Walker Chandiok & Co LLP
Chartered Accountants
21st floor, DLF Square, Jacaranda Marg,
DLF Phase II, Gurugram 122002

G. D. Singhal & Associates
Chartered Accountants
Malwal Road, Ferozepur City,
Punjab 152002, India

Independent Auditor's Report

To the Members of Universal Biomass Energy Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Universal Biomass Energy Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the 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 financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') 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.

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

4. The Company's Board of Directors are responsible for the other information. Other information 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.

   The Director Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in

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G.D. SINGHAL & ASSOCIATES FRN - 017648N FEROZEPUR CITY CHARTERED ACCOUNTANTS

equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

7. 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

8. 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 Standards on Auditing 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.

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism 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 system 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 Board of Directors' 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; and





- 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.

10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

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

13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying financial statements;

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 financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

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, as detailed in note 42(ii) to the financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2023.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 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 31 March 2023;

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45(i) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the

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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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 41 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nalin Jain
Partner
Membership No.:503498
UDIN: 23503498BGRGCL3594

Place: New Delhi
Date: 10 July 2023

For **G. D. Singhal & Associates**
Chartered Accountants
Firm Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No.: 098947
UDIN: 23098947BGUNUR5353

Place: New Delhi
Date: 10 July 2023

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Universal Biomass Energy Private Limited on the financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(b) The Company has a regular program of physical verification of its property, plant and equipment under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment during the year. Further, the Company does not hold any intangible assets and right of use assets.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the period. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) As disclosed in note 45(h) to the financial statements, the Company has been sanctioned a working capital limit in excess of Rs 50,000.00 thousand by banks or financial institutions based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks or financial institutions and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

(iii) (a) The Company has provided loan or guarantee to Others during the year as per details given below

Particulars	Guarantees (Rs. in thousands)	Loans (Rs. In thousands)
Aggregate amount provided during the year		
- Subsidiary	-	298,475.68
- Others	11,660,000.00	792,250.00
Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiary	-	298,475.68
- Others	11,485,100.00	792,250.00

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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Universal Biomass Energy Private Limited on the financial statements for the year ended 31 March 2023 (continued)

(b) In our opinion, and according to the information and explanations given to us, the guarantees provided during the year by the Company are not prejudicial to the Company's interest. However, according to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of loans granted by the company to its ultimate holding company and subsidiary (total loan amount granted Rs. 1,090,725.68 thousand and balance outstanding as at balance sheet date Rs. 1,090,725.68 thousand) are, prima facie, prejudicial to the Company's interest on account of the fact that the loans have been granted at interest free which is significantly lower than the cost of funds to the company and also lower than the prevailing yield of government security closest to the tenor of the loan.

(c) In respect of loans granted by the Company, the schedule of repayment of principal has not been stipulated and accordingly, we are unable to comment as to whether the repayments of principal are regular. Further, no interest is receivable on such loans.

(d) In the absence of stipulated schedule of repayment of principal in respect of loans, we are unable to comment as to whether there is any amount which is overdue for more than 90 days. Reasonable steps have been taken by the Company for recovery of such principal amounts. Further, no interest is receivable on such loans.

(e) In respect of loans granted by the Company, the schedule of repayment of principal has not been stipulated. Further, no interest is receivable on such loans. According to the information and explanation given to us, such loans have not been demanded for repayment as on date.

(f) The Company has granted loans which are repayable on demand or without specifying any terms or period of repayment, as per details below:

(Rs. In thousands)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	1,090,725.68 -	- -	1,090,725.68 -
Total (A+B)	1,090,725.68	-	1,090,725.68
Percentage of loans/advances in nature of loan to the total loans	100%	-	100%

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 of the Act. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 in respect of investments, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been deemed to be deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly





Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Universal Biomass Energy Private Limited on the financial statements for the year ended 31 March 2023 (continued)

reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates (AY)	Forum where dispute is pending
Income-tax Act, 1962	Income-tax	19,826.50	3,965.30	2018-19	Commissioner of Income-tax (Appeals)

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. Further, according to the information and explanations given to us, loans amounting to Rs. 438,028.70 thousand are repayable on demand and no interest is receivable on such loans. Further, such loans have not been demanded for repayment as on date.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.





Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Universal Biomass Energy Private Limited on the financial statements for the year ended 31 March 2023 (continued)

(f) According to the information and explanations given to us, the Company has not raised any 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, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

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

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 188 of the Act. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

(xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are 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, reporting under clause 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.





Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Universal Biomass Energy Private Limited on the financial statements for the year ended 31 March 2023 (continued)

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. 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 of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nalin Jain
Partner
Membership No.: 503498
UDIN: 23503498BGRGCL3594

Place: New Delhi
Date: 10 July 2023

For **G.D. Singhal & Associates**
Chartered Accountants
Firm Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No.: 098947
UDIN: 23098947BGUNUR5353

Place: New Delhi
Date: 10 July 2023

Annexure B to the Independent Auditor's Report of even date to the members of Universal Biomass Energy Private Limited on the financial statements for the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Universal Biomass Energy Private Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 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 include 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)





Annexure B to the Independent Auditor's Report of even date to the members of Universal Biomass Energy Private Limited on the financial statements for the year ended 31 March 2023 (continued)

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, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nalin Jain
Partner
Membership No.: 503498
UDIN: 23503498BGRGCL3594

Place: New Delhi
Date: 10 July 2023

For **G.D. Singhal & Associates**
Chartered Accountants
Firm Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No.: 098947
UDIN: 23098947BGUNUR5353

Place: New Delhi
Date: 10 July 2023

Universal Biomass Energy Private Limited
CIN- U40100PB2005PTC028850
Balance Sheet as at 31 March 2023

In Rs. thousands unless otherwise stated

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
Non current assets			
Property, plant and equipment	3	3,08,527.18	3,68,745.30
Capital work-in-progress	4	4,01,354.14	40,017.22
Financial assets			
Investments	5	2,100.00	10,236.48
Other financial assets	6	50,412.46	20,578.35
Deferred tax assets (net)	7	6,811.99	3,775.39
Other non current assets	8	1,98,060.23	93,252.45
Total non current assets		**9,67,266.00**	**5,36,605.19**
Current assets			
Inventories	9	2,79,994.32	3,00,903.31
Financial assets			
Investments	10	442.89	444.65
Trade receivables	11	79,494.73	49,124.38
Cash and cash equivalents	12	408.76	2,691.79
Bank balances other than cash and cash equivalents	13	58,523.43	-
Loans	14	10,90,725.68	-
Other financial assets	15	9,879.44	39,200.00
Other current assets	16	25,407.16	2,32,848.06
Total current assets		**15,44,876.41**	**6,25,212.19**
Total assets		**25,12,142.41**	**11,61,817.38**
Equity and liabilities			
Equity			
Equity share capital	17	2,81,420.00	2,81,420.00
Other equity	18	4,89,004.57	4,88,385.22
		7,70,424.57	**7,69,805.22**
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	19	8,82,522.17	64,290.55
Provisions	20	7,661.79	6,675.82
Total non current liabilities		**8,90,183.96**	**70,966.37**
Current liabilities			
Financial liabilities			
Borrowings	21	7,69,359.91	2,53,204.97
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	14,569.95	16,830.58
Other financial liabilities	23	59,775.90	38,552.10
Other current liabilities	24	1,741.73	7.49
Provisions	25	3,795.69	2,045.79
Current tax liabilities (net)	26	2,290.70	10,404.86
Total current liabilities		**8,51,533.88**	**3,21,045.79**
Total equity and liabilities		**25,12,142.41**	**11,61,817.38**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nalin Jain
Partner
Membership no. 503498

For G.D. Singhal & Associates
Chartered Accountants
Firm's Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership no. 098947

For and on behalf of the Board of Directors

Jasbir Singh
Director
DIN no- 01668231

Sukhbir Singh
Director
DIN no - 01785240

Ram Parvesh Gupta
Company Secretary
Membership no. F5585

Place: New Delhi
Date: 10 July 2023

Universal Biomass Energy Private Limited
CIN- U40100PB2005PTC028850
Statement of Profit and Loss for the year ended 31 March 2023

In Rs. thousands unless otherwise stated

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue			
Revenue from operations	27	5,20,731.41	5,29,574.89
Other income	28	5,055.35	936.88
Total revenue		**5,25,786.76**	**5,30,511.77**
Expenses			
Cost of materials consumed	29	2,51,841.99	2,60,759.48
Employee benefits expense	30	55,460.72	46,311.47
Finance costs	31	53,435.09	17,534.25
Depreciation expense	32	62,072.19	62,497.13
Other expenses	33	1,09,432.90	81,809.27
Total expense		**5,32,242.89**	**4,68,911.60**
Profit before tax		**(6,456.13)**	**61,600.17**
Tax expense			
Current tax		3,368.17	10,747.41
Earlier years taxes		(6,685.05)	-
Deferred tax benefit	7	(3,237.45)	(20,251.30)
Total tax expense		**(6,554.33)**	**(9,503.89)**
Profit for the year		**98.20**	**71,104.06**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurements of defined benefit plans		722.00	-
Income tax relating to items that will not be reclassified to profit or loss		(200.86)	-
Other comprehensive income		**521.14**	-
Total comprehensive income		**619.34**	**71,104.06**
Earnings per share	37		
Basic earnings per share		0.00	2.53
Diluted earnings per share		0.00	2.53
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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DIN no - 01785240

Ram Parvesh
Company Secretary
Membership no. F5585

Place: New Delhi
Date: 10 July 2023

Universal Biomass Energy Private Limited
CIN- U40100PB2005PTC028850
Statement of Cash Flows for the year ended 31 March 2023

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	(6,456.13)	61,600.17
Adjustments for:		
Depreciation and amortisation expense	62,072.19	62,497.13
Finance costs	53,435.09	17,534.25
Interest income on bank deposits	(2,722.92)	-
Fair value loss/(gain) on mutual fund	1.76	(87.98)
Operating profit before working capital changes	**1,06,329.99**	**1,41,543.57**
Movement in working capital		
(Increase)/ decrease in trade receivables	(30,370.35)	24,134.02
Decrease in inventories	20,908.99	50,375.94
Decrease in other current and non-current financial assets	38,025.92	(39,225.00)
Decrease/(increase) in other current and non-current assets	2,07,440.89	(1,08,167.76)
(Decrease)/increase in trade payables	(2,260.63)	2,761.37
Increase/ (decrease) in other current and non-current financial liabilities	14,723.03	(3,322.83)
Increase in provisions	3,457.88	8,721.61
Increase/ (decrease) in other current and non-current liabilities	1,734.24	(985.10)
Cash flows generated from operating activities post working capital changes	**3,59,989.96**	**75,835.82**
Income tax paid (net)	(4,797.29)	(7,147.14)
Net cash generated from operating activities (A)	**3,55,192.67**	**68,688.68**
B CASH FLOWS FROM INVESTING ACTIVITIES		
Payment made for property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)	(4,71,072.83)	(1,37,111.16)
Interest income on fixed deposit	2,722.92	-
Investment in equity instruments and partnership firm	(0.52)	(126.71)
Fixed deposits made during the year	(88,935.89)	-
Loans to related parties (net)	(10,90,725.68)	-
Net cash used in investing activities (B)	**(16,48,012.00)**	**(1,37,237.87)**
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from non current borrowings	11,15,604.98	56,606.20
Repayment of non current borrowings	(2,19,318.54)	(8,461.96)
Proceeds from current borrowings (net)	4,47,684.95	40,825.31
Finance costs paid	(53,435.09)	(18,249.44)
Net cash generated from financing activities (C)	**12,90,536.30**	**70,720.11**
(Decrease)/ Increase in cash and cash equivalents (A+B+C)	(2,283.03)	2,170.92
Cash and cash equivalents at the beginning of the year	2,691.79	520.87
Cash and cash equivalents at the end of the year	408.76	2,691.79

*Refer note 40 for reconciliation of liabilities from financing activities

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements

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For and on behalf of the Board of Directors

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DIN no- 01668231

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DIN no - 01785240

Ram Parvesh Gupta
Company Secretary
Membership no. F5585

Place: New Delhi
Date: 10 July 2023

Universal Biomass Energy Private Limited
CIN- U40100PB2005PTC028850
Statement of Changes in Equity for the year ended 31 March 2023

A Equity share capital

In Rs. thousands unless otherwise stated

Particulars	Balance as at 1 April 2021	Issue of equity share capital during the year	Balance as at 31 March 2022	Issue of equity share capital during the year	Balance as at 31 March 2023
Equity share capital	2,81,420.00	-	2,81,420.00	-	2,81,420.00

B Other equity

In Rs. thousands unless otherwise stated

Particulars	Reserve and surplus		Total
	Debenture redemption reserve	Retained earnings	
Balance as at 1 April 2021	-	**4,17,281.16**	**4,17,281.16**
Profit for the year	-	71,104.06	**71,104.06**
Balance as at 31 March 2022	-	**4,88,385.22**	**4,88,385.22**
Profit for the year	-	98.20	**98.20**
Other comprehensive income	-	521.14	**521.14**
Transferred from retained earnings to debenture redemption reserve	97,515.00	(97,515.00)	-
Balance as at 31 March 2023	**97,515.00**	**3,91,489.56**	**4,89,004.56**

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements

As per our report of even date

For Walker Chandiok & Co LLP
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Nalin Jain
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For and on behalf of the Board of Directors

Jasbir Singh
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Ram Parvesh
Company Secretary
Membership no. F5585

Place: New Delhi
Date: 10 July 2023

Universal Biomass Energy Private Limited
CIN- U40100PB2005PTC028850
Notes to Financial Statements for the year ended 31 March 2023

1 i) Corporate information

The Company Universal Biomass Energy Private Limited was incorporated as of 23 August 2005 under the Companies Act, 1956. The Company is domiciled in India with its registered office situated at Faridkot Road, Guruharsahai, Distt. Ferozepur, Punjab. The Company are primarily involved in renewable power generation and having biomass power generation plant at Channu, District Muksar, Punjab.

The financial statements have been authorised for issue by the Board of Directors on 10 July 2023.

ii) Amended Accounting Standards (Ind AS) and interpretations effective during the year

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The amendment did not have any material impact on financial statements of the Company.

Ind AS 16 – Proceeds before intended use

The amendment specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. The amendment did not have any material impact on financial statements of the Company.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment did not have any material impact on financial statements of the Company.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The amendment did not have any material impact on financial statements of the Company.

2 Significant accounting policies

2.01 Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the relevant provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Refer 1 (ii) above for certain amendments to the standards which have become effective for annual periods beginning on or after 1 April 2022.

The financial statements are presented in INR and all values are rounded to the nearest thousands with two decimals except where otherwise indicated.

Historical cost convention

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments) at fair value, if any.

2.02 Use of estimates

The preparation of financial statement in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.03 Foreign currency translation

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

2.04 Revenue

Revenue from contracts with customers is recognised 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.

A) Sale of electricity

i) Revenue from supply of power is recognised net of and consumption when the power is supplied as it best depicts the value of the customer and complete satisfaction of performance obligation.

Revenue from sale of power is recognized when persuasive evidence of an arrangement exists, the fee is fixed or determinable, energy kilowatts are supplied and collectability is reasonably assured. Revenue is based on the energy kilowatts actually supplied to customers multiplied by the rate per kilo-watt hour agreed to in the respective power purchase agreement (PPAs). The energy kilowatts supplied by the entity are validated by the customer prior to billing and recognition of revenue.

B) Interest income

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 the financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

2.05 Borrowing costs

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

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G D SINGHAL & ASSOCIATES ★ FRN : 017648N FEROZEPUR CITY ★ CHARTERED ACCOUNTANTS ★

Universal Biomass Energy Private Limited

2.06 Property, plant and equipment

Property, plant and equipments are carried at cost less accumulated depreciation. The cost of items of the property, plant and equipment comprises its purchase price net of any trade discount and rebate, any import duties and other taxes (other than those subsequently recoverable from tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment upto the date the asset is ready for its intended use.

Whenever significant parts of the property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Based on technical assessment made by technical expert and management estimate, the Company have assessed the estimated useful lives of certain property, plant and equipment that are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.

Depreciation on assets provided as follows:-

Estimated useful life

Asset category	Estimated useful life (in years)
Buildings	30
Plant and equipments	15
Furniture and fittings	10
Office equipments	5
Computers	3
Vehicles	8-10

Method of depreciation

- Depreciation is provided on straight line method (SLM) for all class of assets of the Company.

2.07 Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The date used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses are charged in the Statement of Profit and Loss. Further, impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount. The reversal is limited so that the carrying 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 recognised for the asset in prior period.

2.08 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and, except for trade receivables which do not contain a significant financing component, these are measured initially at:

a) fair value, in case of financial instruments subsequently carried at fair value through Profit and Loss (FVTPL);
b) fair value adjusted for transaction costs, in case of all other financial instruments.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when the underlying obligation specified in the contract is discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Different criteria to determine impairment are applied for each category of financial assets, which are described below.
For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets, derivatives and equity instruments at FVTPL

(1) Financial assets at amortised cost

Classification and subsequent measurement of financial assets

Financial assets

The financial assets is measured at the amortised 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 amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Profit and Loss. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of Profit and Loss.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

G.D. SINGHAL & ASSOCIATES * FRN : 017648N FEROZEPUR CITY * CHARTERED ACCOUNTANTS *

Universal Biomass Energy Private Limited

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 for financial assets carried at amortised cost.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider :

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of inpairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, life time impairment loss is provided otherwise provides for 12 month expected credit losses.

(2) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets at fair value through other comprehensive income (FVOCI). Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset give rise on specified dates to cash flows that represent solely payment of principal and interest.

(3) Financial assets at fair value through Profit and Loss (FVTPL)

Financial assets at fair value through profit or loss (FVTPL). Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

(4) Financial liability

The Company's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are measured subsequently at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in Profit and Loss. For trade and other payables maturing with in one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity os these instruments.

Offsetting of financial assets and financial liabilities

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.09 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ noncurrent classification.

An entity shall classify an asset as current when-

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

An entity shall classify all other assets as non-current.

An entity shall classify a liability as current when-

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in it settlement by the issue of equity instruments do not affect its classification.

An entity shall classify all other liabilities as non-current.

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

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

2.10 Income taxes

Tax expense comprises current and deferred tax. Tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable on the taxable income for the year. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria is met. Current Income tax related to items recognised in other comprehensive income or directly in equity is recognised in other comprehensive income or in equity as the case may be.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and tax base i.e. amounts used for taxation purposes.

A deferred tax asset is recognised for unused tax losses, unabsorbed depreciation, deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. A deferred tax liability is recognised in respect of taxable temporary differences.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss either in comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

G.D. SINGHAL & ASSOCIATES ★ FRN : 017648N FEROZEPUR CITY ★ CHARTERED ACCOUNTANTS

Universal Biomass Energy Private Limited

MAT credit

The Company recognises MAT credit available as a deferred tax asset only to the extent that there is reasonable evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

2.12 Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligations as a whole.

Any reimbursement that the entities forming part of Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resource is remote.

Contingent liabilities are disclosed by way of note unless the possibility of outflow is remote. Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

2.13 Inventories

Raw materials, Stores, Spares and Other Materials are valued as follows:
Lower of cost and net realizable value. However, materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on weighted average cost 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.

2.14 Investment in subsidiaries

The Company has elected to recognize its investments in subsidiaries at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements', less accumulated impairment loss, if any. Cost represents amount paid for acquisition of the said investments.
The Company has elected to continue with the carrying value for all of its investments in subsidiaries as recognised in the financial statements. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss. Investment in equity shares of subsidiaries are carried at cost.

2.15 Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are classified as short-term employee benefits. These benefits include salaries and wages, short-term bonus, pension, incentives etc. These are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment benefits plans

The Company provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

The Company pays fixed contribution into independent entities in relation to several state plans and insurances for individual employees. The Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

Defined benefit plans

Under the Company's defined benefit plans, the amount of benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the entities forming part of company, even if plan assets for funding the defined benefit plan have been set aside. Plan assets may include assets specifically designated to a long-term benefit fund as well as qualifying insurance policies.

The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets.

Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Service cost of the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in Profit and Loss. Gains and losses resulting from re-measurements of the net defined benefit liability are included in other comprehensive income.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Re measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the profit or loss.

2.16 Significant management judgement in applying accounting policies

When preparing the financial statement, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

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Impairment of non-financial assets
In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

2.17 Earnings per share
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.18 Amendment to Accounting Standards (Ind AS) issued but not yet effective
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA, vide its circular dated 31 March 2023 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 to further amend the Companies (Indian Accounting Standards) Rules, 2015 as below:

Ind AS 1 Presentation of Financial Statement
Requirement to disclose 'material accounting policies' instead of 'significant accounting policies' and related guidance included to determine whether the policy is material or not.

Ind AS 8 Accounting Policies, Change in Accounting Estimates and Errors
Definition of 'accounting estimates' now included in the standard enabling distinction between change in accounting estimates from change in accounting policies.

Ind AS 12 Income Taxes
Transactions that does not give rise to equal taxable and deductible temporary differences at the time of initial transaction have now been included in the exemptions for recognition of deferred tax liability and deferred tax assets in case of taxable temporary differences.

The Company is currently evaluating the impact of the above amendments on its financial statements and does not expect any significant impact on its financial statements.

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CIN- U40100PB2005PTC028850
Notes to Financial Statements for the year ended 31 March 2023

3 Property, plant and equipment

Details of company property, plant and equipment and their carrying amounts are as follows:

In Rs. thousands unless otherwise stated

Particulars	Freehold land^	Buildings	Plant and equipments	Furniture and fittings	Office equipments	Computers	Vehicles	Total
Gross block								
Balance as at 01 April 2021	**21,931.44**	**1,93,700.74**	**7,30,443.62**	**1,643.90**	**1,474.75**	**933.24**	**52,514.77**	**10,02,642.46**
Addition during the year	-	6.14	10,389.48	4.47	-	-	1,099.07	11,499.16
Disposal	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	**21,931.44**	**1,93,706.88**	**7,40,833.10**	**1,648.37**	**1,474.75**	**933.24**	**53,613.84**	**10,14,141.62**
Addition during the year	-	1,057.83	-	718.70	-	452.54	-	2,229.07
Disposal	-	-	-	-	-	-	375.00	375.00
Balance as at 31 March 2023	**21,931.44**	**1,94,764.71**	**7,40,833.10**	**2,367.07**	**1,474.75**	**1,385.78**	**53,238.84**	**10,15,995.69**
Accumulated depreciation								
Balance as at 01 April 2021	-	**72,115.84**	**4,64,417.37**	**1,557.13**	**1,411.38**	**788.03**	**42,609.41**	**5,82,899.16**
Charge during the year	-	6,243.20	55,254.16	2.21	-	-	997.59	62,497.16
Disposal	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	-	**78,359.04**	**5,19,671.53**	**1,559.34**	**1,411.38**	**788.03**	**43,607.00**	**6,45,396.32**
Charge during the year	-	6,251.74	54,861.81	6.36	-	3.66	1,005.07	62,128.64
Disposal	-	-	-	-	-	-	56.45	56.45
Balance as at 31 March 2023	-	84,610.78	5,74,533.34	1,565.70	1,411.38	791.69	44,555.62	7,07,468.51
Net block								
Balance as at 31 March 2022	21,931.44	1,15,347.84	2,21,161.57	89.04	63.37	145.20	10,006.84	3,68,745.30
Balance as at 31 March 2023	21,931.44	1,10,153.93	1,66,299.76	801.37	63.37	594.09	8,683.22	3,08,527.18

(i) Refer note 38 for details of assets pledged.
^The title deeds of all the freehold land are in the name of the Company and are pledged with the lender.

4 CAPITAL WORK-IN-PROGRESS

In Rs. thousands unless otherwise stated

Particulars	As at 31 March 2023	As at 31 March 2022
Capital work-in-progress		
Opening balance	40,017.22	-
Addition during the year	3,61,336.92	40,017.22
Closing balance	**4,01,354.14**	**40,017.22**

Capital work-in-progress ageing schedule for the year ended 31 March 2023 and 31 March 2022 is as follows

Particulars	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 as of 31 March 2023	3,61,336.92	37,935.22	2,082.00	-	4,01,354.14
Project in progress as of 31 March 2022	37,935.22	2,082.00	-	-	40,017.22

*Expenditure of Rs 401,354.14 thousands (31 March 2022: Rs 40,017.22 thousand) has been incurred on 14.5 MW Biomass Plant till 31 March 2023.

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In Rs. thousands unless otherwise stated

Particulars	As at 31 March 2023	As at 31 March 2022
5 Non-current investments		
Investment in equity instruments (unquoted) (at FVTPL)		
Sindh Renewable Energy Private Limited 200,000 shares of face value of Rs. 10 each	2,000.00	2,000.00
Dr. H.S. Awla Foundation 1,000 shares of face value of Rs. 10 each	-	10.00
Investment in subsidiary (unquoted) (at cost)		
Chattargarh Renewable Energy Private Limited 10,000 shares of face value of Rs. 10 each	100.00	100.00
Investment in partnership firms (unquoted) (at FVTPL)		
M/S Sukhbir Singh and Co	-	8,126.48
	2,100.00	**10,236.48**
Aggregate amount of unquoted investment	2,100.00	10,236.48
Aggregate amount of quoted investments at market value	-	-
Aggregate of impairment amount in investments	-	-
6 Other financial assets - non current		
Fixed deposits with banks having maturity beyond 12 months	30,412.46	-
Security deposits		
-related parties	20,000.00	20,000.00
-others	-	578.35
	50,412.46	**20,578.35**
7 Deferred tax assets/liabilities (net)		
Deferred tax assets arising on:		
Minimum alternate tax	31,796.23	35,112.25
Provision for doubtful debts	5,613.62	-
Employee benefits	2,986.61	2,539.73
Deferred tax liabilities arising on:		
Property, plant and equipment	(33,584.47)	(33,876.59)
Deferred tax assets/ (liabilities) (net)	**6,811.99**	**3,775.39**

Particulars (2022-23)	As at 31 March 2022	(Expenses)/ benefit recognised in statement of profit and loss	Recognised in other comprehensive income/ other equity	As at 31 March 2023
Assets				
Minimum alternate tax	35,112.25	(3,316.02)	-	31,796.23
Employee benefits	2,539.73	647.75	(200.86)	2,986.61
Provision for doubtful debts	-	5,613.62	-	5,613.62
Liabilities				
Property, plant and equipment	33,876.59	(292.12)	-	33,584.47
Total	**3,775.39**	**3,237.45**	**(200.86)**	**6,811.99**

Particulars (2021-22)	As at 1 April 2021	(Expenses)/ benefit recognised in statement of profit and loss	Recognised in other comprehensive income/ other equity	As at 31 March 2022
Assets				
Minimum alternate tax	24,364.84	10,747.41	-	35,112.25
Employee benefits	-	2,539.73	-	2,539.73
Liabilities				
Property, plant and equipment	40,840.75	(6,964.16)	-	33,876.59
Total	**(16,475.91)**	**20,251.30**	**-**	**3,775.39**

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Universal Biomass Energy Private Limited

MAT credit expiry in Company

Particulars	31 March 2023	31 March 2022
31 March 2038	3,368.17	-
31 March 2037	4,062.36	4,062.36
31 March 2036	6,966.67	6,966.67
31 March 2035	7,222.00	7,222.00
31 March 2034	2,236.52	2,236.52
31 March 2033	2,430.05	2,430.05
31 March 2032	3,087.78	3,087.78
31 March 2030	2,422.68	2,421.83
Total	**31,796.23**	**28,427.20**

Effective tax reconciliation

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit/(loss) before tax	(6,456.13)	61,600.17
Applicable tax rate*	27.82%	29.12%
Expected tax expense [A]	**(1,796.11)**	**17,937.97**
Reversal during tax holiday period	(2,597.30)	(17,968.21)
(Recognition)/reversal of minimum alternate tax	3,316.02	(10,747.41)
Earlier year tax expenses	(6,685.05)	-
Impact for changes in tax rates	-	-
Others	1,208.09	1,273.76
Total adjustments [B]	**(4,758.23)**	**(27,441.86)**
Actual tax expense [C=A+B]	**(6,554.34)**	**(9,503.89)**
Total tax incidence	(6,554.33)	(9,503.89)
Tax expense recognized in statement of profit and loss [D]	**(6,554.33)**	**(9,503.89)**

The applicable tax rate is the domestic tax rate applicable to the Company - 31 March 2023 : 27.82% (31 March 2022: 29.12%).
*Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') issued by Ministry of Law and Justice (Legistive Department) which is effective 1 April 2019, domestic companies have the option to pay corporate income tax at a concessional tax rate of 25.17% accompanied with immediate expiry of carry forward balance of Minimum Alternative Tax credit and certain other concessional tax rate benefits enjoyed presently by the entity as per Sec 115BAA of the Income Tax Act, 1961.
During the previous year's and current year , the Company has reviewed the implications of Ordinance on its tax liability for the yearand has not opted the concessional tax rate of 25.17%. The Company has filed its income tax return for Financial Year 2021-22 (AY 2022-23) under old tax regime by not opting concessional tax regime as per Sec 115BAA of the Income Tax Act, 1961.

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In Rs. thousands unless otherwise stated

Particulars	As at 31 March 2023	As at 31 March 2022
8 Other non current assets		
Capital advances	1,94,094.93	89,287.15
Deposit under protest with government authorities	3,965.30	3,965.30
	1,98,060.23	**93,252.45**
9 Inventories		
Raw materials and components	2,75,942.44	2,75,606.25
Stores and spares	4,051.88	25,297.06
	2,79,994.32	**3,00,903.31**
10 Current investments		
Investment in mutual fund (quoted) (at FVTPL)	442.89	444.65
	442.89	**444.65**
Aggregate purchase price of quoted investments	100.00	100.00
Aggregate carring value of quoted investments	442.89	444.65
11 Trade receivables		
Considered good	79,494.73	49,124.38
	79,494.73	**49,124.38**

Notes
Refer note 38 for information on assets under charges.
Refer note 34 for exposure the credit risk, loss allowance and aging analysis related to trade receivable.

Trade receivable ageing schedule as at 31 March 2023

31 March 2023	Outstanding for following periods from the due date of payment							
	Unbilled Dues	Not due	Less than 6 months	6 months to 1 years	1-2 years	2-3years	More than 3 years	Total
Undisputed trade receivable								
Considered good	-	61,753.22	-	-	17,741.51	-	-	79,494.73
Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivable								
Considered good	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	-	**61,753.22**	**-**	**-**	**17,741.51**	**-**	**-**	**79,494.73**

Trade receivable ageing schedule as at 31 March 2022

31 March 2022	Outstanding for following periods from the due date of payment							
	Unbilled Dues	Not due	Less than 6 months	6 months to 1 years	1-2 years	2-3years	More than 3 years	Total
Undisputed trade receivable								
Considered good	-	31,382.80	0.07	-	17,741.51	-	-	49,124.38
Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivable								
Considered goods	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	-	**31,382.80**	**0.07**	**-**	**17,741.51**	**-**	**-**	**49,124.38**

12 Cash and cash equivalents		
Cash on hand	401.43	1,409.31
Balances with bank - current accounts	7.33	1,282.48
	408.76	**2,691.79**
13 Bank balances other than cash and cash equivalents		
Fixed deposits with remaining maturity more than 3 months and less than 12 months	58,523.43	-
	58,523.43	**-**

*Deposits of Rs. 58,523.43 thousand (31 March 2022: Rs. Nil thousand) is pledged with banks on account of Debt Service Reserve Account and margin against Bank Guarantee.

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In Rs. thousands unless otherwise stated

Particulars	As at 31 March 2023	As at 31 March 2022
14 Loans		
Loans to related parties*#	10,90,725.68	-
	10,90,725.68	-

* Loan given to related parties are interest free and repayable on demand
# refer note 36

Details of loans or advances in the nature of loans granted to promoter, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment

As at 31 March 2023

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related parties	10,90,725.68	100.00%

As at 31 March 2022

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related parties	-	-

15 Other financial assets		
Other receivable	9,879.44	39,200.00
	9,879.44	**39,200.00**
16 Other current assets		
Advance to vendors	21,333.50	2,30,682.63
Prepaid expenses	3,514.56	2,097.86
Other assets	559.10	67.57
	25,407.16	**2,32,848.06**

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CHARTERED ACCOUNTANTS

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Notes to Financial Statements for the year ended 31 March 2023

17 Equity share capital

The financial statements represent a legal entity structure. The share capital of the company as below.

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Authorised	3,00,00,000	3,00,000.00	3,00,00,000	3,00,000.00
	3,00,00,000	3,00,000.00	3,00,00,000	3,00,000.00
Issued and subscribed and fully paid up	2,81,42,000	2,81,420.00	2,81,42,000	2,81,420.00
Total	**2,81,42,000**	**2,81,420.00**	**2,81,42,000**	**2,81,420.00**

1. Reconciliation of equity share capital outstanding at the beginning and at the end of the reporting year

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	2,81,42,000	2,81,420.00	2,81,42,000	2,81,420.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	2,81,42,000	2,81,420.00	2,81,42,000	2,81,420.00

2. Shares held by Holding Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
SAEL Limited*	2,81,42,000	2,81,420.00	2,81,42,000	2,81,420.00

*including share held by nominee shareholder

3. Number of shares held by each shareholder holding more than 5% Shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
SAEL Limited*	2,81,42,000	100.00	2,81,42,000	100.00
Total	**2,81,42,000**	**100.00**	**2,81,42,000.00**	**100.00**

*including share held by nominee shareholder

4. Disclosure of shareholdings of promoters as follows

Particulars	As at 31 March 2023		As at 31 March 2022		% change in shareholding pattern
	No. of Shares	% of holding	No. of Shares	% of holding	
SAEL Limited	2,81,41,999	99.99	2,81,41,999	99.99	-
Jasibr Singh (Nominee of M/s SAEL Limited)	1	0.01	1	0.01	-
Total	**2,81,42,000**	**100.00**	**2,81,42,000**	**100.00**	

4. Terms/rights attached to equity shares

The company have only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the comapny will pay dividends in Indian rupees.

In the event of liquidation of company, the holders of equity shares of such company will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the company.

5. Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last 5 years for each class of shares.

The company has not issued any shares pursuant to a contract without payment being received in cash, allotted as fully paid up by way of bonus shares nor has there been any buy-back of shares in the current year and immediately preceding five years.

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Universal Biomass Energy Private Limited

In Rs. thousands unless otherwise stated

Particulars	As at 31 March 2023	As at 31 March 2022
18 Other equity		
Retained earnings		
Opening balance	4,88,385.22	4,17,281.16
Net profit during the year	98.20	71,104.06
Remeasurement of post-employment benefit obligation during the year	722.00	-
Tax effect on remeasurement during the year	(200.86)	-
Debenture redemption reserve created during the year	(97,515.00)	
Balances at the end of the year	**3,91,489.57**	**4,88,385.22**
Debenture redemption reserve		
Opening balance	-	-
Transfer from retained earnings	97,515.00	-
Balances at the end of the year	**97,515.00**	**-**
Total other equity	**4,89,004.57**	**4,88,385.22**

Securities premium
Securities premium reserve represents premium received on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings
All the profits or losses made by the company are transferred to retained earnings from statement of profit and loss.

Debenture redemption reserve
The Company is required to create a Debenture Redemption Reserve out of the profits which are available for payment of dividend for the purpose of redemption of non convertible debentures. Accordingly debenture redemption reserve has been created to the extent of 10% of oustanding balance of non convertible debentures as on 31 March 2023.

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Universal Biomass Energy Private Limited ★

In Rs. thousands unless otherwise stated

	Particulars	As at 31 March 2023	As at 31 March 2022
19	**Non-current borrowings**		
	Secured*		
	Term loan from banks*	1,300.40	64,290.55
	Non convertible debentures*	8,81,221.77	-
		8,82,522.17	**64,290.55**
	* Refer note 35 for terms of borrowings.		
20	**Provisions (non-current)**		
	Provision for employee benefits		
	Provision for gratuity (refer note 44)	7,661.79	6,066.11
	Provision for compensated absences	-	609.71
		7,661.79	**6,675.82**
21	**Current borrowings**		
	Secured		
	Cash credit facility from banks#	2,49,647.28	1,88,229.71
	Current maturity of non current borrowings		
	-term loan*	600.08	13,203.94
	-non convertible debentures*	81,083.85	-
	Unsecured		
	Loan from related parties**	4,38,028.70	51,771.32
		7,69,359.91	**2,53,204.97**

#Cash credit facility from banks on consortium / standalone basis are secured against entire current assets of the Company by hypothecation of present and future stocks of raw material, finished goods, packing material, spare parts on the basis of first pari-passu charge of the respective units with consortium members banks equitable mortgage of specific properties at various units/ locations in the name of directors, family members and personal guarantees of directors and family members.

**Loan from related parties are interest free and repayable on demand.

* Refer note 35 for terms of borrowings.

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Universal Biomass Energy Private Limited

In Rs. thousands unless otherwise stated

Particulars	As at 31 March 2023	As at 31 March 2022
22 Trade payables		
Due to micro enterprises and small enterprises (refer note below)	-	-
Due to others	14,569.95	16,830.58
	14,569.95	**16,830.58**

Note:-

a	Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006'):		
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
ii)	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payments made to the supplier beyond the appointed day	-	-
iii)	The amount of interest due and payable for the period of delay in making payments (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
iv)	The amount if interest accrued and remaining unpaid at the end of each accounting year, and	-	-
v)	The amount of further interest remaining due and payable even in the succeeding year, 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	-	-
		-	-

The above information regarding dues to Micro, Small and Medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 has been determined to the extend identified and information available with the Company pursuant to Section 22 of the Micro, Small and Medium enterprises Development Act (MSMED), 2006.

Trade payable ageing schedule as at 31 March 2023 and 31 March 2022

31 March 2023	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME*	-	-	-	-	-	-
Undisputed dues - Others	-	14,569.95	-	-	-	14,569.95
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total trade payables	-	**14,569.95**	-	-	-	**14,569.95**

31 March 2022	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME*	-	-	-	-	-	-
Undisputed dues - Others	-	15,075.77	1,112.52	355.97	286.32	16,830.58
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total trade payables	-	**15,075.77**	**1,112.52**	**355.97**	**286.32**	**16,830.58**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

23 Other financial liabilities		
Capital creditors	10,665.46	4,164.69
Employee related liabilities	192.35	3,203.34
Retention money	5,000.00	5,000.00
Others	43,918.09	26,184.07
	59,775.90	**38,552.10**

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Universal Biomass Energy Private Limited

In Rs. thousands unless otherwise stated

Particulars	As at 31 March 2023	As at 31 March 2022
24 Other current liabilities		
Payable to statutory authorities	1,741.73	7.49
	1,741.73	**7.49**
25 Provisions (current)		
Provision for employee benefits		
Provision for gratuity (refer note 44)	1,753.13	1,825.51
Provision for compensated absences	2,042.56	220.28
	3,795.69	**2,045.79**
26 Current tax liabilities (net)		
Provision for tax (net)	2,290.70	10,404.86
	2,290.70	**10,404.86**

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In Rs. thousands unless otherwise stated

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
27 Revenue from operations		
Sale of electricity	5,20,731.41	5,29,574.89
	5,20,731.41	**5,29,574.89**
28 Other income		
Interest income on bank deposits	2,722.92	-
Fair value gain on mutual fund	-	87.98
Scrap sale	2,286.90	-
Miscellaneous income	45.53	848.90
	5,055.35	**936.88**

Revenue from contracts with customers

a) Disaggregation of revenue

Set out below is the disaggregation of the company revenue from contracts with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(A) Revenue from contracts with customers		
Based on nature of goods/services		
Sale of electricity	5,20,731.41	5,29,574.89
(B) Other revenue		
(i) Interest income on bank deposits	2,722.92	-
(ii) Fair value gina on mutual fund	-	87.98
(iii) Scrap Sale	2,286.90	
(iii) Miscellaneous income	45.53	848.90
Total revenue	**5,25,786.76**	**5,30,511.77**

b) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Receivables		
Unbilled revenue for passage of time	-	-
Net receivables (a)	-	-
Revenue recognised in relation to contract liabilities		
a. Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	-	-
b. Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous period	-	-
Total contract liabilities	-	-

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

There are no contract assets and the contract liabilities during the year (31 March 2022: nil), therefore disclosure regarding significant changes in contract assets and contract liabilities is not given.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contract	5,34,910.44	5,42,720.72
Adjustments: rebate and discounts	14,179.03	13,145.83
Revenue from contract with customers	**5,20,731.41**	**5,29,574.89**

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Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022

d) Transaction price - remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the Company's performance completed till the reporting period.

e) There is no significant estimate involved in the recognition of revenue from contract.

29 Cost of material consumed		
Cost of material consumed	2,51,841.99	2,60,759.48
	2,51,841.99	**2,60,759.48**
30 Employee benefits expense		
Salaries, wages and bonus	51,101.41	43,470.75
Contribution to provident and other funds	3,079.09	1,819.71
Staff welfare expenses	1,280.22	1,021.01
	55,460.72	**46,311.47**
31 Finance costs		
Interest costs on:		
- borrowings	17,752.18	17,231.19
- non convertible debentures	34,468.26	-
- others	270.91	303.06
Other borrowing cost	943.74	-
	53,435.09	**17,534.25**
32 Depreciation expense		
Depreciation expense (refer note 3)	62,072.19	62,497.13
	62,072.19	**62,497.13**
33 Other expenses		
Consumption of stores and spares	11,477.74	16,919.79
PEDA share expense	37,443.73	37,990.45
Repairs and maintenance		
Plant and equipments	6,209.25	6,332.17
Others	1,210.22	2,017.74
Rent and hire charges	765.65	-
Rates and taxes	590.70	2,692.87
Insurance	4,340.42	2,199.48
Travelling and conveyance	807.12	658.78
Legal and professional fees	3,055.85	-
Printing and stationary	285.90	206.31
Payment to auditors (refer note a below)	400.00	596.00
Provision for doubtful debts	20,178.35	-
Bad debts	1,092.58	-
Bank charges	1,640.61	579.53
Telephone expenses	383.15	287.36
Donation	5,029.10	-
Fair value loss on mutual fund	1.76	-
Corporate social responsibility (refer note 43)	1,288.59	-
Water charges	9,144.68	8,811.10
Miscellaneous expenses	4,087.50	2,517.69
	1,09,432.90	**81,809.27**

note:-

a) payment to auditors as		
auditors	400.00	596.00
	400.00	**596.00**

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34 Financial instruments

(i) Fair value hierarchy

There are no financial assets or liabilities measured at fair value in these financial statements expect stated below.

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial instruments by category

In Rs thousand unless otherwise stated

Particulars	31 March 2023		31 March 2022	
	FVTPL*	Amortised cost	FVTPL*	Amortised cost
Financial assets				
Loans	-	10,90,725.68	-	-
Investments**	2,442.89	-	10,581.13	-
Other financial assets	-	60,291.91	-	59,778.35
Trade receivable	-	79,494.73	-	49,124.38
Cash and cash equivalents	-	408.76	-	2,691.79
Other bank balances	-	58,523.43	-	-
Total financial assets	**2,442.89**	**12,89,444.51**	**10,581.13**	**1,11,594.52**
Financial liabilities				
Borrowings	-	16,51,882.08	-	3,17,495.52
Other financial liabilities	-	59,775.90	-	38,552.10
Trade payables	-	14,569.95	-	16,830.58
Total financial liabilities	-	**17,26,227.94**	-	**3,72,878.20**

*Fair value through Profit and Loss

** Excludes investments in subsidiary,valued at cost.

The amortised cost of the financial assets and liabilities approximate to the fair value on the respective reporting dates.

Fair value measurement hierarchy for Investments :

In Rs thousand unless otherwise stated

Particulars	31 March 2023	31 March 2022	Valuation methodology/ technique
Investments in quoted mutual funds (Level 1)	442.89	444.65	These quoted mutual funds are valued at fair value on the basis of the Net Asset Value (NAV) of the fund on the reporting date.
Investment in unquoted equity instruments (Level 3)	2,000.00	10,136.48	These unquoted equity are valued at fair value on the reporting date. The fair value of these unquoted instruments is alsmost equal to the cost of the instruments as there is no significant business in the entities

(iii) Risk management

The Company activities expose it to credit risk, liquidity risk and market risk. The Company board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate credit risk

C: High credit risk

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

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, investments, trade receivable, loans and other financial	12 month expected credit loss

Based on business environment in which the Company operates, there have been no defaults on financial assets of the Company by the counterparties. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. There have been no cases of write off with the Company.

In Rs million unless otherwise stated

Credit rating	Particulars	31 March 2023	31 March 2022
A: Low credit risk	Cash and cash equivalents, investments, trade receivable, loans and other financial asse	12,91,887.40	1,22,175.65

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b) Credit risk exposure

(i) Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

31 March 2023

In Rs thousands unless otherwise stated

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	408.76	-	408.76
Investments	2,442.89	-	2,442.89
Other bank balances	58,523.43	-	58,523.43
Loans	10,90,725.68	-	10,90,725.68
Trade receivable	79,494.73	-	79,494.73
Other financial assets	60,291.91	-	60,291.91

31 March 2022

In Rs thousands unless otherwise stated

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	2,691.79	-	2,691.79
Investments	10,581.13	-	10,581.13
Trade receivable	49,124.38	-	49,124.38
Other financial assets	59,778.35	-	59,778.35

The credit risk for cash and cash equivalents and other bank balances is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Company major trade receivables and other receivables are with, government owned counterparty. Therefore, these receivables are considered high quality and accordingly no life time expected credit losses are recognised on such receivables based on simplified approach.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the Company operates.

Financing arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

In Rs thousands unless otherwise stated

Particulars	31 March 2023	31 March 2022
Borrowings (other than cash credit facilities)	-	434.35

Maturities of financial liabilities

The tables below analyse the Company financial liabilities into relevant maturity groupings based on their contractual maturities.

In Rs thousands unless otherwise stated

31 March 2023	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest)	4,38,028.70	4,27,624.72	6,79,700.78	6,24,556.65	21,69,910.85
Trade payables	-	14,569.95	-	-	14,569.95
Other financial liabilities	-	59,775.90	-	-	59,775.90
Total	**4,38,028.70**	**5,01,970.58**	**6,79,700.78**	**6,24,556.65**	**22,44,256.70**

In Rs thousands unless otherwise stated

31 March 2022	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest)	51,771.32	2,09,555.71	67,856.89	-	3,29,183.92
Trade payables	-	15,075.77	1,754.81	-	16,830.58
Other financial liabilities	-	38,552.10	-	-	38,552.10
Total	**51,771.32**	**2,63,183.58**	**69,611.70**	**-**	**3,84,566.60**

(C) Market risk

a) Interest rate risk

i) Liabilities

The Company policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2023, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company investments in fixed deposits all pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

In Rs thousands unless otherwise stated

Particulars	31 March 2023	31 March 2022
Variable rate borrowing	2,51,547.76	2,65,724.20
Fixed rate borrowing	9,62,305.62	-
Total borrowings	**12,13,853.38**	**2,65,724.20**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	31 March 2023	31 March 2022
Interest sensitivity*		
Interest rates – increase by 100 basis points (31 March 2022: 100 basis points)	2,515.48	2,657.24
Interest rates – decrease by 100 basis points (31 March 2022: 100 basis points)	(2,515.48)	(2,657.24)

* Holding all other variables constant

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ii) Assets
The Company does not have any fixed deposits that are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107.

c) Price risk
The Company does not have any other price risk than interest rate risk and foreign currency risk as disclosed above

(D) Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Restricted Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep an optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

In Rs thousand unless otherwise stated

Particulars	31 March 2023	31 March 2022
Borrowings*	16,51,882.08	3,17,495.52
Trade payables	14,569.95	16,830.58
Other financial liabilities	59,775.90	38,552.10
Less: Cash and cash equivalents	(408.76)	(2,691.79)
Net debt	**17,25,819.18**	**3,70,186.41**
Equity	7,70,424.57	7,69,805.22
Total equity	**7,70,424.57**	**7,69,805.22**
Capital and net debt	**24,96,243.75**	**11,39,991.63**
Gearing ratio (%)	**69.14%**	**32.47%**

**Represents current and non-current portion.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants and attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lender to immediately call loans and borrowings.

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35 Term of borrowings

S. No.	Nature of loan	Borrowing from	Name of Bank/ Financial institution	Nature of security	Terms of repayment and interest rate
1	Non- Convertible Debentures	Financial Institutions	India Infradebt Limited	1 First pari passu charge by way of:- (a) mortagage of entire immovable property (b) Charge by way of hypothecation on the entire movable properties (c) Charge on the entire cash flows, receivables, book debts and revenues. (d) Charge by way of assignment or hypothecation of all the rights, title etc in project documents. (e) Charge on DSRA (f) First ranking pari passu pledge of 100% of the equity shares of issuer (g) Personal guarantee (h) Unconditional guarantee from each guarantor in favour of common security trustee.	Non convertible debenture is of Rs 962,305.62 thousands (31 March 2022 : Nil) @ 9.85% p.a. (In the previous year: Nil.). subject to an increase of 0.25% for each notch of a downgrade of External Credit Rating. Interest is payable on a monthly basis. The loan is repayable in 40 installments starting from March 2023 and ending in November 2032. Mandatory cash sweep is repayable in 21 installments starting from March 2023 and ending in November 2032.
2	Vehicle loan	Bank	AU Small finance Bank	The loan has been sanctioned against vehicle	AU Small Finance bank vehicle loan is of Rs 1,900.48 thousands.(31 March, 2022 : Rs 2,451.82 thousands) @ 8.51% p.a. (In the previous year:- 8.50% p.a.) The loan is repayable in 60 monthly installments starting from February 2021 and ending in February 2026.

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35 Term of borrowings

S. No.	Nature of loan	Borrowing from	Name of Bank/ Financial institution	Nature of security	Terms of repayment and interest rate
3	Term Loan	Bank	Punjab National Bank	(A) First and exclusive charge of Punjab National Bank on all proposed block assets of the Company to be installed and constructed on factory land at village channu district Muktsar in Punjab. (B) The Company has undertaken to maintain Debt Service Reserve Account (DSRA) for an amount equivalent to the sum of principal & interest installment for one quarter within a period of 10 months from commssioning date of the plant. (C) The credit facility is further secured by personal guarantee of directors and their relatives.	Punjab National Bank term loan is of Rs Nil (31 March, 2022 : Rs 52,021.46 thousands) @ 7.50% p.a. (In the previous year: @ 7.50%). The entire loan has been repaid during the current year.
4	Vehicle loan	Bank	Punjab National Bank	The loan has been sanctioned against vehicle	Punjab National Bank vehicle loan is of Rs.nil (31 March, 2022 : Rs 751.12 thousands) @ 7.44% p.a. (In the previous year : @ 7.44%). The entire loan has been repaid during the current year.
5	Working Capital Term Loan	Bank	Punjab National Bank	(A) Primary security:- Extension of charge on entire present and future current assets of the Company. (B) Collateral security:- Extension of equitable mortgage/ charge on the existing properties held as collateral. The additional working capital term loan granted shall rank pari passu with the existing credit facilities in terms of cash flows and security with charge on the assets financed under the scheme to be created within a period of 3 months from the date of disbursal. Extension of charge on primary and collateral securities.	Punjab National Bank working capital term loan is of Rs nil (31 March, 2022 : Rs 22,270.09 thousands) @ 7.50% p.a. (In the previous year :- 7.50% p.a. to 8.00% p.a.) The entire loan has been repaid during the current year.

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Universal Biomass Energy Private Limited

36 Related parties

I Names of related parties and related party relationship

The names of related parties where control exists and/or with whom transactions have taken place during the year and description of relationship as identified by the management are:

Ultimate Holding Company
SAEL Industries Limited (w.e.f 04 July 2022)

Intermediate Holding Company
SAEL Limited

Wholly owned Subsidiary Company
Chattargarh Renewable Energy Private Limited

a) Directors
Mr. Jasbir Singh
Mr. Sukhbir Singh

b) Key Managerial Person other than Directors
Mr. Ram Pravesh (Company Secretary)

c) Other enterprises over which key management personnel/relative/director exercise significant influence /control.
SAEL Agri Commodities Limited

d) Relatives of Directors and Key Managerial Person
Mr. Raminder Singh
Mr. Harsh Awla
Mrs. Palki Awla
Mrs. Seema Awla
Mrs. Neetu Awla
Pawan Preet Singh Dhillon

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Universal Biomass Energy Private Limited

Universal Biomass Energy Private Limited
CIN- U40100PB2005PTC028850
Notes to Financial Statements for the year ended 31 March 2023
II Transactions with related parties and outstanding balances

In Rs thousands unless otherwise stated

S. No.	Particular	For the year ended 31 March 2023	For the year ended 31 March 2022
(A)	**Transaction with related parties**		
1	**Remuneration paid**		
	Raminder Singh	-	4,500.00
	Harsh Awla	-	3,000.00
	Laxit Awla	-	1,500.00
	Pawanpreet Singh Dhillon	-	3,000.00
2	**Loan given to Ultimate Holding Company**		
	SAEL Industries Limited	7,92,250.00	-
3	**Loan given to Subsidiary Company**		
	Chattargarh Renewable Energy Private Limited	2,92,765.87	-
4	**Expesnes paid on behalf of related party**		
	Jasbir singh	1,752.43	-
	Chattargarh Renewable Energy Private Limited	5,709.81	
5	**Repayment of loan to Intermediate Holding company**		
	SAEL Limited	93,500.00	-
6	**Loan from Intermediate Holding company**		
	SAEL Limited	1,70,250.00	-
7	**Expenses incurred on behalf of the Company**		
	SAEL Limited	3,53,925.27	-
8	**Services received from related parties**		
	SAEL Limited	222.29	-
9	**Loan from related party (short term)**		
	Jasbir Singh	-	13,000.00
	Sukhbir Singh	-	6,610.77
	Palki Awla	-	11,500.00
	Seema Awla	-	9,250.00
	Harsh Awla	-	5,556.23
	Govind Awla	-	2,000.00
	Pawanpreet Singh Dhillon	-	1,100.00
	Neetu Awla	-	3,400.00
	SAEL Agri Commidities Limited	7,353.43	-

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CIN- U40100PB2005PTC028850
Notes to Financial Statements for the year ended 31 March 2023

In Rs thousands unless otherwise stated

S. No.	Particular	As at 31 March 2023	As at 31 March 2022
(B)	**Outstanding balances**		
1	**Loan from related party (short term)**		
	Jasbir Singh	-	13,000.00
	Sukhbir Singh	-	6,610.77
	Palki Awla	-	11,500.00
	Seema Awla	-	9,250.00
	Harsh Awla	-	5,556.23
	Govind Awla	-	2,000.00
	Pawanpreet Singh Dhillon	-	1,100.00
	Neetu Awla	-	3,400.00
	SAEL Agri Commidities Limited	7,353.43	-
2	**Loan to Ultimate Holding Company**		
	SAEL Industries Limited	7,92,250.00	-
3	**Loan to Subsidiary Company**		
	Chattargarh Renewable Energy Private Limited	2,98,475.68	-
4	**Receivable from related party**		
	Jasbir singh	1,752.43	-
5	**Loan from Holiding company**		
	SAEL Limited	4,30,675.27	-
6	**Other financial liabilites**		
	SAEL Limited	222.29	-
7	**Security deposit**		
	Palki Awla	6,666.67	6,666.67
	Neetu Awla	6,666.67	6,666.67
	Seema Awla	6,666.67	6,666.67
8	**Co-guarantee given by Intermediate Holding Company and fellow subsidiaries forming part of restricted group with respect to non convertible debentures of the Company**		
	SAEL Limited, Laxjeet Renewable Energy Private Limited, Sunfree Paschim Renewable Energy Private Limited, Canal Solar Energy Private Limited	9,75,150.00	-
9	**Co-guarantee given by the Company with respect to non convertible debentures of Intermediate Holding Company and fellow subsidiaries forming part of restricted group**		
	SAEL Limited (Holding Company)	98,02,720.00	-
	Laxjeet Renewable Energy Private Limited	2,08,820.00	-
	Sunfree Paschim Renewable Energy Private Limited	8,72,710.00	-
	Canal Solar Energy Private Limited	6,00,850.00	-

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Universal Biomass Energy Private Limited

37 Earnings per share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the parent company as the numerator, i.e. no adjustments to profit were necessary.

The reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

In Rs thousands unless otherwise stated

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit attributable to owners	98.20	71,104.06
Number of equity shares	2,81,42,000	2,81,42,000
Weighted average number of shares used in diluted earnings per share	2,81,42,000	2,81,42,000
Weighted average number of shares used in basic earnings per share	2,81,42,000	2,81,42,000
Basic earnings per share	0.00	2.53
Diluted earnings per share	0.00	2.53

38 Details of assets pledged

The carrying amounts of assets pledged as security for current and non-current borrowings are:

In Rs thousands unless otherwise stated

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Inventories	2,79,994.32	3,00,903.31
Investments	442.89	444.65
Trade receivables	79,494.73	49,124.38
Cash and cash equivalents	408.76	2,691.79
Loans	10,90,725.68	-
Other financial assets	9,879.44	39,200.00
Other current assets	21,333.50	2,30,682.63
Total	**14,82,279.32**	**6,23,046.76**
Non-current		
Property, plant and equipment	3,08,527.18	3,68,745.30
Capital work-in-progress	4,01,354.14	40,017.22
Investments	2,100.00	10,236.48
Other financial assets	50,412.46	20,578.35
Other non current assets	1,94,094.93	89,287.15
Total	**9,56,488.71**	**5,28,864.50**

39 Capitalisation of expenditure

The expenditure incidental to the setting up of the project is included in capital work in progress (CWIP) which is apportioned to the assets on completion of the project and commencement of commercial operations. The Company has capitalised the following expenses to the cost of fixed asset/ capital work-in-progress:

In Rs thousands unless otherwise stated

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	4,387.94	-
Employee benefit expenses	-	3,672.75
Insurance	1,560.75	-
Finance costs	13,747.83	715.19
Net amount included in capital work in progress	**19,696.52**	**4,387.94**

40 Reconciliation of liabilities from financing activities

In Rs thousands unless otherwise stated

Particulars (2022-23)	As at 31 March 2022	Cash flows		Non cash changes	As at 31 March 2023
		Additions	Payments		
Non current borrowings (including current maturities)	77,494.49	11,15,604.98	(2,19,318.54)	(9,574.83)	9,64,206.10
Current borrowings (net)	2,40,001.03	4,47,684.95	-	(10.00)	6,87,675.98
Interest accrued on borrowings	-	-	(53,435.09)	53,435.09	-
Total liabilities from financial activities	**3,17,495.52**	**15,63,289.93**	**(2,72,753.63)**	**43,850.26**	**16,51,882.08**

Particulars (2021-22)	As at 31 March 2021	Cash flows		Non cash changes	As at 31 March 2022
		Additions	Payments		
Non current borrowings (including current maturities)	32,619.80	56,606.20	(8,461.96)	(3,269.55)	77,494.49
Current borrowings (net)	1,99,175.72	40,825.31	-	-	2,40,001.03
Interest accrued on borrowings	-	-	(18,249.44)	18,249.44	-
Total liabilities from financial activities	**2,31,795.52**	**97,431.51**	**(26,711.40)**	**14,979.89**	**3,17,495.52**

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41 Details for funds received and loaned as intermediary*

a) **Funds received from entity (Funding Party):**

In Rs thousands unless otherwise stated

Funding Party	Date	Amount
India Infradebt Limited Address:- The Capital, 'B' Wing, #1101-A, BKC, Mumbai- 400 070.	23 November 2023	7,92,250.00

b) **Funds lend to other entity (Ultimate Beneficiaries)**

In Rs thousands unless otherwise stated

Ultimate Beneficiaries	Date	Amount
SAEL Industries Limited (Ultimate Holding Company) Address:- A-4 Green Park Main Aurbindo Marg New Delhi-110016	23 November 2023	7,92,250.00

c) **Co-guarantee provided to or on behalf of the ultimate beneficiaries:**

In Rs thousands unless otherwise stated

Ultimate Beneficiaries	Amount
SAEL Limited (Holding Company)	99,52,000.00
Laxject Renewable Energy Private Limited	2,12,000.00
Sunfree Paschim Renewable Energy Private Limited	8,86,000.00
Canal Solar Energy Private Limited	6,10,000.00

The Company has complied with relevant provisions of the companies act 2013, and the prevention of the Money- Laundering Act 2002 (15 of 2003)

42 Contingent liability

In Rs thousands unless otherwise stated

(i) Particulars	Amount
Co-guarantee issued (refer note 36)	1,14,85,100.00
Total	**1,14,85,100.00**

In Rs thousands unless otherwise stated

(ii) Particulars	As at 31 March 2023	As at 31 March 2022
Disputed demand for Income tax*	19,826.50	19,826.50
Total	**19,826.50**	**19,826.50**

*Company has paid under protest amount of Rs. 3,965.30 thousands (31 March 2022: 3,965.30 thousands) against the same demand.

All the matters above are subject to legal proceedings in the ordinary course of business. The management is confident that its position to be upheld in the appeals pending before various appellate authorities and no liabilities could arise on the Company on account of these proceedings.

(iii) Capital commitments

In Rs thousands unless otherwise stated

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Commitments	2,48,398.89	2,82,878.00
Total	**2,48,398.89**	**2,82,878.00**

43 Corporate social responsibility expenditure

	31 March 2023	31 March 2022
1. Amount required to be spent as per Section 135 of the Act:	1,145.10	-
2. Amount spent during the year on:		
(i) Construction/ acquisition of an asset	-	-
(ii) On purposes other than (i) above	1,288.59	-
3. Shortfall at the end of the year	-	-
4. Total of previous year shortfall	-	-
5. Reason of shortfall	-	-
6. Nature of CSR activities	Promoting healthcare, education, environment sustainability, COVID-19 relief and social welfare projects	Promoting healthcare, education, environment sustainability, COVID-19 relief and social welfare projects
7. Details of related party transactions in relation to CSR expenditure	-	-
8. Where a provision is made with respect to a liability incurred by entering into a contractul obligation, the movements in the provision during the year	NA	NA

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Universal Biomass Energy Private Limited

44 Employee benefits

Defined contribution

Contributions are made to the recognised provident and family pension fund, cover all eligible employees under applicable Acts. Both the employees and the Company make pre-determined contributions to the provident fund. The contributions are normally based upon a proportion of the employee's salary. The Company has recognized an amount of Rs 3079.09 thousands (31 March 2022: Rs 1819.71 thousands) towards employer's contribution in provident fund and other funds in the statement of profit and loss.

Defined benefit obligation

Provision for gratuity, payable to eligible employees on retirement/separation, is based upon an actuarial valuation as at the balance sheet date. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The obligations are actuarially determined using the 'Projected Unit Credit Method' as at the balance sheet date. Gains/ losses on changes in actuarial assumptions are accounted in Other Comprehensive Income as identified by the management of the Company.

Other long term employee benefits

Provision for compensated absences, payable to eligible employees on availment/ retirement/ separation, is based upon an actuarial valuation as at the balance sheet date. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The obligation are actuarially determined using the

In Rs. thousands unless otherwise stated

Particulars	Gratuity	
	31 March 2023	31 March 2022
Reconciliation of liability recognised in the Balance sheet:		
Present value of commitments	9,414.93	7,891.62
Net liability in the balance sheet	9,414.93	7,891.62
Movement in net liability recognised in the Balance sheet:		
Net liability as at the beginning of the year	7,891.62	-
Net amount recognised as expenses in the statement of profit and loss	2,245.33	7,891.62
Remeasurements-actuarial (gains) / losses	(722.00)	-
Net liability as at the end of the year	**9,414.95**	**7,891.62**
Expenses recognised in the statement of profit and loss		
Current service cost	1,672.39	957.34
Past service cost	-	6,934.28
Interest cost	572.94	-
Expenses charged to the statement of profit and loss	**2,245.33**	**7,891.62**
Component of defined benefit cost recognised in other comprehensive income	**(722.00)**	-

In Rs. thousands unless otherwise stated

Particulars	Gratuity	
	31 March 2023	31 March 2022
Reconciliation of defined-benefit commitments:		
Obligations as at the beginning of the year	7,891.62	-
Current service cost	1,672.39	957.34
Past service cost	-	6,934.28
Interest cost	572.94	-
Remeasurements- actuarial (gains) / losses	(722.00)	-
Obligations as at the end of the year	**9,414.93**	**7,891.62**

Breakup of actuarial (gain) / loss

Particulars	31 March 2023	31 March 2022
Actuarial (gain)/loss for the year on PBO	(722.00)	-
Total actuarial (gain)/loss	**(722.00)**	-

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

(a) Economic assumptions

Particulars	31 March 2023	31 March 2022
Discount rate	7.36%	7.26%
Expected rate of salary increase	8.00%	8.00%

(b) Demographic assumptions

Particulars	31 March 2023	31 March 2022
Retirement age	58 years	58 years
Mortality table	Indian Assured Lives Mortality (IALM) (2012-14)	Indian Assured Lives Mortality (IALM) (2012-14)

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Universal Biomass Energy Private Limited

(c) Sensitivity analysis of defined benefit obligation

In Rs. thousands unless otherwise stated

Particulars	Gratuity	
	31 March 2023	31 March 2022
a) Impact of the change in discount rate		
i) Impact due to increase of 0.50%	(572.62)	(440.84)
ii) Impact due to decrease of 0.50%	635.97	488.25
b) Impact of the change in salary increase		
i) Impact due to increase of 0.50%	628.94	482.38
ii) Impact due to decrease of 0.50%	(571.92)	(439.90)

Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

(d) Maturity profile of defined benefit obligation (undiscounted)

Particulars	Gratuity	
	31 March 2023	31 March 2022
Less than 1 year	1,753.13	1,825.51
Year 1 to 5	944.21	823.42
More than 5 years	6,717.59	5,242.69

The contribution expected to be made by the Company during the next financial year 2023-24 of Rs. 2,890.36 thousand (2022-23: Rs. 1,501.95 thousand)

45 Additional regulatory disclosures

a) The followings are the analytical ratio for the year ended March 31, 2023 and March 31, 2022

Ratios	Numerator	Denominator	31 March	31 March 2022	Variance
Current Ratio	Total current assets	Total current liabilities	1.81	1.95	-6.96%
Debt Equity Ratio	Debts consist of borrowings and lease liabilities	Total equity	1.58	0.41	284.28% ^
Debt Service Coverage Ratio	Earning for debts service = net profit after taxes + non-cash opearting expenses + interest + other non-cash adjustments	Debts service = Interest and lease payment + principal repayment	0.40	8.32	-95.19%@
Return on Equity Ratio	Profit for the year less preference dividend (if any)	Average total equity	0.01%	9.68%	-99.87% *
Inventory Turnover Ratio	Cost of good sold	Average inventory	0.87	0.80	8.38%
Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable	8.10	8.65	-6.39%
Trade Payable Turnover Ratio	Cost of equipments and software licences + other expenses	Average trade payable	15.55	16.88	-7.88%
Net Capital Turnover Ratio	Revenue from operations	Average working capital (i.e. total current assets less total current liabilities	0.75	1.74	-56.84% **
Net Profit Ratio	Profit for the year	Revenue from operations	0.02%	13.43%	-99.86% *
Return on Capital Employed	Profit before tax and finances cost	Capital employed = Net worth + lease liabilities + deferred tax liabilities	2.37%	10.28%	-76.97% *
Return on Investment	Income generated from invested funds	Average invested funds in treasury investments	0.00%	0.00%	100%$$

Reasons for variance

^ Increase in debt in current year resulted in decreased ratio.
@ Increase in debt in current year resulted in increased ratio.
* Decrease in profit during the year led to decreased ratio.
** Decrease in working capital during the year led to decreased ratio.
$$ Increase in income from investments during the year led to increased ratio.

b) The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

c) The Company does not have any charges or satisfaction, which is yet to be registered with Registrar of Companies, beyond the statutory period prescribed under the Companies Act, 2013 and the rules made thereunder.
However, the charge on the assets with respect to non-convertible debentures issued is yet to be registered with Registrar of Companies due to non signing of security creation documents as at 31 March 2023.

d) The Company has not entered into any transaction which has not been recorded in the books of account, 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).

e) The Company has not traded or invested in crypto currency or virtual currency during the year.

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Universal Biomass Energy Private Limited

f) The Company does not have any Benami property and further, no proceedings have been initiated or are pending against the Company, in this regard.

g) The Company has not entered into any transactions with struck off companies, as defined under the Companies Act, 2013 and rules made thereunder.

h) The Company has been sanctioned a working capital limit by banks on the basis of security of current assets. Pursuant to the terms of the sanction letters, the Company is required to file quarterly return or statement with such banks amd such statements are in agreement with the books of accounts.

i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) 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
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

46 Segment reporting

The Company is engaged in the business of sale of electricity. Chief Operating Decision Maker (CODM) reviews the financial information of the Company as a whole for decision-making and accordingly the Company has a single reportable segment. All the revenue has been billed to a single customer. Further, the operations of the Company are limited within one geographical segment. Hence, no further disclosure is required to be made.

47 Subsequent event

The Company has evaluated events and transactions, which occurred subsequent to the balance sheet date but prior to the date when financial statements were available to be issued. There were no material subsequent event which are required to be disclosed.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Jain
Partner
Membership no. 503498

For G.D. Singhal & Associates
Chartered Accountants
Firm's Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership no. 098947

For and on behalf of the Board of Directors

Jasbir Singh
Director
DIN No- 01668231

Sukhbir Singh
Director
DIN no - 01785240

Ram Parvesh
Company Secretary
Membership no. F5585

Place: New Delhi
Date: 10 July 2023

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G.D. SINGHAL & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN : 017648N FEROZEPUR CITY

Universal Biomass Energy Private Limited