the last drawn salary for each completed year of service. The Company has not funded the liability as on March 31, 2023.

I Changes in the net benefit obligation and fair value of plan assets are as follows :

Particulars	Amount
April 1, 2021	**-**
Current service cost	0.66
Total amount recognised in Profit or Loss	**0.66**
Total amount recognised in Other Comprehensive (Income)/Loss	**-**
Employer contributions	-
Benefits paid	-
Transfer In	20.03
March 31, 2022	**20.69**
Current service cost	33.11
Transfer In	4.49
Interest expense/(income)	2.21
Total amount recognised in Profit or Loss	**39.81**
Experience adjustments	(8.28)
Actuarial gain from change in financial assumptions	3.53
Total amount recognised in Other Comprehensive Income	**(4.75)**
Benefits paid	(6.81)
March 31, 2023	**48.94**

II Significant estimates

The significant actuarial assumptions were as follows :

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.40%	6.84%
Salary growth rate	9.00%	7.00%
Normal retirement age	60	60
Mortality table	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate
Employee turnover	12.00%	12.00%

III Sensitivity analysis

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

Assumption	Impact on defined benefit obligation	
	March 31, 2023	March 31, 2022
Discount rate		
1.00% increase	Decrease by 3.11	Decrease by 0.07
1.00% decrease	Increase by 3.49	Increase by 0.07
Future salary increase		
1.00% increase	Increase by 2.93	Increase by 0.07
1.00% decrease	Decrease by 2.67	Decrease by 0.06
Attrition rate		
1.00% increase	Decrease by 0.27	Decrease by 0.00
1.00% decrease	Increase by 0.30	Increase by 0.00

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

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous periods.

The following are the expected cash flows/contribution to the defined benefit plan in future years:

Particulars	March 31, 2023	March 31, 2022
Within next 12 months	3.23	2.76
Between 2-5 years	22.15	8.49
Next 5 years	120.73	8.28

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2022: 6 yeas)

The Company expects to contribute Rs. 25 lakhs to gratuity fund in the next year (March 31, 2022 : Rs. Nil)

The provision of Rs. Nil (March 31, 2022: Rs. 20.03) is transferred from Holding Company on account of transfer of few employees from the Holding Company and it is receivable from the Holding Company, as Company is in process of setting up its own Gratuity Fund with LIC.

ii) Other long-term employee benefits

Company offers cash bonuses to certain managerial employees the amount of which is based on performance of group in a specific year. The amount of provision recognised for the long term employee benefit is Rs. 427.84 lakhs (31 March 2022 – Rs. Nil).

40 Related party disclosures

A Ultimate Holding Company

No.	Name of the entity	Place of business/ Country of incorporation
1	RDA Holdings Private Limited	India

B Holding Company

No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Limited	India

C Subsidiaries

Unless otherwise stated, the subsidiaries have share capital consisting solely of equity shares that are held directly or indirectly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

Sr. No.	Name of the entity	Place of business/ Country of incorporation	Ownership interest	
			March 31, 2023	March 31, 2022
1	First Energy TN 1 Private Limited (incorporated on January 29, 2022)	India	74.00%	100.00%
2	First Energy 2 Private Limited (incorporated on March 30, 2022)	India	74.00%	NA
3	First Energy 3 Private Limited (incorporated on May 05, 2022)	India	74.00%	NA
4	First Energy 4 Private Limited (incorporated on December 07, 2022)	India	100.00%	NA
5	First Energy 5 Private Limited (incorporated on December 13, 2022)	India	100.00%	NA
6	First Energy 6 Private Limited (incorporated on March 23, 2023)	India	100.00%	NA
7	Jalansar Wind Energy Private Limited (w.e.f. June 22, 2022)	India	74.00%	NA
8	Kanakal Wind Energy Private Limited (w.e.f. June 22, 2022)	India	74.00%	NA

D Companies under common control

1 Thermax Onsite Energy Solutions Limited

E Key Management Personnel:

1 Mr. Ashish Bhandari - Nominee Director

2 Mr. Rajendran Arunachalam - Nominee Director

3 Mr. Hemant Mohagaonkar - Nominee Director

4 Mr. Navjit Gill - Chief Executive Officer (till September 09, 2022)

5 Mr. Ravi Damaraju - Chief Executive Officer (w.e.f. from September 09, 2022)

6 Mr. Mitish Somani - Chief Financial Officer

7 Ms. Sampada Sakhare - Company Secretary

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

F Transactions with Related parties:

	Holding Company		Subsidiaries		Companies under common control		Key Management Personnel and Individuals mentioned in E		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
a. Transactions during the year										
Share subscribed	11,394.00	2,600.00	-	-	-	-	-	-	**11,394.00**	**2,600.00**
Shares Application Money Received	-	2,750.00	-	-	-	-	-	-	**-**	**2,750.00**
Investments in Subsidiaries	-	-	8,649.30	2,200.00	-	-	-	-	**8,649.30**	**2,200.00**
Loan Taken	34,100.00	-	-	-	-	-	-	-	**34,100.00**	**-**
Loan Given	-	-	32,529.69	-	-	-	-	-	**32,529.69**	**-**
Loan Repaid (Outward)	17,200.00	-		-	-	-	-	-	**17,200.00**	**-**
Loan Repaid (Inward)	-	-	16,400.00	-	-	-	-	-	**16,400.00**	**-**
Advance given	-	-	-	300.00	-	-	-	-	**-**	**300.00**
Reimbursement of expenses received	16.28	-	8,024.25	29.69	-	-	-	-	**8,040.53**	**29.69**
Reimbursement of expenses paid	137.82	43.94	-	-	-	-	-	-	**137.82**	**43.94**
Corporate Overhead Allocation	-	-	383.86	-	-	-	-	-	**383.86**	**-**
Interest Expense on intercorporate loan	642.48	-	-	-	-	-	-	-	**642.48**	**-**
Redemption of preference shares	-	1,200.00	-	-	-	-	-	-	**-**	**1,200.00**
Waiver of interest	-	337.68	-	-	-	-	-	-	**-**	**337.68**
Interest Income	-	-	485.20	-	-	-	-	-	**485.20**	**-**
Sale of Goods and Services	95.41	-	-	-	67.43	128.20	-	-	**162.84**	**128.20**
Purchase of Fixed Assets	-	-	-	-	782.90		-	-	**782.90**	**-**
Remuneration to key management personnel*	-	-	-	-	-	-	753.21	98.77	**753.21**	**98.77**

* Does not include gratuity and leave encashment since the same is calculated for all employee of the company as a whole.

	Holding Company		Subsidiaries		Entities Controlled by Holding Company		Key Management Personnel and Individuals mentioned in E		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Balances as at the Year end										
Loan Given	-	-	16,129.69	-	-	-	-	-	16,129.69	-
Trade receivable	90.02	-	-	-	2.40	81.98	-	-	92.42	81.98
Trade payables and other Liabilities	165.05	43.94	-	-	-	-	-	-	165.05	43.94
Loan Taken	17,311.62	411.62	-	-	-	-	-	-	17,311.62	411.62
Other Receivables	-	-	600.65	329.70	-	-	-	-	600.65	329.70
Interest Accrued Receivable	-	-	185.10	-	-	-	-	-	185.10	-
Capital Creditor	-	-	-	-	898.10	-	-	-	898.10	-
Advance Taken	4.79	-	-	-	-	-	-	-	4.79	-
Interest Accrued	189.23	-	-	-	-	-	-	-	189.23	-
Salary Payable	-	-	-	-	-	-	16.19	-	16.19	16.19
Provision for long term incentive	-	-	-	-	-	-	309.54	-	**309.54**	**309.54**

Terms and conditions for outstanding balances

1 All outstanding balances are unsecured, interest free except for borrowings and payable in cash.

2 The sales to and purchases from related parties are assessed to be at arm's length by the management.

3 Key Management Personnel Compensation

Particulars	As at March 31, 2023	As at March 31, 2022
Short term employment benefits	443.67	98.77
Long-term employee benefits	309.54	-

41 Acquisition of subsidiaries

On June 22, 2022, the Company has signed a Share Purchase Agreement (SPA) with Sarjan Realities Private Limited, (the Sellers) for acquisition of 100% of Shares of Kanakal Wind Energy Private Limited and Jalansar Wind Energy Private Limited for Rs. 1 lakh each. On completion of the conditions precedent to SPA, Kanakal Wind Energy Private Limited and Jalansar Wind Energy Private Limited has become subsidiaries of the Company w.e.f. July 6, 2022.

42 Segment information

In accordance with paragraph 4 of Ind - AS 108 "Operating Segments", the Company has disclosed segment information only in the consolidated financial information.

43 I Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	17,311.62	411.62
Lease Liability	378.40	446.32
Trade payable	331.27	4,874.24
Other liabilities	1,194.13	14.99
Total	**19,215.42**	**5,747.17**
Current liabilities	18,940.32	4,988.79
Non current liabilities	275.10	758.38
Total	**19,215.42**	**5,747.17**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Details of derivative liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative instruments		
Derivative not designated as hedges		
Foreign exchange forward contracts	-	2.53
Total	**-**	**2.53**
Current liabilities	-	2.53
Non current liabilities	-	-
Total	**-**	**2.53**

The Company enters into derivative financial instruments in the nature of forward exchange contracts with banks. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs which captures credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies and currency basis spreads between the respective currencies. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Company's own non-performance risk.

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	209.68	241.22
Loans	16,129.69	-
Finance Lease receivable	261.10	-
Other financial assets	853.38	390.80
Cash and cash equivalents	1,063.46	1,728.52
Bank balances other than cash and cash equivalents	0.94	0.89
Total	**18,518.25**	**2,361.43**
Current assets	18,272.78	2,321.81
Non-current assets	245.47	39.62
Total	**18,518.25**	**2,361.43**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit and loss

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets		
Investments		
Mutual funds	37.84	35.77
Total financial assets (Current)	**37.84**	**35.77**

Fair value of market linked mutual funds is determined using Net Asset Value (NAV) report issued by mutual fund house.

Investment from subsidiaries is excluded since it is accounted as per cost model as prescribed under para 10 of IND AS 27 'Separate Financial Statements'.

II Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023

Particulars	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	31 March 2023	-	37.84	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022

Particulars	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	31 March 2022	-	35.77	-

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

44 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents. The Company also holds FVTPL investments and enters into derivative transactions.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. No significant changes were made in the risk management objectives and policies during the years ended March 31, 2023 and March 31, 2022. The management of the Company reviews and agrees policies for managing each of these risks which are summarised below:

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk. The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution and industry concentration, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

a Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's investment in fixed deposits. Change in interest rate is not expected to have any material impact on the Company's loss before tax.

b Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD.

Foreign exchange risk is managed on the basis of limits determined by management and a continuous assessment of current and expected exchange rate movements and entering into derivative contracts (foreign currency forward contracts) that hedge the maximum period of exposure of underlying transactions (i.e. highly probable forecast sales and purchases).

The exposure to other foreign currencies is not significant to the Company's financial statements.

c Price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. These securities are unquoted. The Company manages the price risk through placing limits on individual and total equity/mutual fund instruments. Reports on the investment portfolio are submitted to the management on a regular basis. The Group is not currently exposed significantly to such risk.

II Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its investing activities, including deposits with banks and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. There is no charge of impairment to Statement of profit and loss.

Expected credit loss for trade receivables under simplified approach

Trade receivables	As at March 31, 2023		As at March 31, 2022	
	Gross	Expected loss allowance	Gross	Expected loss allowance
Unbilled	-	-	-	-
Outstanding for following periods from the due date				
Not due	125.33	-	241.22	-
Less than 6 months	84.35	-	-	-
Total	**209.68**	**-**	**241.22**	**-**

Expected credit loss for contract assets under simplified approach

Contract assets	As at March 31, 2023		As at March 31, 2022	
	Gross	Expected loss allowance	Gross	Expected loss allowance
Not due	480.13	-	1,924.62	-
Less than 6 months	-	-	-	-
6 months - 1 year	20.36	-	-	-
Total	**500.49**	**-**	**1,924.62**	**-**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Company's maximum exposure to credit risk for bank balances and deposits as at March 31, 2023 and March 31, 2022 is the carrying amounts as disclosed in Note 6, 12 and 13.

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

March 31, 2023	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	17,311.62	-	-	-
Lease Liabilities	103.30	236.25	94.11	-
Trade Payables	331.27	-	-	-
Other payables	1,194.13	-	-	-

March 31, 2022	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	-	411.62	-	-
Lease Liabilities	99.56	225.00	215.12	-
Trade Payables	4,874.24	-	-	-
Other payables	14.99	-	-	-
Derivatives	**-**	**-**	**-**	**-**
Foreign exchange forward contracts	2.53	-	-	-

45 Analytical ratios

Sr. No.	Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current Assets	Current Liabilities	0.97	1.09	-11%	Not applicable
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	1.70	0.12	1317%	Increase in ratio due to increase in debt for capital expenditures in subsidiaries
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest & Lease Payments + Principal Repayments)	(1.42)	13.67	-110%	Refer Note 1
4	Return on Equity Ratio	Net Profits after taxes before exceptional items	Average Shareholder's Equity	(0.24)	0.04	-700%	Refer Note 1
5	Inventory turnover Ratio	Sale of goods	Average Inventory	1.05	1.55	-32%	Refer Note 1
6	Trade Receivables turnover Ratio	Total Sales	Average Accounts Receivable	6.85	16.23	-58%	Refer Note 1
7	Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	0.67	2.06	-67%	Refer Note 1
8	Net capital turnover Ratio	Total Sales	Average Working Capital	233.25	11.27	1970%	Refer Note 1
9	Return on Capital employed	Earning before interest and taxes	Capital Employed	-4%	3%	-233%	Refer Note 1
10	Return on investment	Earnings before interest and tax	Average total assets	-1%	1%	-200%	Refer Note 1

Working Capital = Current assets less Current liabilities

Capital employed = Tangible Net worth + total debt

Average = ((Opening + Closing) / 2)

Note

1 Decrease in revenue by around 32% and significant increase in expenses has resulted into adverse ratios during the period

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

46 Capital management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

Particulars	March 31, 2023	March 31, 2022
Borrowings	**(17,311.62)**	**(411.62)**
Lease liability	(378.40)	(446.32)
Less: Cash and cash equivalents (includes other bank balances)	1,064.40	1,729.41
Less: Liquid investments	37.84	35.77
Net surplus / (debt)	**(16,587.78)**	**907.24**
Equity	**10,212.20**	**3,295.540**
Net Debt to Equity	**(1.62)**	**0.28**

47 Previous year's figures have been regrouped/reclassified where necessary to confirm to this years classification.

48 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

(v) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current period.

49 Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

ii. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any funds, except as mentioned in Note 38(b), from any person or entity, including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i. 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

ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date: May 11, 2023

For and on behalf of the Board of Directors of
First Energy Pvt. Ltd.

Rajendran Arunachalam
Director
DIN: 08446343

Hemant Mohgaonkar
Director
DIN :01308831

Ravi Damaraju
Chief Executive Officer

Mitish Somani
Chief Financial Officer

Sampada Sakhare
Company Secretary

Place: Pune
Date: May 10, 2023

First Energy Private Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy Private Ltd

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of First Energy Private Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), (refer Note 38 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2023, and consolidated total comprehensive loss (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

9. 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
   - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the

consolidated financial statements of which we are the independent auditors.

10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

11. 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.

Other Matters

12. The consolidated financial statements of the Company for the year ended March 31, 2022, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 10, 2022, expressed an unmodified opinion on those consolidated financial statements.

    Our opinion on the consolidated financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

14. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and subsidiary companies incorporated in India, none of the directors of the Group companies, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 35 to the consolidated financial statements.

        ii. The Group was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at March 31, 2023.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

        iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 47 to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

            (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 47 to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

            (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

        v. The Holding Company or its subsidiary companies, have not declared or paid any dividend during the year.

        vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, is applicable to the Group, only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

15. The provisions of section 197 read with Schedule V of the Act are applicable to the Group. However, the Group has not paid/provided any managerial remuneration during the year.

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For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Amit Borkar

Partner
Membership Number: 109846
UDIN : 23109846BGYFLB4859

Place: Pune
Date: May 11, 2023

First Energy Private Limited

Annexure A to Independent Auditor's Report

Referred to in paragraph 14 (f) of the Independent Auditor's Report of even date to the members of First Energy Private Limited on the consolidated financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of First Energy Private Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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 the respective 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to 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 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 financial statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846
UDIN : 23109846BGYFLB4859

Place: Pune
Date: May 11, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of First Energy Private Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2023

As required by paragraph 3(xxi) of the CARO 2020, we report qualification or adverse remarks in their CARO report on the financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

Name and CIN of Companies	**Date of auditors' reports**	**Paragraph number and comment in the respective CARO reports reproduced below**
Holding Company - First Energy Private Limited (U40200PN2008FTC139032) Subsidairy Companies – First Energy TN1 Private Limited (U40108PN2022PTC208074), First Energy 2 Private Limited (U40300PN2022PTC209863), FirstEnergy 3 Private Limited (U40100PN2022PTC211607), Jalansar Wind Energy Private Limited (U40300GJ2017PTC096527), Kanakal Wind Energy Private Limited (U40300GJ2017PTC096521)	May 11, 2023	(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues of income-tax and goods and services tax have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846
UDIN : 23109846BGYFLB4859
Place: Pune
Date:May 11, 2023

First Energy Private Limited

Consolidated Balance Sheet as at March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	3(a)	10,225.40	31.00
Right-of-use assets	3(b)	1,648.60	451.72
Capital work-in-progress	3(a)	38,270.84	2,882.14
Other intangible assets	4	40.36	14.28
Financial assets			
(i) Finance Lease Receivable	36	202.06	-
(ii) Other financial assets	5	388.03	81.93
Deferred tax assets (net)	19	-	42.47
Income tax assets (net)	6	65.83	7.35
Other non-current assets	7	14,586.78	681.07
Total non-current assets		**65,427.90**	**4,191.96**
Current assets			
Financial assets			
(i) Investments	8	37.84	35.77
(ii) Trade receivables	9	315.58	241.22
(iii) Cash and cash equivalents	10	12,339.77	3,928.32
(iv) Bank balances other than (iii) above	11	0.94	0.89
(v) Finance Lease Receivable	36	59.04	-
(vi) Other financial assets	12	186.60	30.44
Other current assets	13	810.09	2,191.51
Total current assets		**13,749.86**	**6,428.15**
Total assets		**79,177.76**	**10,620.11**
Equity and liabilities			
Equity			
Equity share capital	14	15,340.64	3,946.64
Other equity	15	(3,360.74)	(674.22)
Equity attributable to owners of the Parent Company		**11,979.90**	**3,272.42**
Non-controlling interests		**-**	**-**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	16	34,149.42	411.62
(ii) Lease Liabilities	36 (ii)	893.01	346.76
(iii) Other financial liabilities	17	1,218.55	-
Provisions	18	473.56	18.77
Deferred Tax Liability (net)	19	0.90	-
Other non-current liabilities	20	33.47	-
Total non-current liabilities		**36,768.91**	**777.15**
Current liabilities			
Financial liabilities			
(i) Borrowings	21	25,795.61	-
(ii) Lease Liabilities	36 (ii)	112.18	99.56
(iii) Trade payables	23		
a. Total outstanding dues of micro and small enterprises		91.17	191.41
b. Total outstanding dues other than iii (a) above		279.08	4,683.83
(iv) Other financial liabilities	22	3,088.04	17.52
Provisions	24	45.80	12.21
Other current liabilities	25	1,017.07	1,566.01
Total current liabilities		**30,428.95**	**6,570.54**
Total equity and liabilities		**79,177.76**	**10,620.11**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

This is the Consolidated Balance Sheet referred in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date: May 11, 2023

For and on behalf of the Board of Directors of First Energy Pvt. Ltd.

Rajendran Arunachalam
Director
DIN: 08446343

Hemant Mohgaonkar
Director
DIN :01308831

Ravi Damaraju
Chief Executive Officer

Mitish Somani
Chief Financial Officer

Sampada Sakhare
Company Secretary

Place: Pune
Date: May 10, 2023

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
Income			
Revenue from operations	26	1,802.67	2,256.48
Other income	27	129.97	398.70
Total income (I)		**1,932.64**	**2,655.18**
Expenses			
Cost of raw materials consumed	28	1,127.78	2,011.70
Changes in inventories of work-in-progress, stock-in-trade and finished goods	29	-	1.64
Employee benefits expense	30	1,490.71	289.07
Finance cost	31	346.39	9.98
Depreciation and amortisation expense	32	164.05	24.74
Other expenses	33	850.18	220.75
Total expenses (II)		**3,979.11**	**2,557.88**
Profit / (Loss) before tax (III) = (I-II)		**(2,046.47)**	**97.30**
Tax expense			
Current tax expense		-	-
Deferred tax expense	19	43.37	-
Total tax expense (IV)		**43.37**	**-**
Profit/(Loss) for the year (V) = (III-IV)		**(2,089.84)**	**97.30**
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Re-measurement of post-employment benefit obligations		4.75	-
Tax relating to these items		-	-
Total other comprehensive income forthe year, net of tax		**4.75**	-
Total comprehensive income /(loss) for the year		**(2,085.09)**	**97.30**
Earnings/(loss) per equity share			
Basic and Diluted	34	**(2.00)**	**0.52**

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Profit and Loss referred in our report of even date

First Energy Private Limited

Consolidated Statement of Cash Flows for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except stated otherwise)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A)	**Cash flows from operating activities**		
	Profit/(Loss) before tax	(2,046.47)	97.30
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortization expenses	164.05	24.74
	Bad debts written off	-	14.53
	Interest Expenses	346.39	9.98
	Interest/dividend/brokerage income	(107.36)	(3.31)
	Loss on sale / discard of assets (net)	-	21.34
	Net gain on current investments designated at FVPL	(2.07)	(1.40)
	Waiver of Interest by Holding Company	-	(337.68)
	Change in operating assets and liabilities		
	(Increase) in trade receivables	(74.36)	(222.21)
	Decrease in inventories	-	2.93
	(Increase) in other financial assets	(343.61)	(2,008.25)
	(Increase) / Decrease in Other assets	2,022.13	(874.20)
	Increase / (Decrease) in trade payables	(4,504.99)	4,792.17
	Increase in provisions	493.13	5.40
	Increase / (Decrease) in other financial liabilities	92.41	(287.14)
	Increase / (Decrease) in other liabilities	(515.47)	1,563.04
	Cash generated from / (used in) operations	**(4,476.22)**	**2,797.24**
	Income taxes paid (net of refunds received)	(58.48)	2.56
	Net cash inflow / (outflow) from operating activities	**(4,534.70)**	**2,799.80**
B)	**Cash flows from investing activities**		
	Payments for property, plant and equipment	(56,628.57)	(2,924.75)
	Payments for intangible assets	(27.27)	-
	Payments for asset acquisition (refer note 42)	(2.00)	-
	Investments in fixed deposits	(75.05)	(0.06)
	Initial direct cost pertaining to right-of-use assets	(583.23)	-
	Interest Income	89.95	3.31
	Net cash flows inflow / (outflow) from investing activities	**(57,226.17)**	**(2,921.50)**
C)	**Cash flows from financing activities**		
	Proceeds from issue of shares	8,644.00	2,600.00
	Share application money received pending allotment	-	2,750.00
	Proceeds from borrowings	82,405.18	-
	Repayment of borrowings	(22,495.00)	(1,200.00)
	Transaction cost on borrowing	(410.00)	-
	Principal elements of lease payments	(167.79)	(29.18)
	Interest paid	(1,107.79)	(9.98)
	Transactions with non-controlling interests	3,615.90	-
	Cost related to issue of own equity instruments	(312.18)	(168.75)
	Net cash inflow / (outflow) from financing activities	**70,172.32**	**3,942.09**
	Net increase / (decrease) in cash and cash equivalents	**8,411.45**	**3,820.39**
	Cash and cash equivalents at the beginning of the year	3,928.32	107.93
	Cash and cash equivalents at end of the year	**12,339.77**	**3,928.32**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2023	March 31, 2022
Cash and cash equivalents (Note 10)	12,339.77	3,928.32
Book overdraft	-	-
Balances as per Cash flow statement	**12,339.77**	**3,928.32**

Notes:

i) Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.
ii) Refer Note 21 for Net debt reconciliation

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.
This is the Consolidated Statement of Cash Flows referred in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date: May 11, 2023

For and on behalf of the Board of Directors of First Energy Pvt. Ltd.

Rajendran Arunachalam
Director
DIN: 08446343

Hemant Mohgaonkar
Director
DIN :01308831

Ravi Damaraju
Chief Executive Officer

Mitish Somani
Chief Financial Officer

Sampada Sakhare
Company Secretary

Place: Pune
Date: May 10, 2023

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A Equity Share Capital

	Notes	March 31, 2023	March 31, 2022
Balance at the beginning of the year	14	3,946.64	1,346.64
Changes in equity shares capital during the year	14	11,394.00	2,600.00
Balance at the end of the year	14	15,340.64	3,946.64

B Other Equity

Particulars	Reserves & Surplus			Share Application Money	Equity component of Compound Financial Instruments	Total Equity
	Retained Earnings	Securities Premium	Total			
As at April 1, 2021	**(4,813.44)**	**1,171.48**	**(3,641.96)**	**-**	**246.72**	**(3,395.24)**
Profit for the year	97.30	-	97.30	-	-	97.30
Other comprehensive income	-	-	-	-	-	-
Total Comprehensive Income	**97.30**	**-**	**97.30**	**-**	**-**	**97.30**
Share application money received for allotment of shares	-	-	-	5,350.00	-	5,350.00
Shares allotted against the share application money received	-	-	-	(2,600.00)	-	(2,600.00)
Transferred to securities premium	-	(126.28)	(126.28)	-	-	(126.28)
As at March 31, 2022	**(4,716.14)**	**1,045.20**	**(3,670.94)**	**2,750.00**	**246.72**	**(674.22)**
Loss for the year	(2,089.84)	-	(2,089.84)	-	-	(2,089.84)
Other comprehensive income	4.75	-	4.75	-	-	4.75
Total Comprehensive Income	**(2,085.09)**	**-**	**(2,085.09)**	**-**	**-**	**(2,085.09)**
Share application money received for allotment of shares	-	-	-	8,644.00	-	8,644.00
Shares allotted against the share application money received	-	-	-	(11,394.00)	-	(11,394.00)
Cost related to issue of own equity instruments	(208.43)	(103.75)	(312.18)	-	-	(312.18)
Transactions with Non-Controlling Shareholders	2,460.75	-	2,460.75	-	-	2,460.75
As at March 31, 2023	**(4,548.91)**	**941.45**	**(3,607.46)**	**-**	**246.72**	**(3,360.74)**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Changes in Equity referred in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date: May 11, 2023

For and on behalf of the Board of Directors of
First Energy Pvt. Ltd.

Rajendran Arunachalam
Director
DIN: 08446343

Hemant Mohgaonkar
Director
DIN :01308831

Ravi Damaraju
Chief Executive Officer

Mitish Somani
Chief Financial Officer

Sampada Sakhare
Company Secretary

Place: Pune
Date: May 10, 2023

1. Corporate information

First Energy Private Limited ("the Company") and its subsidiaries (together referred to as 'the Group') is primarily involved in Power Generation and Engineering, Procurement and Construction of solar power plant and other ancillary activities.

The Company is a private limited group incorporated and domiciled in India. The address of its registered office is 14, Thermax House, Old Mumbai-Pune Highway, Wakdewadi Pune - 411003, India. The Board of Directors have authorized to issue these consolidated financial statements on May 9, 2023. The CIN of the Holding Company is U40200PN2008FTC139032.

2. Summary of Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of First Energy Private Limited and its subsidiaries.

2.1. Basis of preparation and measurement

(a) Basis of preparation

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the act.

The preparation of the consolidated financial statements requires the use of certain critical accounting judgements, estimates and assumptions. It also requires the management to exercise judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 2.4.

The accounting policies adopted for preparation and presentation of these consolidated financial statements have been consistently applied.

(b) Historical cost convention

The consolidated financial statements have been prepared on the accrual and going concern basis under historical cost convention except the following:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries as at March 31, 2023.

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group.

Consolidation procedure

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The accounting policy regarding business combinations and goodwill explains how to account for any related goodwill.

(c) Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 'Income Taxes' applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the carrying amount of assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interests;
- Derecognizes the cumulative translation differences recorded in equity;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

(ii) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(iii) Liability for put options with non-controlling shareholders

Liability for put options issued to non-controlling shareholders in subsidiaries, to be settled in cash by the Company, which do not grant present access to ownership interest to the Group is recognised at present value of the redemption amount and is presented as financial liability. The non-controlling interests subject to put options are derecognised and the difference between the amount derecognised and present value of the redemption amount, is accounted for as an equity transaction.

(All amounts in Rupees lakh, unless otherwise stated)

2.2 Summary of significant accounting policies

a. Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end are recognised in profit and loss and are presented in the Consolidated Statement of Profit and Loss on a net basis.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

b. Fair value measurement

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

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

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant judgements, estimates and assumptions (note 2.4)
- Quantitative disclosures of fair value measurement hierarchy (note 43)
- Financial instruments (including those carried at amortized cost) (note 44)

c. Property, Plant and Equipment

Property, plant and equipment (PPE) and capital work in progress are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of profit and loss during the financial year in which they are incurred.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The management has estimated, supported by independent assessment by professionals, the useful lives of certain classes of assets. The following useful lives are adopted by the management:

Asset category	Group's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	15 to 20
Office equipment	15	15
Furniture and fixtures	15	10
Computers and data processing units	4 to 6	3 to 6

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

e. Inventories

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Write down of inventories are calculated based on an analysis of foreseeable changes in demand, technology, market conditions and ageing of inventories.

f. Revenue recognition

i. Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The Group collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.4.

The Group has the following streams of revenue:

- **Revenue from Engineering, Procurement and Construction contracts**

Engineering, Procurement and Construction (EPC) contracts are contracts (or a group of contracts secured together) specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof etc., execution of which is spread over different accounting periods. The Group identifies distinct performance obligations in each contract. For most of the project contracts, the customer contracts with the Group to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted for as one performance obligation.

The Group may promise to provide distinct goods or services within a contract, in which case the Group separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Group allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The Group uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation in case of contracts with more than one distinct performance obligations.

The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognized over a period of time if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Group performs, or

(b) The customer controls the work-in-progress, or

(c) The Group's performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date.

The Group recognizes revenue over time as it performs because of continuous transfer of control to the customer. For all project contracts, this continuous transfer of control to the customer is supported by the fact that the customer typically controls the work in process.

The Group uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated profits, are recorded proportionally as costs are incurred.

Costs associated with bidding for contracts are charged to the Statement of profit and loss when they are incurred. Costs that relate directly to a contract and are incurred in securing the contract are included as part of the contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

Contract modification, when approved by both the parties to the contract, are considered as modification, if it creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are not distinct from the existing contract due to the significant integration service provided under the contract prior to modifications and are therefore, accounted for as part of the existing contract. The effect of a contract modification is recognized as an adjustment to revenue on a cumulative catch-up basis.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Group recognizes the expected losses from onerous contract as an expense immediately.

Penalties for any delay or improper execution of a contract are recognized as a deduction from revenue. In the balance sheet, such provisions are presented on net basis of the contract receivables.

- ***Revenue from Sale of electricity***

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the contracted rate. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in purchase power agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

- ***Revenue from Sale of services***

Revenue in respect of operation and maintenance contract, awarded on a standalone basis or included in long term contracts and identified as a separate performance obligation, is recognized on a time proportion basis under the contracts.

Contract balances

Contract assets: The contract assets relate to unbilled work in progress. If the Group satisfies performance obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to Trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

Trade receivables: A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue and Customer advances as the case may be.

ii. Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

iii. Rental income

Rental income from operating leases (net of any incentives given to the lessee) is recognised on a straight-line basis over the lease term.

g. Financial instruments

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

Financial assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in following categories by the Group:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

ii. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

iii. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the Statement of profit and loss, even on the sale of the investment. However, the Group may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Group follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month. The Group considers current and anticipated future economic conditions relating to industries of the customer and the countries where it operates.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

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

Offsetting of financial instruments

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

h. Derivative financial instruments

The Group enters into derivative financial instruments, primarily foreign exchange forward contracts, to manage its exposure to foreign exchange. Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain/loss is recognized in Statement of profit and loss.

i. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

j. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees, amounts paid to legal, accounting and other professional advisers, printing costs and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

k. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

l. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m. Leases

Group as a lessee

The Group lease asset classes primarily consist of office buildings and leasehold lands. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. 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 Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at present value of the future lease payments. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Group as a lessee

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

n. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses including impairment on inventory are recognized in the Statement of profit or loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

o. Provisions

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

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

p. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a defined benefit gratuity plan in India, which is unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of profit and loss in subsequent periods.

Past service costs are recognized in the Statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The liabilities for Other long-term employee benefits such as privileged leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss. The Group does not have an unconditional right to defer settlement for any of these obligations and therefore have been classified as current liability. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within twelve months.

Provision for Long term incentive is calculated using the projected unit credit method to determine the present value of its defined benefit obligations and the related current service cost.

q. Segment Reporting

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

The Board of Directors of the First Energy Private Limited has been identified as the chief operating decision maker of the Group.

r. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

s. Earnings Per Share (EPS)

The Group presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares (which includes the various stock options granted to employees).

t. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair value of assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests inssued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any noncontrolling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets.

u. Rounding of amounts:

Amounts disclosed in the consolidated financial statements are presented in INR in lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

2.4. Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures including contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2.4.1. Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

i. Revenue from contracts with customers

A significant revenue of the Group's business relates to EPC contracts which is accounted using cost-based input method, recognizing revenue as the performance on the contract progresses. This requires management to make judgement with respect to identifying contracts for which revenue need to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Group has right to payment for performance completed till date, either contractually or legally. The input method requires management to make significant judgements of the extent of progress towards completion including accounting of multiple contracts which need to be combined and considered as a single contract.

ii. Ind AS 116 – Leases

In determining whether revenue contract (power purchase agreement) with customer especially when entire contractual capacity of one project (solar / wind project) is committed to one customer, management exercises judgement in concluding whether contract contains lease. Management takes into consideration who is responsible for design of the project and who has right to direct the use of solar plant.

iii. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would not lead to a material change to the amount of impairment.

iv. Fair value measurement of assets acquired

Significant management judgement is involved in determining whether assets acquired in a particular transaction constitute a 'business' in accordance with the principles laid down in Ind AS 103 – Business Combinations, identification of the assets acquired and liabilities assumed; and measurement of their fair values using appropriate valuation methods to be adopted involves key assumptions like the discount rate and expected demand.

v. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset (solar/wind projects) is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of solar/wind projects involves a period ranging from 6 months to 10 months.

vi. Non-controlling shares

In determining whether Non controlling interest (NCI) is to be recognised with respect to shares held by Non controlling shareholders, management takes into consideration the contracts entered, dividend rights and risk reward relationship and exercises judgement in concluding whether NCI is to be recognized.

2.4.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. EPC contracts:

Project cost to complete estimates: At each reporting date, the Group is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete on such contracts requires the Group to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, work-in-progress, billings in excess of costs, estimated earnings and accrued contract expenses.

ii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years as approved by the Management and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the terminal growth rate used.

iii. Defined benefit plans - gratuity

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter which is most subjected to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

iv. Long term incentives

The provision for long term incentives is recognized considering the estimated payout expected by the Group at present value using projected unit credit method. These include the determination of the discount rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter which is most subjected to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the long term incentives.

v. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vi. Useful lives of property, plant and equipment and intangible assets

The Group determines, based on independent technical assessment, the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

vii. Deferred taxes

At each balance sheet date, the Group assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

3 (a) Property, Plant and Equipment

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Freehold Land	Buildings	Plant and equipment	Office Equipment	Computer	Furniture and Fixtures	Total	Capital work in progress
Year ended March 31, 2022								
Gross carrying amount								
Opening gross carrying amount	-	10.33	641.30	12.50	67.98	23.96	756.07	-
Additions	-	-	-	4.62	25.87	1.01	31.50	2,913.64
Disposals / (Transfer)	-	10.33	641.30	12.50	67.98	23.96	756.07	31.50
Closing gross carrying amount	**-**	**-**	**-**	**4.62**	**25.87**	**1.01**	**31.50**	**2,882.14**
Accumulated depreciation								
Opening accumulated depreciation	-	10.33	616.34	12.50	67.98	23.96	731.11	-
Depreciation charge during the year	-	-	-	0.04	0.45	0.01	0.50	-
Disposals	-	10.33	616.34	12.50	67.98	23.96	731.11	-
Closing accumulated depreciation	**-**	**-**	**-**	**0.04**	**0.45**	**0.01**	**0.50**	**-**
Net carrying amount as on March 31, 2022	**-**	**-**	**-**	**4.58**	**25.42**	**1.00**	**31.00**	**2,882.14**
Year Ended March 31, 2023								
Gross carrying amount								
Opening gross carrying amount	-	-	-	4.62	25.87	1.01	31.50	2,882.14
Additions (refer note below)	732.20	-	9,537.28	0.61	22.30	0.20	10,292.59	45,681.29
Disposals / (Transfer)	-	-	-	-	-	-	-	10,292.59
Closing gross carrying amount	**732.20**	**-**	**9,537.28**	**5.23**	**48.17**	**1.21**	**10,324.09**	**38,270.84**
Accumulated depreciation								
Opening accumulated depreciation	-	-	-	0.04	0.45	0.01	0.50	-
Depreciation charge during the year	-	-	88.56	0.32	9.24	0.07	98.19	-
Closing accumulated depreciation	**-**	**-**	**88.56**	**0.36**	**9.69**	**0.08**	**98.69**	**-**
Net carrying amount as on March 31, 2023	**732.20**	**-**	**9,448.72**	**4.87**	**38.48**	**1.13**	**10,225.40**	**38,270.84**

Asset Acquistion

During the year, the Group acquired solar plants from the fellow subsidiary for consideration of Rs. 782.90 lakhs. The aforesaid acquisition is not considered as business combination as it does not meet the definition of "business" given in Ind AS 103 – Business Combinations. The Group has recognised assets and liabilities acquired at their relative fair value as below, also refer note 39.

Net amount of Assets and Liabilities acquired

Particulars	Amount
Assets	
Solar plant	541.93
Finance lease receivable	261.10
Total assets acquired	**803.03**
Liabilties	
Security deposit of customer	20.13
Total Liabilities Assumed	**20.13**
Net Assets Acquired	**782.90**

The ageing of non-current trade receivables which are due for receipt:

CWIP		Amount in CWIP for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	**March 31, 2023**	**38,270.84**	**-**	**-**	**-**	**38,270.84**
	March 31, 2022	2,882.14	-	-	-	2,882.14
Total Capital work-in-progress	**March 31, 2023**	**38,270.84**	**-**	**-**	**-**	**38,270.84**
	March 31, 2022	2,882.14	-	-	-	2,882.14

Capital work-in-progress includes overdue projects amounting to Rs 38,126.56 lakhs, out of which a project worth Rs 3,761.77 lakhs have been capitalised in April 2023 and the remaining projects are expected to be completed and capitalised in June 2023.

Notes:

(i) See note 41 for information on property, plant and equipment pledged as security by the group.

(ii) See note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

(iii) Capital work-in-progress mainly includes expenditure towards construction of new solar and hybrid renewable energy plants.

3 (b) Right- of- use assets

Particulars	Leasehold Land*	Building	Total
Year ended March 31, 2022			
Gross carrying amount			
Opening gross carrying amount	-	-	**-**
Additions	-	475.50	**475.50**
Disposals/ Transfers/ Adjustments	-	-	**-**
Gross carrying amount as at March 31, 2022	**-**	**475.50**	**475.50**
Accumulated depreciation			
Opening accumulated depreciation	-	-	**-**
Charge for the year	-	23.78	**23.78**
Disposals	-	-	**-**
Closing accumulated depreciation	**-**	**23.78**	**23.78**
Net carrying amount as on March 31, 2022	**-**	**451.72**	**451.72**
Year ended March 31, 2023			
Gross carrying amount			
Opening gross carrying amount	**-**	**475.50**	**475.50**
Additions*	1,309.88	-	**1,309.88**
Disposals		-	**-**
Gross carrying amount as at March 31, 2023	**1,309.88**	**475.50**	**1,785.38**
Accumulated depreciation			
Opening accumulated depreciation	-	23.78	**23.78**
Charge for the year	17.90	95.10	**113.00**
Disposals			**-**
Closing accumulated depreciation	17.90	118.88	**136.78**
Net carrying amount as on March 31, 2023	**1,291.98**	**356.62**	**1,648.60**

*Includes initial direct costs incurred by the lessee amounting to Rs. 583.22 lakhs

Capitalization of expenses

During the year, the Group has capitalized the following expenses of revenue nature to the cost of Property, plant and equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Group.

Particulars	As at March 31, 2023	As at March 31, 2022
Salaries and wages	**446.89**	**-**
Interest expenses	**36.10**	-
Depreciation	**56.89**	
Others Expenses	**74.11**	-
Total	**613.99**	**-**

4 Intangible Assets

Particulars	Computer Software	Others	Total
Year ended March 31, 2022			
Gross carrying amount			
Gross carrying amount as at April 1, 2021	-	-	**-**
Additions	14.75	-	**14.75**
Gross carrying amount as at March 31, 2022	**14.75**	**-**	**14.75**
Accumulated amortisation			
Opening accumulated amortisation	-	-	**-**
Amortisation charge for the year	0.47	-	**0.47**
Closing accumulated amortisation	**0.47**	**-**	**0.47**
Net carrying amount as on March 31, 2022	**14.28**	**-**	**14.28**
Year ended March 31, 2023			
Gross carrying amount			
Gross carrying amount as at March 31, 2022	14.75	-	**14.75**
Additions	27.27	8.56	**35.83**
Disposals			**-**
Gross carrying amount as at March 31, 2023	**42.02**	**8.56**	**50.58**
Accumulated amortisation			
Opening accumulated amortisation	0.47	-	**0.47**
Charge for the year	6.90	2.85	**9.75**
Disposals			**-**
Closing accumulated amortisation	**7.37**	**2.85**	**10.22**
Net carrying amount as on March 31, 2023	**34.65**	**5.71**	**40.36**

5 Non-current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Bank deposits with maturity of more than 12 months*	75.00	-
Security deposits	313.03	81.93
Total	**388.03**	**81.93**

*Held as lien against bank guarantee given

6 Income Tax Assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax assets (net)	65.83	7.35
Total	**65.83**	**7.35**

7 Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	14,546.42	-
Balance with government authorities	-	681.07
Prepaid Expenses*	40.36	-
Total	**14,586.78**	**681.07**

*Relates to cost to obtain the contract of which will be amortised to Statement of Profit and Loss on a systematic basis consistent with the transfer of the goods and services to the customer

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Number of units		Amount	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Investments in Mutual Funds :				
Investments at Fair value through Profit and Loss				
Aditya Birla Sun Life Money Manager Fund Growth- Direct Plan	11,967	11,967	37.84	35.77
Total investments in Mutual Funds			**37.84**	**35.77**
Total value of Investments			37.84	35.77
Aggregate amount of quoted investments and market value thereof			-	-
Aggregate amount of unquoted investments	261.10	-	37.84	35.77
Aggregate amount of impairment in the value of investments	-	-	-	-

9 **Trade receivables**

Current trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables from:		
i) Related parties (note 39)		
- Unbilled*	19.13	-
- Billed	92.42	81.98
ii) Others		
- Unbilled*	78.30	-
- Billed	125.73	159.24
Total	**315.58**	**241.22**

Sub-classification of trade receivables		
Secured, considered good	-	-
Unsecured, considered good	315.58	241.22
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
	315.58	**241.22**
Less: impairment allowance	-	-
Total	**315.58**	**241.22**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivable is 'unbilled' because the group has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

The ageing of trade receivables

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023								
(i) Undisputed Trade Receivables- considered good	144.46	78.30	92.82	-	-	-	-	**315.58**
(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	**144.46**	**78.30**	**92.82**	**-**	**-**	**-**	**-**	**315.58**

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022								
(i) Undisputed Trade Receivables- considered good	241.22	-	-	-	-	-	-	**241.22**
(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	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	-
Total	**241.22**	**-**	**-**	**-**	**-**	**-**	**-**	**241.22**

Notes to standalone financial statements for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

10 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- in current accounts	5,661.01	278.32
- in deposits with original maturity of less than three months	6,678.76	3,650.00
Total	**12,339.77**	**3,928.32**

11 Other bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with original maturity of more than 3 months but remaining maturity less than 12 months	0.94	0.89
Total	**0.94**	**0.89**

12 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued on fixed deposits	20.12	2.71
Security deposits	120.20	7.69
Other receivables	46.28	20.04
Total	**186.60**	**30.44**

13 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured considered good		
Advance to supplier	73.64	266.69
Advances to employee	2.14	0.20
Unbilled revenue (Contract Assets)	500.49	1,924.62
Prepaid Expenses	59.09	-
Balances with government authorities	174.73	-
Total	**810.09**	**2,191.51**

There were no advances due by directors or other officers of the Group or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member

14 Share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized equity share capital		
325,000,000 (Previous year 200,000,000) equity shares of Rs. 10/- each.	32,500.00	20,000.00
	32,500.00	**20,000.00**
Issued, subscribed and fully paid share capital		
153,406,365 (Previous year 39,466,365) equity shares of Rs. 10/- each.	15,340.64	3,946.64
Total issued, subscribed and fully paid-up share capital	**15,340.64**	**3,946.64**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	No. of shares	Amount
Equity share of Rs. 10 each issued, subscribed and fully paid		
As at April 1, 2021	13,466,365	1,346.64
Right issues during the year	26,000,000	2,600.00
As at March 31, 2022	39,466,365	3,946.64
Right issues during the year	113,940,000	11,394.00
At March 31, 2023	**153,406,365**	**15,340.64**

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by ultimate holding / holding company

Particulars	As at March 31, 2023	As at March 31, 2022
Holding company		
Thermax Limited		
153,406,359 (Previous year 39,466,365) equity shares of Rs. 10/- each.	15,340.64	3,946.64

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2023	As at March 31, 2022	% Change during the Year
Thermax Limited, India			
% Holding	100.00%	100.00%	0.00%
No. of shares	153,406,359	39,466,359	

(e) Details of shareholding of promoters:

Particulars	As at March 31, 2023	As at March 31, 2022	% Change during the Year
Thermax Limited, India			
% Holding	100.00%	100.00%	0.00%
No. of shares	153,406,359	39,466,359	

(f) There were no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately preceding the reporting date.

15 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
A Securities premium account		
Opening balance	1,045.20	1,171.48
Add: Cost related to issue of own equity instruments	(103.75)	(126.28)
Closing balance	**941.45**	**1,045.20**
B Retained earnings		
Opening balance	(4,716.14)	(4,813.44)
Add: Profit/(Loss) for the year	(2,089.84)	97.30
Add: Other Comprehensive Income	4.75	-
Less: Cost related to issue of Own Equity Instruments	(208.43)	-
Transactions with Non-Controlling Shareholders	2,460.75	
Closing balance	**(4,548.91)**	**(4,716.14)**
C Total Reserves and Surplus (A+B)	**(3,607.46)**	**(3,670.94)**
D Share Application money		
Opening balance	2,750.00	-
Add: Addition during the year	8,644.00	5,350.00
Less: Share allotment during the year	(11,394.00)	(2,600.00)
Closing balance	**-**	**2,750.00**
E Equity component of compound financial instrument	246.72	246.72
Total	**(3,360.74)**	**(674.22)**

Nature and purpose of reserves

Securities premium reserve

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

16 Non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Loans		
Term loans from banks*	34,679.30	-
Less : Current maturities of long-term borrowings	(529.88)	-
	34,149.42	**-**
Term loans (from Holding Company unsecured)	-	411.62
Less : Current maturities of Long term Borrowings	-	-
	-	411.62
Total	**34,149.42**	**411.62**

* After considering unamortised transaction cost of Rs. 401.06 lakhs as at March 31, 2023 (Rs. Nil as at March 31, 2022)

Secured borrowings and assets pledged as security

(a) First Energy TN 1 Private Limited

The term of Loan of Rs.5,418.36 lakhs is secured by way of charge on all present and future movable and immoveable assets including plant & machinery machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature of First Energy TN1 Private Limited and pledge of 30% of shares of the First Energy TN1 Private Limited held by the holding company.

(b) First Energy 2 Private Limited

The term of Loan of Rs.2,692.00 lakhs is secured by way of charge on all present and future movable and immoveable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature of First Energy 2 Private Limited and pledge of 51% of shares of the First Energy 2 Private Limited held by the holding company.

(c) First Energy 3 Private Limited

The term of Loan of Rs.25,500.00 lakhs is secured by way of charge on all present and future movable and immoveable assets including plant & machinery machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature of First Energy 3 Private Limited and pledge of 30% of shares of the First Energy 3 Private Limited held by the holding company.

(d) Jalansar Wind Energy Private Limited

The term of Loan of Rs.590.00 lakhs is secured by way of charge on all present and future movable and immoveable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature of Jalansar Wind Energy Private Limited and pledge of 51% of shares of the Jalansar Wind Energy Private Limited held by the holding company.

(e) Kanakal Wind Energy Private Limited

The term of Loan of Rs.880.00 lakhs is secured by way of charge on all present and future movable and immoveable assets including plant & machinery machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature of Kanakal Wind Energy Private Limited and pledge of 51% of shares of the Kanakal Wind Energy Private Limited held by the holding company.

Terms and conditions of term loans from banks

All the term loans from banks are repayable on quarterly basis on quarterly basis in 76-77 months installments bearing interest rates ranging from 8.50% - 9.35%.

During the year, the Group has used all the borrowings for the specific purpose for which they have been obtained.

17 Other non-current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Redemption Liability (refer note 2.1 d (iii))	1,198.42	-
Trade deposits	20.13	-
Total	**1,218.55**	**-**

Notes to standalone financial statements for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

18 Non-current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity (Refer note 37)	45.72	18.77
Other long-term employee benefits (Refer note 37)	427.84	-
Total	**473.56**	**18.77**

19 Deferred tax

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax asset		
Cost related to issue of own equity	-	42.47
Losses available for offsetting against future taxable income	84.85	-
Others	0.33	-
Total	85.18	42.47
Less : Deferred tax liability		
Depreciation	86.08	-
Total	86.08	-
Deferred tax (asset)/liability net	**0.90**	**(42.47)**

Deferred Tax asset has not been recognised in respect of depreciation and carried forward losses because of uncertainty of future taxable profit against which they can be realised.

The Group has tax losses of Rs. 5,620.82 lakhs (March 31, 2022: Rs. 4,086.44 lakhs) that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Group were able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs. 1,356.05 lakhs (March 31, 2022: Rs. 995.27 lakhs).

Patriculars	Expiry date (Year ending March 31)	As at March 31, 2023		As at March 31, 2022	
		As of March 31, 2023	As of March 31, 2022 Tax impact	As of March 31, 2022	As of March 31, 2022 Tax impact
Tax losses	2024	361.42	90.97	361.42	90.97
	2025	398.48	100.30	398.48	100.30
	2027	152.42	38.36	152.42	38.36
	2030	209.12	52.64	209.12	52.64
	2031	1,242.87	300.59	-	-
Total Tax Losses		**2,364.31**	**582.86**	**1,121.44**	**282.27**
Unabsorbed depreciation	No expiry period	2,357.99	580.91	2,124.00	535.00
Employee benefit expenses		88.52	22.28	31.00	8.00
Capital Loss	2030	810.00	170.00	810.00	170.00
Total		**5,620.82**	**1,356.05**	**4,086.44**	**995.27**

The income tax expense consists of following:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current tax expense	-	-
Deferred tax (benefit) / charge	43.37	-
	43.37	**-**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Loss before tax	(2,046.47)	97.30
Indian statutory income tax rate	25.17%	25.17%
Expected tax expense	(515.10)	24.49
Deferred tax assets not recognised on losses and depreciation	515.10	-
Previously recognised deferred tax assets written off	42.47	-
Set off against tax losses on which deferred tax assets not recognised	0.90	(24.49)
Total tax expense	43.37	-
Deferred tax (asset)/liability net	**0.90**	**(42.47)**

20 Other non-current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Contract liabilities		
Unearned Revenue	33.47	-
Total	**33.47**	**-**

21 Current Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
a. Secured loan		
Current maturities of Long-term Borrowings from banks	529.88	-
b. Unsecured Loans		
From Holding Company	17,311.62	-
Buyer's Line of Credit from Bank*	7,927.88	
From Others	26.23	-
Total	**25,795.61**	**-**

* Loan has been obtained against the credit facilities sanctioned to Holding Company.

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Details	Maturity date	Terms of payment	Interest rate	March 31, 2023
Loan from Holding Company	Various	Repayable within 6 months from disbursement	8.00% - 8.45%	16,900.00
Loan from Holding Company	On Demand	On Demand	0%	411.62
Buyer's Line of Credit from Bank	Various	Repayable within 90 days from date of shipment	8.00% to 8.20%	7,927.88
Others	On Demand	On Demand	0%	26.23

Net debt reconciliation

An analysis of net debt and the movements in net debt for March 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	12,339.77	3,928.32
Other Bank Balances (excluding earmarked balances with banks)	0.94	0.89
Current and Non-current borrowings	(59,945.03)	(411.62)
Lease Liabilities	(1,005.19)	(446.32)
Interest Accrued	(293.50)	0.00
Net Debt	**(48,903.01)**	**3,071.27**

Particulars	Other assets		Liabilities from financing activities	
	Cash and Cash Equivalents	Other Bank Balance	Borrowings	Lease Liabilities
Net debt as on March 31, 2021	**107.93**	**0.83**	**(1,949.30)**	**-**
Addition to lease	-	-	-	(475.50)
Cash flows	3,820.39	0.06	1,200.00	29.18
Interest Expenses	-	-	-	9.98
Interest paid	-	-	-	(9.98)
Other non cash movement	-	-	337.68	-
Net debt as on March 31, 2022	**3,928.32**	**0.89**	**(411.62)**	**(446.32)**
Addition to lease	-	-	-	(726.66)
Cash flows	8,411.45	0.05	(59,507.18)	167.79
Interest Expenses (including interest capitalised)	-	-	(1,343.60)	(57.69)
Interest paid	-	-	1,050.10	57.69
Others	-	-	(26.23)	-
Net debt as on March 31, 2023	**12,339.77**	**0.94**	**(60,238.53)**	**(1,005.19)**

22 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative instruments at fair value through profit or loss		
Derivative instruments not designated as hedges		
Foreign exchange forward contracts	-	2.53
Interest accrued but not due on loans	293.50	-
Capital Creditors	2,704.74	-
Employee related payables	89.80	14.99
	3,088.04	**17.52**

23 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables: micro and small enterprises	91.17	191.41
Trade payables to related parties (see note 39)	175.42	43.94
Trade payables: others	103.66	4,639.89
Total trade payables	**370.25**	**4,875.24**

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	Particulars	As at March 31, 2023	As at March 31, 2022
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	- Principal amount dues to micro and small enterprises*	91.17	191.41
	- Interest due thereon	-	-
ii)	The amount of interest paid by the Group in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii)	The amount of payment made to the supplier beyond the appointed day during the year	-	-
iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
v)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Notes to standalone financial statements for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Amount due to Micro and Small enterprises are disclosed on the basis of information available with the Company regarding status of the suppliers as Micro and Small enterprises.

The ageing of current trade payables which are due for payment :

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
(i) MSME	88.64	2.53	-	-	-	-	**91.17**
(ii) Others	22.41	57.70	198.97	-	-	-	**279.08**
(iii) Disputed dues- MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues- Others	-	-	-	-	-	-	**-**
	111.05	**60.23**	**198.97**	**-**	**-**	**-**	**370.25**

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at Mar 31, 2022							
(i) MSME	191.41	-	-	-	-	-	**191.41**
(ii) Others	4,683.83	-	-	-	-	-	**4,683.83**
(iii) Disputed dues- MSME	-	-	-	-	-	-	
(iii) Disputed dues- Others	-	-	-	-	-	-	
	4,875.24		**-**	**-**	**-**	**-**	**4,875.24**

24 Current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity (Refer note 37)	3.22	1.92
Provision for Compensated Absences	39.58	10.29
Provision for Onerous contract	3.00	-
Total	**45.80**	**12.21**

25 Other Current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Contract liabilities		
Unearned revenue	18.51	-
Customer advance	374.48	1,533.20
Statutory dues and other liabilities*	624.08	32.81
Total	**1,017.07**	**1,566.01**

* mainly includes tax deducted at source, provident fund, GST etc.

26. Revenue from operations

(a) Revenue from contracts with customers

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from projects and products	1509.08	2,229.68
Revenue from Power Supply	251.37	-
Revenue from services	35.01	-
Total	**1,795.46**	**2,229.68**

(b) Other operating revenue

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of scrap	4.68	18.80
Gain on sale of Stove/Boiler	-	1.00
Exchange fluctuation gain (net)	2.53	7.00
Total	**7.21**	**26.80**
Revenue from operations (net)	**1,802.67**	**2,256.48**

(c) Disclosure pursuant to IND AS 115: Revenue from contracts with customers

i) Revenue by category of contracts:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Over a period of time basis	1,797.99	2,237.68
At a point-in-time basis	4.68	18.80
Total revenue from contracts with customers	**1,802.67**	**2,256.48**

ii) Revenue by geographical market:

Particulars	As at March 31, 2023	As at March 31, 2022
Within India	1,682.57	2,256.48
Outside India	120.10	-
Total revenue from contracts with customers	**1,802.67**	**2,256.48**

iii) Contract balances

The following table provides information about contract balances from contracts with customers as at the reporting date:

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables (Refer note 9)	315.58	241.22
Unbilled revenue (Refer note 13)	500.49	1,924.62
Customer advances (Refer Note 25)	374.48	1,533.20
Unearned revenue (Refer Note 20 and 25)	51.98	-

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date from projects and customised contracts. The Contract assets are transferred to Trade receivables on completion of milestones and its related invoicing.

The contract liabilities relate to unearned revenue and customer advances where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Group's cash positions on specific projects.

Contract assets have decreased as the group has provided fewer products and services ahead of the agreed payment schedules for fixed-price contracts. Contract liabilities have decreased as the group has received fewer advance against the future products and services to be provided.

iv) Revenue recognised in the reporting period that was included in the contract liabilities balance at the beginning of the year:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Unearned revenue	-	-
Customer advance	1,533.20	-

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

(v) Remaining performance obligations:

The Group applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts that have an original expected duration of one year or less.

vii) Reconciliation between revenue recognised in Statement of profit and loss and contract price

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Contract price	1,790.93	2,229.68
Adjustments for:		
Significant Financing Component	4.53	-
Total Revenue as per Contracted Price	**1,795.46**	**2,229.68**

27 Other income

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Net gain on current investments designated at FVPL	3.48	1.40
Interest income from financial assets at amortised cost	107.36	4.58
Miscellaneous income#	19.13	392.72
Total	**129.97**	**398.70**

Includes waiver of interest by Holding Company of Rs. Nil (March 31, 2022 - Rs. 337.68) on account of redemption of preference shares.

28 Cost of raw materials consumed

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Inventories at the beginning of the year	-	1.29
Add: Purchases	1,127.78	2,010.41
Inventories at the end of the year	-	-
Total	**1,127.78**	**2,011.70**

29 Changes in inventories of work-in-progress, stock-in-trade and finished goods

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Inventories at the beginning of the year		
Work-in-progress	-	-
Finished goods	-	1.64
	-	**1.64**
Less: inventories at the end of the year		
Work-in-progress	-	-
Finished goods	-	-
Total	**-**	**1.64**

30 Employee benefits expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries, wages and bonus	1,364.38	271.02
Contribution to provident and other funds	64.73	12.21
Gratuity expense (Refer note 37)	39.81	0.66
Staff welfare expenses	21.79	5.18
Total	**1,490.71**	**289.07**

31 Finance costs

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest expense on financial liabilities measured at amortised cost	187.72	-
Lease Liability	21.59	9.98
Finance cost on Redemption Liability	43.27	-
Others	93.81	-
Total	**346.39**	**9.98**

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the group's general borrowings during the year, in this case 7.76% (31 March 2022 – Nil).

32 Depreciation and amortisation expense

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation of property, plant and equipment	98.19	0.49
Depreciation of right-of-use assets	56.12	23.78
Amortization of intangible assets	9.74	0.47
Total	**164.05**	**24.74**

33 Other expenses

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Freight and forwarding charges (net)	-	0.48
Site expenses and Contract labour charges	197.08	4.88
Travelling and conveyance	38.50	25.16
Rent	-	0.67
Rates and taxes	170.85	0.38
Legal and professional fees	142.89	10.31
Communication expenses	4.91	0.53
Advertisement and sales promotion	12.91	11.60
Repairs and maintenance		
Boiler and Stove	-	1.16
Plant and machinery	-	0.65
Buildings	0.28	-
Others	81.69	2.39
Bad debts written off	-	14.53
Power and fuel	9.67	0.90
Insurance	23.77	1.13
Loss on sale / discard of assets (net)	-	21.34
Printing and stationery	1.35	1.25
Office expenses	2.65	2.38
Recruitment Expenses	16.05	108.30
Bank charges	-	-
Directors' fees and commission	3.75	-
Miscellaneous expenses (includes bank charges, commission & brokerage etc.)	143.83	12.71
Less: Expenses recovered from group Companies	-	-
Total	**850.18**	**220.75**

33 Earnings (Loss) per share

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Net profit attributable to the Equity shareholders of the Company	(2,089.84)	97.30
Weighted average number of Equity shares of Rs.10/- each	104,302,584	18,864,995
Basic and Diluted EPS	**(2.00)**	**0.52**

Notes to standalone financial statements for the year ended March 31, 2023

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

34 Payment to auditors

Particulars	As at March 31, 2023	As at March 31, 2022
As auditor		
Statutory audit	12.00	4.00
Tax audit	-	0.75
Others	6.90	-
Total	**18.90**	**4.75**

35 Contingent Liabilities and commitments

Contingent liabilities

A) Others

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debt*	265.00	-

*Claims against the Group not acknowledged as debt on account of ongoing arbitration/ legal dispute with one of the vendors of the Group. Based on the legal opinion on the matter and management's assessments of the facts of the case, no provision is required to be made for the matter. Pending resolution of the matter, it is not practicable to estimate the timing of cash outflows, if any.

B) Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 37,046.28 lakhs (March 31, 2022 Rs. Nil).

36 Leasing Arrangements

i) Where the Group is lessor

a) Amounts receivable under Finance lease -

The Group has entered into certain arrangements with its customers where the Group will supply electricity by installing solar power generating system at their customers' premises. The Group has determined, that fulfilment of these arrangements is dependent on the use of a specific asset and the arrangement conveys a right to use these specific asset to the customers. Accordingly, these arrangements qualify as arrangements in the form of lease as specified in Ind-AS 116. Based on the evaluation of terms and conditions of these arrangements, such as the contract term constituting a major part of the economic life of the specific assets, the fair value of the asset and that it has transferred the significant risks and rewards in these assets to the customers, these lease arrangements have been classified as finance leases.

Particulars	Gross Investment in lease		Present value of minimum lease payments	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Within one year	66.51	-	59.04	-
After one year but not more than five years	248.18	-	136.12	-
More than five years	297.30	-	65.94	-
	611.99	**-**	**261.10**	**-**
Less: Unearned finance income	350.89	-	-	-
Present value of minimum lease payments receivable	261.10	-	261.10	-
Allowance for uncollectible lease payments	-	-	-	-

Particulars	March 31, 2023	March 31, 2022
Current portion of finance lease receivables	59.04	-
Non-current portion of finance lease receivables	202.06	-

Particulars	March 31, 2023	March 31, 2022
Estimated unguaranteed residual value of assets under finance lease	-	-
Contingent rent recognised as income during the year	-	-
Interest rate inherent in the lease per annum	16.38% - 28.19%	-

(b) Operating Lease

The Group has leased a solar power generating system. The tenure of lease agreement is 15 years.

	March 31, 2023	March 31, 2022
Lease received for the year	-	-

Particulars	March 31, 2023	March 31, 2022
Future minimum lease rental receivables under non-cancellable operating leases are as follows:		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-

ii. Group as lessee

The Group has taken office building and lands on leases for a tenure of 5 to 29 years, and has extension option for office building as per mutual consent. There are no variable lease payments and residual value guarantees for these leases.

Extension and termination options are included in a number of leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations.

Carrying amounts of lease liabilities and the movements during the year:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
At the beginning of the year	446.32	-
Additions	726.66	475.50
Accretion of interest	57.69	9.98
Payments made	(225.48)	(39.16)
As at end of the year	1,005.19	446.32
Current portion of lease liabilities	112.18	99.56
Non-current portion of lease liabilities	893.01	346.76
Total	**1,005.19**	**446.32**

Details of amounts recognised in statement of profit and loss

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation expense of right-of-use assets	56.12	23.78
Interest expense on lease liabilities	21.59	9.98
Expense relating to leases of low-value assets (included in other expenses)	-	0.67
Total amount recognised in statement of profit or loss	**77.71**	**34.43**

37 Gratuity

A Defined Contribution plans

The group has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs 64.73 lakhs (31 March 2022 – Rs 12.21 lakhs).

B Defined Benefit plans and Other Long Term Plans

i Compensated Absences

The Compensated Absences cover the group's liability for earned leave which are classified as other long-term benefits.

The entire amount of the provision of Rs.39.58 lakhs (31 March 2022 – Rs. 10.29 lakhs) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	March 31, 2023	March 31, 2022
Leave obligations not expected to be settled within the next 12 months	32.06	10.29

ii Gratuity

The Holding Company operates a defined benefit plan viz. gratuity for its employees as per the Payment of Gratuity Act, 1972. Every employee who has completed at least specified years of service gets a gratuity on departure at 15 days (minimum) of the last drawn salary for each completed year of service. The Holding Company has not funded the liability as on March 31, 2023.

I Changes in the net benefit obligation is as follows :

Particulars	Amount
April 1, 2021	**-**
Current service cost	0.66
Total amount recognised in Profit or Loss	**0.66**
Total amount recognised in Other Comprehensive (Income)/Loss	**-**
Employer contributions	-
Benefits paid	-
Transfer In	20.03
March 31, 2022	**20.69**
Current service cost	**33.11**
Transfer In	4.49
Interest expense/(income)	2.21
Total amount recognised in Profit or Loss	**39.81**
Experience adjustments	(8.28)
Actuarial gain from change in financial assumptions	3.53
Total amount recognised in Other Comprehensive (Income)/Loss	**(4.75)**
Employer contributions	-
Benefits paid	(6.81)
March 31, 2023	**48.94**

III Significant assumptions

The principal actuarial assumptions were as follows :

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.40%	6.84%
Salary growth rate	9.00%	7.00%
Normal retirement age	60	60
Mortality table	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate
Employee turnover	12.00%	12.00%

IV Sensitivity analysis

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

Assumption	Impact on defined benefit obligation	
	March 31, 2023	March 31, 2022
Discount rate		
1.00% increase	Decrease by 3.11	Decrease by 0.07
1.00% decrease	Increase by 3.49	Increase by 0.07
Future salary increase		
1.00% increase	Increase by 2.93	Increase by 0.07
1.00% decrease	Decrease by 2.67	Decrease by 0.06
Attrition rate		
1.00% increase	Decrease by 0.27	Decrease by 0.00
1.00% decrease	Increase by 0.30	Increase by 0.00

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous periods.

The following are the expected cash flows/contribution to the defined benefit plan in future years:

Particulars	March 31, 2023	March 31, 2022
Within next 12 months	3.23	2.76
Between 2-5 years	22.15	8.49
Next 5 years	120.73	8.28

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2022: 6 yeas)

The Company expects to contribute Rs. 25 lakhs to gratuity fund in the next year (March 31, 2022 : Rs. Nil)

The provision of Rs. Nil (March 31, 2022: Rs. 20.03) is transferred from Holding Company on account of transfer of few employees from the Holding Company and it is receivable from the Holding Company, as Company is in process of setting up its own Gratuity Fund with LIC.

iii) Other long-term employee benefits

Group offers cash bonuses to certain managerial employees the amount of which is based on performance of group in a specific year. The amount of provision recognised for the long term employee benefit is Rs. 427.84 lakhs (31 March 2022 – Rs. Nil).

38 Interest in subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Sr. No.	Name of the entity	Place of business/ Country of incorporation	Ownership interest	
			March 31, 2023	March 31, 2022
1	First Energy TN 1 Private Limited (incorporated on January 29, 2022)*	India	74.00%	100.00%
2	First Energy 2 Private Limited (incorporated on March 30, 2022)*	India	74.00%	100.00%
3	First Energy 3 Private Limited (incorporated on May 05, 2022)*	India	74.00%	NA
4	First Energy 4 Private Limited (incorporated on December 07, 2022)	India	100.00%	NA
5	First Energy 5 Private Limited (incorporated on December 13, 2022)	India	100.00%	NA
6	First Energy 6 Private Limited (incorporated on March 23, 2023)	India	100.00%	NA
7	First Energy 7 Private Limited (incorporated on March 26, 2023)	India	100.00%	NA
8	Jalansar Wind Energy Private Limited (w.e.f June 22, 2022)*	India	74.00%	NA
9	Kanakal Wind Energy Private Limited (w.e.f June 22, 2022)*	India	74.00%	NA

*Excludes shares held by non-controlling shareholders for which Non-controlling interests have not been recognised as the Group has assessed that there is no risk reward relationship attributable to them (refer note 2.1 d (iii)).

39 Related party disclosures

A Parent entity

The group is controlled by the following entities:

Holding Company: Thermax Limited

Ultimate Holding Company: RDA Holdings Private Limited

B Related parties with whom there have been transactions during the year

i) Companies under common control :

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Onsite Energy Solutions Limited	India

C Key Management Personnel:

1 Mr. Ashish Bhandari - Director

2 Mr. Rajendran Arunachalam - Director

3 Mr. Hemant Mohagaonkar - Director

4 Mr. Navjit Gill - Chief Executive Officer
(w.e.f from November 1, 2021 and upto September 9, 2022)

5 Mr. Ravi Damaraju - Chief Executive Officer
(w.e.f September 9, 2022)

6 Mr. Mitish Somani - Chief Financial Officer
(w.e.f February 7, 2022)

7 Ms. Sampada Sakhare - Company Secretary

D Others

Enterprises over which control is exercised by Key Management Personnel of holding company:

1 Elgi Equipments Limited

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

F Transactions and closing balances with related parties

	Holding Company		Others		Companies under common control		Key Management Personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Share subscribed	11,394.00	2,600.00	-	-	-	-	-	-	**11,394.00**	**2,600.00**
Shares Application Money Received	-	2,750.00	-	-	-	-	-	-	**-**	**2,750.00**
Sales of products and services	95.41	-	50.05	-	67.43	128.20	-	-	**212.89**	**128.20**
Waiver of interest	-	337.68	-	-	-	-	-	-	**-**	**337.68**
Reimbursement of expenses received	16.28	-	-	-	-		-	-	**16.28**	**-**
Purchase of raw material and components and services/ products	10.32	-	-	-	-	-	-	-	**10.32**	**-**
Interest Expense on intercorporate loan	642.48	-	-	-	-	-	-	-	**642.48**	**-**
Reimbursement of expenses paid	137.82	43.94	-	-	-	-	-	-	**137.82**	**43.94**
Loan Taken	34,100.00	-	-	-	-	-	-	-	**34,100.00**	**-**
Loan Repaid	17,200.00	-	-	-	-	-	-	-	**17,200.00**	**-**
Redemption of preference shares	-	1,200.00	-	-	-	-	-	-	**-**	**1,200.00**
Asset Acquisition of Fixed Assets and Leases	-	-	-	-	782.90	-	-	-	**782.90**	**-**
Remuneration to key management personnel*	-	-	-	-	-	-	753.21	98.77	**753.21**	**98.77**

* Does not include provision for gratuity and leave encashment since the same is calculated for all employees of the company as a whole.

	Holding Company		Subsidiaries		Entities Controlled by Holding Company		Key Management Personnel and Individuals mentioned in E		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Outstanding balances as at the year end										
Trade receivable	90.02	-	19.13	-	2.40	81.98	-	-	111.55	81.98
Trade payables and other Liabilities	175.42	43.94	-	-	-	-	-	-	175.42	43.94
Capital Creditor	-	-			898.10	-	-	-	898.10	-
Advance Given	5.81	-	-	-	-	-	-	-	5.81	-
Advance Taken	4.79	-	-	-	-	-	-	-	4.79	-
Loan Taken	17,311.62	411.62	-	-	-	-	-	-	17,311.62	411.62
Interest Accrued	189.23	-	-	-	-	-	-	-	189.23	-
Salary Payable	-	-	-	-	-	-	16.19	-	16.19	-
Provision for long term incentive	-	-	-	-	-	-	309.54	-	309.54	-

Terms and conditions for outstanding balances

1 All outstanding balances are unsecured, interest free except for borrowings and payable in cash.

2 The sales to and purchases from related parties are assessed to be at arm's length by the management.

3 Key Management Personnel Compensation

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Short term employment benefits	443.67	98.77
Long-term employee benefits	309.54	-

40 Segment reporting

The Group is in business of providing green energy solutions to its customer which can be categorized in two verticles namely CAPEX Business and OPEX Business wherein CAPEX Business means providing behind the meter solutions like supply of solar power generating systems and related services and OPEX Business means power generation through open access solutions and related services. The Chief Operating Decision Maker (CODM) evaluates the Groups' performance and applies the resources to Groups' business has determined the operating segments based on the reports reviewed by the Board of Directors; that are used to make strategic decisions, allocation of resources and assessing the performance of the segments. The CODM evaluates the segments based on their revenue and operating results.

The CODM evaluates performance based on the revenues and operating profit for the two segments- CAPEX and OPEX. The composition of these segments is given below:

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

I. Information about Business Segments:

Sr. No.	Particulars	March 31, 2023	March 31, 2022
i	**Segment Revenue**		
	a. OPEX	251.37	-
	b. CAPEX	1,551.30	2,256.48
	Income From operations	**1,802.67**	**2,256.48**
ii	**Depreciation and amortization**		
	a. OPEX	119.15	-
	b. CAPEX	44.90	24.74
		164.05	**24.74**
iii	**Segment Results**		
	Profit before tax and interest from each segment		
	a. OPEX	(480.94)	(5.62)
	b. CAPEX	(1,606.28)	96.94
	Total	**(2,087.22)**	**91.32**
	Less : i) Finance cost	(70.09)	-
	ii) Other unallocable income	110.84	5.98
	Total profit before tax	**(2,046.47)**	**97.30**
iv	**Segment Assets**		
	a. OPEX	64,415.42	3,182.14
	b. CAPEX	2,242.96	3,465.64
	d. Unallocated	12,519.38	3,972.33
	Total Assets	**79,177.76**	**10,620.11**
v	**Segment Liabilities**		
	a. OPEX	46,787.35	2,883.14
	b. CAPEX	3,097.99	4,052.93
	d. Unallocated	17,312.52	411.62
	Total Liabilities	**67,197.86**	**7,347.69**

Reconciliations to amounts consolidated in financial statements

Reconciliation of profit

Particulars	As at March 31, 2023	As at March 31, 2022
Segment profit	(2,087.22)	**91.32**
Other income	110.84	5.98
Exceptional items	-	-
Finance cost	(70.09)	-
Profit before tax	**(2,046.47)**	**97.30**

* Mainly includes employee cost, legal and professional expenses, depreciation on unallocable assets, etc.

Reconciliation of assets

Particulars	As at March 31, 2023	As at March 31, 2022
Segment operating assets	66,658.38	**6,647.78**
Investments	37.84	35.77
Cash and bank balances	12,339.77	3,928.32
Income tax assets	65.83	7.35
Other unallocated assets (includes deferred tax, etc.)	75.94	0.89
Total assets	**79,177.76**	**10,620.11**

Reconciliation of liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Segment operating liabilities	49,885.34	6,936.07
Borrowings	17,311.62	411.62
Deferred tax liabilities	0.90	-
Total liabilities	**67,197.86**	**7,347.69**

II Information about geographic segment

Revenue from external customers

Particulars	As at March 31, 2023	As at March 31, 2022
India	1,682.57	2,256.48
Outside India	120.10	-
Total	**1,802.67**	**2,256.48**

Revenue from one top customer amounted to Rs.571.09 lacs (March 31, 2022: Rs. 1,839.52 lacs) arising from sales Engineering, Procurement and Construction of Solar power plant.

Non-current asset

Particulars	As at March 31, 2023	As at March 31, 2022
India	65,427.90	4,191.96
Outside India	-	-
Total	**65,427.90**	**4,191.96**

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

41 Assets Pledge as Security

Particulars	Notes	Amount Rs.
Current		
Financial Assets		
First Charge		
Cash and cash equivalents		9,881.63
Trade Receivables		105.90
Other current assets		153.13
Non-financial assets		
First Charge		
Other current assets		26.62
Total current assets pledged as security		10,167.28
Non-current		
Financial Assets		
First Charge		
Other assets		82.12
Non-financial assets		
First Charge		
Property, plant and equipment		9,638.99
Capital work-in-progress - Plant and machinery		38,126.56
Right of use asset - Leasehold Land		1,291.98
Other assets		1.88
Total non-currents assets pledged as security		49,141.53
Total assets pledged as security		59,308.81

42 Asset Acquisitions

A Details of asset acquisitions

i) Jalansar Wind Energy Private Limited

On June 22, 2022, the Company has signed a Share Purchase Agreement (SPA) with Sarjan Realities Private Limited, (the Sellers) for acquisition of 100% of Shares of Jalansar Wind Energy Private Limited ("JWEPL"). JWEPL is engaged in the business of Generation of Electricity using Renewable Energy. On completion of the conditions precedent to SPA, JWEPL has become subsidiary of the Company w.e.f. July 6, 2022.

ii) Kanakal Wind Energy Private Limited

On June 22, 2022, the Company has signed a Share Purchase Agreement (SPA) with Sarjan Realities Private Limited, (the Sellers) for acquisition of 100% of Shares of Kanakal Wind Energy Private Limited ("KWEPL"). KWEPL is engaged in the business of Generation of Electricity using Renewable Energy. On completion of the conditions precedent to SPA, KWEPL has become subsidiary of the Company w.e.f. July 6, 2022.

B Consideration Transferred

Particulars	JWEPL	KWEPL
Consideration paid in cash for purchase of Equity shares	1.00	1.00

C Net amount of Assets and Liabilities

Particulars	JWEPL	KWEPL
Assets	-	-
Intangible Asset	3.94	4.62
Other current financial assets	0.10	0.10
Total Assets Acquired	**4.04**	**4.72**
Liabilities		
Tax payable	3.04	3.72
Total Liabilities Assumed	**3.04**	**3.72**
Net Assets Acquired	**1.00**	**1.00**

43 I Fair value measurements

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	315.58	241.22
Finance Lease receivable	261.10	-
Other financial assets	574.63	112.37
Cash and cash equivalents	12,339.77	3,928.32
Bank balances other than cash and cash equivalents	0.94	0.89
Total	**13,492.02**	**4,282.80**
Current assets	12,901.93	4,200.87
Non-current assets	590.09	81.93
Total	**13,492.02**	**4,282.80**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit and loss

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets		
Investments		
Mutual funds	37.84	35.77
Total financial assets (Current)	**37.84**	**35.77**

Fair value of market linked mutual funds is determined using Net Asset Value (NAV) report issued by mutual fund house.

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	59,945.03	411.62
Lease Liability	1,005.19	446.32
Trade payable	370.25	4,875.24
Other liabilities	4,306.59	14.99
Total	**65,627.06**	**5,748.17**
Current liabilities	29,366.08	4,989.79
Non current liabilities	36,260.98	758.38
Total	**65,627.06**	**5,748.17**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Details of derivative liabilities

	As at March 31, 2023	As at March 31, 2022
Derivative instruments		
Derivative not designated as hedges		
Foreign exchange forward contracts	-	2.53
Total	**-**	**2.53**
Current liabilities	-	2.53
Non current liabilities	-	-
Total	**-**	**2.53**

The Group enters into derivative financial instruments in the nature of forward exchange contracts with banks. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs which captures credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies and currency basis spreads between the respective currencies. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Company's own non-performance risk.

II Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	March 31, 2023	-	37.84	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	March 31, 2022	-	35.77	-
Financial liabilities				
Foreign exchange forward contracts	March 31, 2022	-	2.53	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

44 Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations. The Group also holds FVTPL investments and enters into derivative transactions.

Risk is inherent in the Group's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing operations. The Group is exposed to market risk, credit risk and liquidity risk.

The Group's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. No significant changes were made in the risk management objectives and policies during the years ended March 31, 2023 and March 31, 2022. The management of the Company reviews and agrees policies for managing each of these risks which are summarised below:

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk. The management of the Group has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution and industry concentration, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in interest rate primarily relates to the Group's debt obligations with floating interest rates.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	34,679.30	-

Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on borrowings at variable interest rate. With all the other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

Impact on loss after tax	As at March 31, 2023	As at March 31, 2022
Interest rates - increase by 50 basis points	(9.15)	-
Interest rates - decrease by 50 basis points	9.04	-

b Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Group's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD.

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Foreign exchange risk is managed on the basis of limits determined by management and a continuous assessment of current and expected exchange rate movements and entering into derivative contracts (foreign currency forward contracts) that hedge the maximum period of exposure of underlying transactions (i.e. highly probable forecast sales and purchases).

The exposure to other foreign currencies is not significant to the Group's financial statements.

c Price risk

The Group's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. These securities are unquoted. The Group manages the price risk through placing limits on individual and total equity/ mutual fund instruments. Reports on the investment portfolio are submitted to the management on a regular basis. The Group is not currently exposed significantly to such risk.

II Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables, lease assets and contract assets) and from its investing activities, including deposits with banks and other financial instruments.

Trade receivables

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. There is no charge of impairment to Statement of profit and loss.

Expected credit loss for trade receivables under simplified approach

Trade receivables	As at March 31, 2023		As at March 31, 2022	
	Gross	Expected loss allowance	Gross	Expected loss allowance
Unbilled	78.3	-	-	-
Outstanding for following periods from the due date				
Not due	144.46	-	241.22	-
Less than 6 months	92.82	-	-	-
Total	**315.58**	**-**	**241.22**	**-**

Expected credit loss for contract assets under simplified approach

Contract assets	As at March 31, 2023		As at March 31, 2022	
	Gross	Expected loss allowance	Gross	Expected loss allowance
Not due	480.13	-	1,924.62	-
Less than 6 months	-	-	-	-
6 months - 1 year	20.36	-	-	-
Total	**500.49**	**-**	**1,924.62**	**-**

Credit risk from balances with banks and financial institutions is managed by the Group's finance department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Group's maximum exposure to credit risk for bank balances and deposits as at March 31, 2023 and March 31, 2022 is the carrying amounts as disclosed in Note 5, 10 and 11.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations. Due to the dynamic nature of the underlying businesses, group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Group's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

March 31, 2023	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	25,795.61	2,160.90	2,894.55	29,093.97
Lease Liabilities	112.18	331.94	213.27	1,859.77
Trade Payables	279.08	-	-	-
Other payables	3,088.04	288.00	13.76	3,334.27
Derivative	**-**	**-**	**-**	**-**
Foreign exchange forward contracts	-	-	-	-

March 31, 2022	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	-	411.62	-	-
Lease Liabilities	99.56	104.54	242.22	-
Trade Payables	4,875.24	-	-	-
Other payables	14.99	-	-	-
Derivative				
Foreign exchange forward contracts	2.53	-	-	-

45 Capital Management

The Group's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. No changes were made in the objectives, policies or processes during the years ended March 31, 2023 and March 31, 2022. Capital represents equity attributable to equity holders of the Company.

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	March 31, 2023	March 31, 2022
Borrowings	59,945.03	411.62
Lease Liabilities	1,005.19	446.32
Less: Cash and cash equivalents (includes other bank balances)	12,340.71	3,929.21
Less: Liquid investments	37.84	35.77
Net (surplus) / debt	**48,571.67**	**(3,107.04)**
Equity	**11,979.90**	**3,272.42**
Net Debt to Equity	**4.05**	**(0.95)**

Loan covenants

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous year.

46 Previous year's figures have been regrouped/reclassified where necessary to confirm to this years classification.

47 Other Statutory Information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

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

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

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

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(v) The Group has not made 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).

(vi) The Group had working capital limits of more than Rs. 5 cr. however, the group is not required to file quarterly returns or statement of current assets with the banks.

(vii) None of the Companies in the group have been declared willful defaulter by any bank or financial institution or government or government authorities.

48 Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

ii. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any funds from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

i. 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

ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

First Energy Private Limited

Notes to standalone financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

49 Additional Information as per Section 129 of the Companies Act, 2013 – Annexure I.

Annexure I

Additional information required by Schedule III

Disclosure of additional information pertaining to the parent company, and its subsidiaries: For the year ended March 31, 2023

	"Net Assets (Total assets-total liabilities)"		"Share in Profit and loss (PAT)"		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent Company								
First Energy Private Limited	85.24%	10,212.20	77.92%	(1,628.34)	100.00%	4.75	77.87%	(1,623.59)
Indian subsidiaries								
First Energy TN 1 Private Limited	17.34%	2,077.73	4.65%	(97.20)	0.00%	-	4.66%	(97.20)
First Energy 2 Private Limited	9.10%	1,090.13	2.43%	(50.68)	0.00%	-	2.43%	(50.68)
First Energy 3 Private Limited	81.08%	9,713.74	8.18%	(170.87)	0.00%	-	8.19%	(170.87)
First Energy 4 Private Limited	-0.42%	(50.23)	2.45%	(51.23)	0.00%	-	2.46%	(51.23)
First Energy 5 Private Limited	-1.01%	(121.21)	1.47%	(30.67)	0.00%	-	1.47%	(30.67)
First Energy 6 Private Limited	0.01%	1.00	0.00%	-	0.00%	-	0.00%	-
Jalansar Wind Energy Private Limited	1.69%	201.91	0.13%	(2.70)	0.00%	-	0.13%	(2.70)
Kanakal Wind Energy Private Limited	2.57%	308.11	0.19%	(3.98)	0.00%	-	0.19%	(3.98)
Consolidation Adjustment	(95.61%)	(11,453.48)	2.59%	(54.17)	0.00%	-	2.60%	(54.17)
Total	**100.00%**	**11,979.90**	**100.00%**	**(2,089.84)**	**100.00%**	**4.75**	**100.00%**	**(2,085.09)**

Disclosure of additional information pertaining to the parent company, and its subsidiaries: For the year ended March 31, 2022

	Net Assets (Total assets-total liabilities)		Share in Profit and loss (PAT)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent Company								
First Energy Private Limited	100.71%	3,295.54	104.48%	101.66	0.00%	-	104.48%	101.66
Indian subsidiaries								
First Energy TN 1 Private Limited	(0.71%)	(23.12)	-0.01%	(0.01)	0.00%	-	-0.01%	(0.01)
Total	**100%**	**3,272.42**	**100%**	**97.30**	**100%**	**-**	**100%**	**97.30**

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date: May 11, 2023

For and on behalf of the Board of Directors of First Energy Pvt. Ltd.

Rajendran Arunachalam
Director
DIN: 08446343

Hemant Mohgaonkar
Director
DIN :01308831

Ravi Damaraju
Chief Executive Officer

Mitish Somani
Chief Financial Officer

Sampada Sakhare
Company Secretary

Place: Pune
Date: May 10, 2023