

UNITECH POWER TRANSMISSION LIMITED  
BALANCE SHEET AS AT 31 MARCH 2023  
(Amount in Rupees lakhs, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	2,331.28	2,599.46
Right-of-use assets	4	30.18	30.63
Other Intangible assets	5	1.20	4.28
Financial Assets:			
a Investments	6	2.94	2.43
b Other financial assets	7	30.41	30.70
Deferred tax assets (net)	8	814.50	9.20
Other non-current assets	9	825.00	825.00
		<b>4,035.51</b>	<b>3,501.70</b>
<b>Current assets</b>			
Inventories	10	2,114.69	4,272.67
Financial assets:			
a Trade receivables	11	8,985.40	14,505.46
b Cash and cash equivalents	12	9.30	663.64
c Bank balance other than 'b' above	13	1,230.31	2,581.96
e Other financial assets	7	51.80	89.01
Current tax assets (Net)	14	247.56	335.94
Other current assets	15	1,967.63	2,345.68
		<b>14,606.69</b>	<b>24,794.36</b>
<b>Total Assets</b>		<b>18,642.20</b>	<b>28,296.06</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	5,000.00	5,000.00
Other equity	17	3,009.19	5,408.47
		<b>8,009.19</b>	<b>10,408.47</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities:			
a Other financial liabilities	18	-	-
Provisions	19	322.35	395.67
		<b>322.35</b>	<b>395.67</b>
<b>Current liabilities</b>			
Financial liabilities:			
a Borrowings	20	3,178.43	2,761.73
b Trade payables	21		
- total outstanding dues of micro enterprises and small enterprises		86.25	62.54
- total outstanding dues of creditors other than micro enterprises and small enterprises		4,083.51	10,642.39
c Other financial liabilities	18	1,174.70	1,879.39
Other current liabilities	22	1,763.48	2,049.89
Provisions	19	24.29	95.98
		<b>10,310.66</b>	<b>17,491.92</b>
<b>Total Equity and Liabilities</b>		<b>18,642.20</b>	<b>28,296.06</b>

Significant accounting policies

Note 2

The accompanying notes form an integral part of these financial statements

In terms of our report of even date annexed  
**For KMGs & Associates**  
Chartered Accountants  
FRN No. 004730N

For and on behalf of the Board of Directors of  
**Unitech Power Transmission Limited**  
CIN: U74999DL1995PLC072431

Lalit Goel  
Partner  
Membership No: 91100



Ashok Kumar Yadav  
Director  
DIN: 01839508

Kanika  
Company Secretary  
M. No: A69239

Rajendra Kumar Bhandari  
Whole-time Director  
DIN: 07273022

Gyanendra Kumar Chaturvedi  
Chief Financial Officer

Place : New Delhi  
Dated : 13/09/2023

**UNITECH POWER TRANSMISSION LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

Particulars	Notes	31 March 2023	31 March 2022
<b>INCOME</b>			
Revenue from operations	23	16,405.39	33,231.90
Other income	24	312.93	164.81
<b>Total Income (I)</b>		<b>16,718.32</b>	<b>33,396.71</b>
<b>EXPENSES</b>			
Cost of materials consumed	25	8,340.37	20,981.23
Changes in inventories of finished goods, stock in trade and work-in-progress	26	1,756.60	186.29
Employee benefits expense	27	1,855.68	2,310.92
Finance costs	28	883.95	749.34
Depreciation and amortisation expense	29	267.48	279.58
Other expenses	30	6,916.02	9,435.61
<b>Total Expenses (II)</b>		<b>20,020.10</b>	<b>33,942.97</b>
<b>Profit before tax from continuing operations before exceptional items (I-II)</b>		<b>(3,301.78)</b>	<b>(546.26)</b>
<b>Exceptional items</b>		-	-
<b>Profit before tax from continuing operations after exceptional items</b>		<b>(3,301.78)</b>	<b>(546.26)</b>
<b>Tax expense:</b>	8		
Current tax		-	-
Adjustment of tax relating to earlier periods		0.56	6.99
Deferred tax		(829.89)	(133.67)
<b>Profit for the year from continuing operations</b>		<b>(2,472.45)</b>	<b>(419.58)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit &amp; loss in subsequent periods</b>			
Re-measurement gains (losses) on defined benefit plans	31	97.76	37.93
Income tax effect on such items		(24.60)	(9.55)
<b>Total other comprehensive income for the year, net of tax</b>		<b>73.16</b>	<b>28.38</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>(2,399.29)</b>	<b>(391.20)</b>
<b>Earnings per equity share (computed on the basis of profit for the year):</b>			
(1) Basic	32	(4.94)	(0.84)
(2) Diluted	32	(4.94)	(0.84)

Significant accounting policies

Note 2

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In terms of our report of even date annexed

**For KMGS & Associates**

Chartered Accountants

FRN No. 004730N

**Lalit Goel**

Partner

Membership No: 91100



For and on behalf of the Board of Directors of

**Unitech Power Transmission Limited**

CIN: U74999DL1995PLC072431

**Ashok Kumar Yadav**

Director

DIN: 01839508

**Kanika**

Company Secretary

M. No:A69239

**Rajendra Kumar Bhandari**

Whole-time Director

DIN: 07273022

**Gyanendra Kumar Chaturvedi**

Chief Financial Officer

Place : New Delhi

Dated : 13/09/2023

**UNITECH POWER TRANSMISSION LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023**  
**(Amount in Rupees lakhs, unless otherwise stated)**

Particulars	Year ended	Year ended
	31 March 2023	31 March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	(3,301.78)	(546.26)
<i>Adjusted for :</i>		
Depreciation and amortisation expense	267.48	279.58
Provision employee benefits	(47.25)	65.71
(Gain)/ Loss on sale of fixed assets	1.91	(1.58)
Interest on FDs	(81.67)	(107.02)
Interest paid	883.95	749.34
Loss on fair valuation of investments (FVTPL)	(0.51)	(0.15)
	1,023.91	985.88
Operating profit before working capital changes	(2,277.87)	439.62
<i>Working capital adjustments:</i>		
Decrease/ (Increase) in inventories	2,157.98	471.91
Decrease/ (Increase) in trade and other receivables	5,935.61	3,099.40
Movement in trade and other payables	(7,526.27)	(3,443.94)
	567.32	127.37
Cash generated from operations	(1,710.55)	566.99
Direct taxes paid	87.82	(148.89)
<b>Net cash from operating activities</b>	<b>(1,622.73)</b>	<b>418.10</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase tangible property, plant and equipment	(5.89)	(76.97)
Purchase intangible assets	-	-
Interest received on bank deposits	81.67	107.02
Proceeds sale disposal tangible fixed assets	8.21	5.24
(Investment)/ maturity of FDs	1,351.65	(151.23)
<b>Net cash used in investing activities</b>	<b>1,435.64</b>	<b>(115.94)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest expenses	(883.95)	(749.34)
Proceeds /(repayment )of borrowings	-	-
<b>Net cash flow from financing activities</b>	<b>(883.95)</b>	<b>(749.34)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(1,071.04)</b>	<b>(447.18)</b>



**UNITECH POWER TRANSMISSION LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023**  
**(Amount in Rupees lakhs, unless otherwise stated)**

Cash and cash equivalents as on 31.03.2021		(1,650.91)
Cash and cash equivalents as on 31.03.2022	(2,098.09)	(2,098.09)
Cash and cash equivalents as on 31.03.2023	(3,169.13)	
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.46	3.92
Balance with banks:		
On current accounts	8.84	659.72
On bank overdrafts	(3,178.43)	(2,761.73)
	(3,169.13)	(2,098.09)

Significant accounting policies

Note 2

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Chartered Accountants  
FRN No. 004730N

**Lalit Goel**  
Partner  
Membership No: 91100



Place : New Delhi  
Dated : 13/09/2023

For and on behalf of the Board of Directors of  
**Unitech Power Transmission Limited**  
CIN: U74999DL1995PLC072431

**Ashok Kumar Yadav**  
Director  
DIN: 01839508

**Kanika**  
Company Secretary  
M. No:A69239

**Rajendra Kumar Bhandari**  
Whole-time Director  
DIN: 07273022

**Gyanendra Kumar Chaturvedi**  
Chief Financial Officer

**UNITECH POWER TRANSMISSION LIMITED**  
**Statement of changes in equity FOR THE YEAR ENDED 31 MARCH 2023**  
**(Amount in Rupees lakhs, unless otherwise stated)**

**A. Equity share capital (refer note 16)**

Equity shares of Rs. 10 each issued, subscribed and fully paid

At 1<sup>st</sup> April, 2021

Issue of share capital

At 31<sup>st</sup> March, 2022

Issue of share capital

At 31<sup>st</sup> March, 2023

	No. of Shares	Amount in lakhs
At 1 <sup>st</sup> April, 2021	5,00,00,000	5,000.00
Issue of share capital	-	-
At 31 <sup>st</sup> March, 2022	5,00,00,000	5,000.00
Issue of share capital	-	-
At 31 <sup>st</sup> March, 2023	5,00,00,000	5,000.00

**B. Other equity**

	Reserves and surplus	Items of OCI	Total other equity (refer note 17)
	Retained earnings	Re-measurement gains/ (losses) on defined benefit plans	
<b>At 31 March 2021</b>	<b>5,769.61</b>	<b>30.06</b>	<b>5,799.67</b>
Net income / (loss) for the year	-419.58	-	-419.58
Other comprehensive income (Note 31)	-	28.38	28.38
<b>Total comprehensive income</b>	<b>(419.58)</b>	<b>28.38</b>	<b>(391.20)</b>
<b>At 31 March 2022</b>	<b>5,350.03</b>	<b>58.44</b>	<b>5,408.47</b>
Net income / (loss) for the year	(2,472.45)	-	(2,472.45)
Other comprehensive income (Note 31)	-	73.16	73.16
<b>Total comprehensive income</b>	<b>(2,472.45)</b>	<b>73.16</b>	<b>(2,399.29)</b>
<b>At 31 March 2023</b>	<b>2,877.59</b>	<b>131.60</b>	<b>3,009.19</b>


Significant accounting policies

Note 2


The accompanying notes form an integral part of these financial statements

In terms of our report of even date annexed  
**For KMGS & Associates**  
Chartered Accountants  
FRN No. 004730N

For and on behalf of the Board of Directors of  
**Unitech Power Transmission Limited**  
CIN: U74999DL1995PLC072431

  
**Lalit Goel**  
Partner  
Membership No: 91100



  
**Ashok Kumar Yadav**  
Director  
DIN: 01839508

  
**Rajendra Kumar Bhandari**  
Whole-time Director  
DIN: 07273022

Place : New Delhi  
Dated : 13/09/2023

  
**Kanika**  
Company Secretary  
M. No:A69239

  
**Gyanendra Kumar Chaturvedi**  
Chief Financial Officer

**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**3. Property, plant and equipment**

	Buildings	Plant and machinery	Electrical Installation	Roads	Furniture and fixtures	Office equipment	Vehicles - office	Computers	Total
<b>Cost</b>									
As at April 01, 2021	1,173.66	4,826.34	110.00	31.40	63.44	68.20	81.97	136.07	6,491.08
Additions	-	69.30	-	-	1.24	0.39	1.74	4.30	76.97
Disposals	-	65.19	-	-	-	-	6.11	1.20	72.50
As at March 31, 2022	1,173.66	4,830.45	110.00	31.40	64.68	68.59	77.60	139.17	6,495.55
Additions	-	3.77	-	-	0.21	1.91	-	-	5.89
Disposals	-	26.02	-	-	-	0.59	8.25	0.77	35.63
As at March 31, 2023	1,173.66	4,808.20	110.00	31.40	64.89	69.91	69.35	138.40	6,465.81
<b>Depreciation</b>									
As at April 01, 2021	587.42	2,718.01	103.21	29.83	49.57	52.30	45.91	109.31	3,695.56
Depreciation charge for the year 2021-22	37.58	204.96	0.57	-	1.94	5.00	6.64	12.68	269.37
Disposals	-	61.90	-	-	-	-	5.80	1.14	68.84
As at March 31, 2022	625.00	2,861.07	103.78	29.83	51.51	57.30	46.75	120.85	3,896.09
Depreciation charge for the year 2022-23	37.58	206.45	0.14	-	1.87	3.72	6.10	8.09	263.95
Disposals	-	16.85	-	-	-	0.40	7.54	0.72	25.51
As at March 31, 2023	662.58	3,050.67	103.92	29.83	53.38	60.62	45.31	128.22	4,134.53
<b>Net book value :</b>									
As at March 31, 2023	511.08	1,757.53	6.08	1.57	11.51	9.29	24.04	10.18	2,331.28
As at March 31, 2022	548.66	1,969.38	6.22	1.57	13.17	11.29	30.85	18.32	2,599.46



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
 (Amount in Rupees lakhs, unless otherwise stated)

**4. Right-of-use assets**

	Leasehold land
<b>As at April 01, 2021</b>	43.04
Additions	-
Disposals	-
<b>As at March 31, 2022</b>	43.04
Additions	-
Disposals	-
<b>As at March 31, 2023</b>	43.04
<b>Depreciation</b>	
<b>As at April 01, 2021</b>	11.96
Depreciation charge for the year 2021-22	0.45
Disposals	-
<b>As at March 31, 2022</b>	12.41
Depreciation charge for the year 2022-23	0.45
Disposals	-
<b>As at March 31, 2023</b>	12.86
<b>Net book value :</b>	
<b>As at March 31, 2023</b>	30.18
<b>As at March 31, 2022</b>	30.63



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**5. Intangible assets**

	Software
<b>Cost</b>	
As at April 01, 2021	46.01
Additions	-
Disposals	-
As at March 31, 2022	46.01
Additions	-
Disposals	-
As at March 31, 2023	46.01
<b>Amortisation</b>	
As at April 01, 2021	31.97
Amortization charge for the year 2021-22	9.76
Disposals	-
As at March 31, 2022	41.73
Amortization charge for the year 2022-23	3.08
Disposals	-
As at March 31, 2023	44.81
<b>Net book value</b>	
As at March 31, 2023	1.20
As at March 31, 2022	4.28

**Notes:**

**I. Property, plant and equipment pledged as security**

Refer to note 20 for information on property, plant and equipment pledged as security by the Company.





**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**6. Investments**

	31 March 2023	31 March 2022
<b>(a) Investment in government securities (quoted)</b>		
50g (March 31, 2022 : 50g) 2.50% Sovereign Gold Bonds	2.94	2.43
<b>Total</b>	<b>2.94</b>	<b>2.43</b>
<b>Aggregate book value of quoted investments</b>	2.94	2.43
<b>Aggregate market value of quoted investments</b>	2.94	2.43
<b>Aggregate value of unquoted investments</b>	-	-
<b>Aggregate amount of impairment in value of investments</b>	-	-

**7. Other financial assets**

(Unsecured, considered good unless otherwise stated)

	31 March 2023	31 March 2022
<b>At amortised cost</b>		
<b>Non Current</b>		
Security Deposits	30.41	30.70
	30.41	30.70
<b>Current</b>		
Security Deposits	18.95	24.80
Interest accrued on deposits	32.85	64.21
<b>Total</b>	<b>51.80</b>	<b>89.01</b>

**8. Income Taxes**

The major components of income tax expense for the year ended 31 March 2023 and 31 March 2022 are:

**A. Statement of profit and loss:**

**(i) Profit and loss**

	31 March 2023	31 March 2022
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	0.56	6.99
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(829.89)	(133.67)
<b>Income tax expense reported in the statement of profit &amp; loss</b>	<b>(829.33)</b>	<b>(126.68)</b>

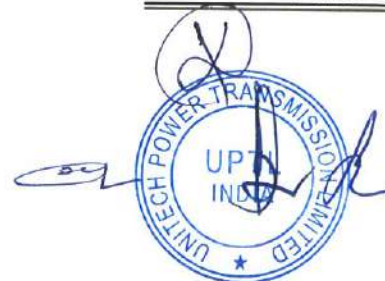
**(ii) OCI**

Deferred tax related to items recognised in OCI during the year:

Net loss/(gain) on remeasurements of defined benefit plans

**Income tax charged/ (credit) to OCI**

24.60	9.55
<b>24.60</b>	<b>9.55</b>



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**8. Income Taxes (contd.)**

**B. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate**

	<b>31 March 2023</b>	<b>31 March 2022</b>
Accounting profit before tax from continuing operations	(3,301.78)	(546.26)
Profit/(loss) before tax from a discontinued operation	-	-
<b>Accounting profit before income tax</b>	<b>(3,301.78)</b>	<b>(546.26)</b>
At India's statutory income tax rate of 25.168% (31 March 2022: 25.168%)	(830.99)	(137.48)
Adjustments in respect of current income tax of previous years	0.56	6.99
Adjustments in respect of current income tax due to:		
Expenses not allowed as deduction	-	4.40
Impact of change in tax rate on previously recognised deferred tax liability	-	-
Deductions not leading to timing differences	-	-
Other impacts	1.10	(0.59)
<b>At the effective income tax rate</b>	<b>(829.33)</b>	<b>(126.68)</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>(829.33)</b>	<b>(126.68)</b>

**C. Deferred tax**

Deferred tax relates to the following:

	<b>Balance sheet</b>		<b>Statement of profit and loss</b>	
	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Accelerated depreciation for tax purposes	222.69	234.82	(12.13)	0.68
Unabsorbed losses	(949.95)	(114.37)	(835.57)	(114.37)
Provision for employees benefits	(87.24)	(123.74)	36.50	(6.99)
Present valuation of deferred capital creditors	-	(5.91)	5.91	(3.44)
<b>Deferred tax expense/(income)</b>			<b>(805.29)</b>	<b>(124.12)</b>
<b>Net deferred tax (assets)/liabilities</b>	<b>(814.50)</b>	<b>(9.20)</b>		

Reflected in the balance sheet as follows:

	<b>31 March 2023</b>	<b>31 March 2022</b>
Deferred tax liabilities (continuing operations)	222.69	234.82
Deferred tax assets (continuing operations)	(1,037.19)	(244.02)
<b>Deferred tax liabilities, net</b>	<b>(814.50)</b>	<b>(9.20)</b>

Reconciliation of deferred tax liabilities (net):

	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Opening balance as of 1 April</b>	<b>(9.20)</b>	<b>114.92</b>
Tax (income)/expense during the period recognised in Profit & loss	(829.89)	(133.67)
Tax (income)/expense during the period recognised in OCI	24.60	9.55
<b>Closing balance as at 31 March</b>	<b>(814.50)</b>	<b>(9.20)</b>

**9. Other non-current assets**

(Unsecured, considered good unless otherwise stated)

	<b>31 March 2023</b>	<b>31 March 2022</b>
Capital advances (refer note 43)	825.00	825.00
<b>Total</b>	<b>825.00</b>	<b>825.00</b>



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
**(Amount in Rupees lakhs, unless otherwise stated)**

**10. Inventories**

**(at lower of cost or net realisable value)**

	31 March 2023	31 March 2022
Raw materials	845.67	927.33
Work-in-progress	385.54	1,457.25
Finished goods	377.41	1,066.61
Stores and spares	497.34	817.06
Scrap material	8.73	4.42
<b>Total</b>	<b>2,114.69</b>	<b>4,272.67</b>

**Note:**

For mode of valuation refer accounting policy number 2.2 (e)

**11. Trade receivables (unsecured)**

**At amortised cost**

	31 March 2023	31 March 2022
Unsecured, considered good	8,985.40	14,505.46
Trade receivables: Which have significant increase in credit risk	205.08	-
Less: Allowance for expected credit loss	(205.08)	-
Trade receivables: Credit impaired	-	-
<b>Total</b>	<b>8,985.40</b>	<b>14,505.46</b>

**Note:**

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

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a shorter period from the date of balance sheet. All of the Company's trade receivables have been assessed for indications of impairment.

**Trade receivables ageing Schedules**

Particulars	Outstanding as at 31 March 2023 from the due date of collection					
	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
- considered good	8,074.14	486.02	278.16	128.10	18.98	8,985.40
<b>Disputed</b>						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	205.08	-	205.08
Less: Allowance for expected credit loss	-	-	-	(205.08)	-	(205.08)
<b>Total</b>	<b>8,074.14</b>	<b>486.02</b>	<b>278.16</b>	<b>128.10</b>	<b>18.98</b>	<b>8,985.40</b>

Particulars	Outstanding as at 31 March 2022 from the due date of collection					
	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
- considered good	14,153.18	320.78	29.00	2.50	-	14,505.46
<b>Disputed</b>						
- considered good	-	-	-	-	-	-
<b>Total</b>	<b>14,153.18</b>	<b>320.78</b>	<b>29.00</b>	<b>2.50</b>	<b>-</b>	<b>14,505.46</b>



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**12. Cash and cash equivalents :**

**At amortised cost**  
**Balances with banks**  
On current accounts  
**Cash on hand**

	<b>31 March 2023</b>	<b>31 March 2022</b>
	8.84	659.72
	0.46	3.92
	<b>9.30</b>	<b>663.64</b>

**13. Bank balances other than above**

**At amortised cost**  
Margin money (pledged with banks against non-fund based facilities)

	<b>31 March 2023</b>	<b>31 March 2022</b>
	1,230.31	2,581.96
	<b>1,230.31</b>	<b>2,581.96</b>

For the purpose of statement of cash flows, cash and cash equivalents comprises the following :

**Balance with banks :**  
On current accounts  
Bank overdraft payable on demand  
**Cash on hand**  
**Total**

	<b>31 March 2023</b>	<b>31 March 2022</b>
	8.84	659.72
	(3,178.43)	(2,761.73)
	0.46	3.92
	<b>(3,169.13)</b>	<b>(2,098.09)</b>

**14. Current tax assets (net)**

Income tax paid (net of provision)

	<b>31 March 2023</b>	<b>31 March 2022</b>
	247.56	335.94
	<b>247.56</b>	<b>335.94</b>

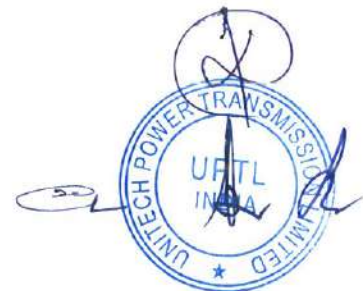
**15. Other current assets**

(Unsecured, considered good unless otherwise stated)

Advance to suppliers & contractors  
Advance to employees  
Prepaid expenses  
Balances with government authorities  
Other receivables  
**Total**

	<b>31 March 2023</b>	<b>31 March 2022</b>
	538.72	217.05
	28.37	10.83
	199.80	293.77
	583.42	1,093.89
	617.32	730.14
	<b>1,967.63</b>	<b>2,345.68</b>

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UNITECH POWER TRANSMISSION LIMITED  
 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023  
 (Amount in Rupees lakhs, unless otherwise stated)

16. Equity share capital

	31 March 2023	31 March 2022
<b>Authorised:</b>		
5,00,00,000 equity shares of Rs. 10 each (31 March 2022: 5,00,00,000, equity shares of Rs. 10 each)	5,000.00	5,000.00
5,00,00,000 equity shares of Rs. 10 each (31 March 2022: 5,00,00,000, shares of Rs. 10 each)	5,000.00	5,000.00
<b>Total</b>	<b>5,000.00</b>	<b>5,000.00</b>

A. Reconciliation of the shares outstanding at the beginning and at the end of the year

	31 March 2023		31 March 2022	
	No of shares	Amount	No of shares	Amount
At the beginning of the year	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>5,00,00,000</b>	<b>5,000.00</b>	<b>5,00,00,000</b>	<b>5,000.00</b>

B. Shares (in aggregate) of each class held by:-

	31 March 2023	31 March 2022
	No of shares	No of shares
Holding company	5,00,00,000	5,00,00,000
	<b>5,00,00,000</b>	<b>5,00,00,000</b>

C. Terms/Rights attached to equity shares

The company has only one class of equity share having face value of Rs 10/- per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing annual general meeting. The holder of share is entitled to voting rights proportionate to their share holding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

D. Following shareholders hold equity shares more than 5% of the total equity shares of the Company:

Name of shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares held	% of holding in class	Number of shares held	% of holding in class
Unitech Limited	5,00,00,000	100%	5,00,00,000	100%

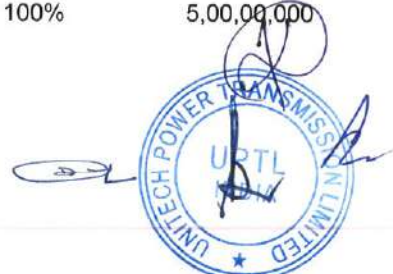
E. Aggregate number and class of shares for a period of 5 years immediately preceding pursuant to contract(s) without payment being received in cash

	31 March 2023	31 March 2022
Aggregate number and class of shares for a period of 5 years immediately preceding pursuant to contract(s) without payment being received in cash	Nil	Nil

E. Details of promoters' shareholding percentage in the Company

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares held	% of holding in class	Number of shares held	% of holding in class
Unitech Limited	5,00,00,000	100%	5,00,00,000	100%

There has been no change in percentage during the year.



UNITECH POWER TRANSMISSION LIMITED  
 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023  
 (Amount in Rupees lakhs, unless otherwise stated)

17. Other equity

	Amount
<b>a) Actuarial gains/ losses on defined benefit employee obligations</b>	
As at 31 March 2021	30.06
Other comprehensive income for the year 2021-22	28.38
<b>As at 31 March 2022</b>	<b>58.44</b>
Other comprehensive income for the year 2022-23	73.16
<b>As at 31 March 2023</b>	<b>131.60</b>
<b>b) Retained earnings</b>	
As at 31 March 2021	5,769.61
(Loss)/ Profit for the year 2021-22	(419.58)
<b>As at 31 March 2022</b>	<b>5,350.03</b>
(Loss)/ Profit for the year 2022-23	(2,472.45)
<b>As at 31 March 2023</b>	<b>2,877.59</b>
<b>Total other equity</b>	
As at 31 March 2023	3,009.19
As at 31 March 2022	5,408.47

**Nature and purpose of reserves:**

**Actuarial gains/ losses on defined benefit employee obligations**  
 Represents accumulated actuarial gains on defined benefit employee obligations.

**Retained earnings**

Retained earnings are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders.

18. Other financial liabilities

	31 March 2023	31 March 2022
<b>At amortised cost</b>		
<b>Non-current</b>		
Payable for capital expenditures	-	-
<b>Current</b>		
Loan from holding company	-	-
Security deposits	2.00	2.00
Payable for capital expenditures	9.41	127.19
Employee payables	287.01	270.92
Other payables	876.28	1,479.28
<b>Total</b>	<b>1,174.70</b>	<b>1,879.39</b>

19. Provisions

	31 March 2023	31 March 2022
<b>Non-current</b>		
Provision for gratuity	272.57	323.06
Provision for compensated absences	49.78	72.61
	322.35	395.67
<b>Current</b>		
Provision for gratuity	20.79	83.71
Provision for compensated absences	3.50	12.27
	24.29	95.98



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**20. Borrowings**

	31 March 2023	31 March 2022
<b>At amortised cost</b>		
<b>Working capital facility</b>		
Loans from banks repayable on demand, secured	3,178.43	2,761.73
	<b>3,178.43</b>	<b>2,761.73</b>

**Terms of Borrowings:**

Type of loan	Rate of interest
Working capital facility	11.85% to 13.25%

**Security details of borrowings:**

Working capital loans from banks (Canara Bank erstwhile Syndicate bank and Punjab National Bank erstwhile Oriental bank of commerce) are secured by way of a pari passu charge on fixed assets of the company including all that piece and parcel of land situated at A-33, Butibori Industrial Area, MIDC Nagpur and hypothecation of stocks and book debts and equitable mortgage of the properties i.e. (i) Land of primary school at plot no PS-01, block -h, south city -II, phase-1, Gurgaon Haryana, which is under dispute and the matter is subjudice. (ii) Land of primary school at plot no - PS-04, block-T, south city -II, phase -II (nirvana country) Gurgaon, Haryana, owned by Unitech Ltd.'s subsidiaries . Further the loan has been guaranteed by corporate guarantee of Unitech Limited, Mahoba Schools Limited and Mahoba Builders Limited and personal guarantees of Mr. Ramesh Chandra and Mr. Sanjay Chandra.

**21. Trade payables**

	31 March 2023	31 March 2022
<b>At amortised cost</b>		
Trade payables		
- total outstanding dues of micro and small enterprises;	86.25	62.54
- total outstanding dues of creditors other than	4,083.51	10,642.39
<b>Total</b>	<b>4,169.76</b>	<b>10,704.93</b>

**Trade Payables Ageing Schedule**

Particulars	Outstanding as on 31 March 2023 from due date of payment					
	Not due	Upto 1	1-2	2-3	More than 3	Total
		Year	Years	Years	Years	
Total outstanding dues of MSME	5.11	58.08	23.06			86.25
Total outstanding dues of creditors other than MSME	1,339.72	2,019.03	215.66	43.00	466.10	4,083.51
Disputed dues of MSME						-
Disputed dues of creditors other than MSME						-
	<b>1,344.83</b>	<b>2,077.11</b>	<b>238.72</b>	<b>43.00</b>	<b>466.10</b>	<b>4,169.76</b>

Particulars	Outstanding as on 31 March 2022 from due date of payment					
	Not due	Upto 1	1-2	2-3	More than 3	Total
		Year	Years	Years	Years	
Total outstanding dues of MSME	30.68	31.86	-	-	-	62.54
Total outstanding dues of creditors other than MSME	6,260.24	3,721.49	604.15	27.40	29.11	10,642.39
Disputed dues of MSME						-
Disputed dues of creditors other than MSME						-
	<b>6,290.92</b>	<b>3,753.35</b>	<b>604.15</b>	<b>27.40</b>	<b>29.11</b>	<b>10,704.93</b>

**22. Other current liabilities**

	31 March 2023	31 March 2022
Advance from customers	1,611.37	1,800.30
Statutory dues payable	152.11	249.59
<b>Total</b>	<b>1,763.48</b>	<b>2,049.89</b>



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**23. Revenue from operations**

	<b>31 March 2023</b>	<b>31 March 2022</b>
Sale of products		
Sale of towers	4,908.67	14,206.09
Sale of tower components and accessories	3,287.63	7,078.93
	<u>8,196.30</u>	<u>21,285.02</u>
Sale of services		
Income from Works Contracts and Engineering Charges	7,895.04	11,723.35
Other operating revenues		
Sale of scrap	219.32	187.87
Job work charges	94.73	35.66
	<u>314.05</u>	<u>223.53</u>
<b>Total</b>	<b><u>16,405.39</u></b>	<b><u>33,231.90</u></b>

**Details of revenue from contracts with customers and other operating revenue:**

	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Revenue from contract with customers</b>		
<b>Goods transferred at a point in time</b>		
Sale of towers	4,908.67	14,206.09
Sale of tower components and accessories	3,287.63	7,078.93
Sale of scrap	219.32	187.87
<b>Sale of services over the period of time</b>		
Income from Works Contracts and Engineering Charges	7,895.04	11,723.35
Job work charges	94.73	35.66
	<u>16,405.39</u>	<u>33,231.90</u>

**Performance obligations and remaining performance obligations**

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 where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. The Company does not have any remaining performance obligations other than those meeting the exclusion criteria mentioned above as at 31st March, 2023 (31st March, 2022: Nil).

**24. Other income**

	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Interest income on:</b>		
Fixed deposits	81.67	107.02
Others	58.93	0.96
<b>Other non operating income</b>		
Gain on sale of property, plant and equipment	2.02	1.58
Insurance claims	83.98	43.13
Gain on fair valuation of investment (FVTPL)	0.51	0.15
Miscellaneous income	85.82	11.97
<b>Total</b>	<b><u>312.93</u></b>	<b><u>164.81</u></b>





**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**25. Cost of materials consumed**

	<b>31 March 2023</b>	<b>31 March 2022</b>
Raw material consumed	7,650.80	19,978.99
Stores and spares	689.57	1,002.24
<b>Total</b>	<b>8,340.37</b>	<b>20,981.23</b>

**26. Changes in inventories of finished goods, stock in trade and work-in-progress**

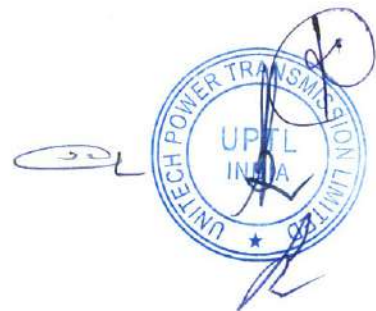
	<b>31 March 2023</b>	<b>31 March 2022</b>
<b><u>Inventories at the beginning of the year</u></b>		
Finished goods	1,071.03	1,821.90
Work-in-process	1,457.25	892.67
<b>Total Inventories at the beginning of the year</b>	<b>2,528.28</b>	<b>2,714.57</b>
<b><u>Inventories at the end of the year</u></b>		
Finished goods	386.14	1,071.03
Work-in-process	385.54	1,457.25
<b>Total Inventories at the end of the year</b>	<b>771.68</b>	<b>2,528.28</b>
<b>Total</b>	<b>1,756.60</b>	<b>186.29</b>

**27. Employee benefits expense**

	<b>31 March 2023</b>	<b>31 March 2022</b>
Salaries, wages and amenities	1,694.71	2,101.36
Contribution to provident fund and other funds	127.72	157.80
Staff welfare expenses	33.25	51.76
<b>Total</b>	<b>1,855.68</b>	<b>2,310.92</b>

**28. Finance Costs**

	<b>31 March 2023</b>	<b>31 March 2022</b>
Interest expense on-		
Working capital loans	402.84	300.72
Unwinding of discount on financial liabilities	2.50	13.69
Other ancillary borrowing costs	478.61	434.93
<b>Total</b>	<b>883.95</b>	<b>749.34</b>



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
**(Amount in Rupees lakhs, unless otherwise stated)**

**29. Depreciation and amortisation expense**

	<b>31 March 2023</b>	<b>31 March 2022</b>
Depreciation of property, plant and equipment (refer note 3)	263.95	269.37
Depreciation on right of use asset (refer note 4)	0.45	0.45
Amortisation of intangible assets (refer note 5)	3.08	9.76
	<b>267.48</b>	<b>279.58</b>

**30. Other expenses**

	<b>31 March 2023</b>	<b>31 March 2022</b>
<u>Other operating expenses</u>		
Power and fuel	84.36	114.46
Freight	3.07	12.60
Other manufacturing expense	161.46	338.74
<u>Job and construction expenses</u>		
Wages, allowances, workmen's compensation	466.41	858.30
Testing expenses	38.88	37.88
Labour cess	103.43	186.54
Rent at site	109.59	429.28
Job expenses	4,061.53	5,544.99
Project insurance	148.98	115.37
<u>Repairs &amp; maintenance</u>		
- Building	6.70	23.54
- Machinery	32.07	50.10
- Others	47.38	86.99
<u>Selling distribution expenses</u>		
Advertising and business promotional expenses	20.32	31.19
Other selling distribution expenses	6.09	3.56
<u>Administrative expenses</u>		
Subscriptions membership fees	2.77	6.48
Electricity expenses	33.97	42.66
Telephone postage	34.46	43.54
Printing stationery	21.76	28.43
Travelling conveyance	84.69	113.72
Legal professional charges	174.87	161.51
Insurance expenses	15.78	18.63
Vehicle running expenses	189.20	250.99
Rent	165.48	184.05
Rates and taxes	86.99	57.34
Safety security expenses	156.77	171.87
Auditors remuneration		
- as audit fees	5.25	5.25
- for taxation matter	0.25	0.25
- for other matters	1.08	1.24
Provision for doubtful debts	205.08	-
Books periodicals	0.14	0.31
Registration and filing fees	0.45	0.31
Bank charges	393.60	434.43
Other administrative general expenses	42.79	62.62
Net Foreign exchange loss	6.44	0.95
Loss sale disposal of property, plant and equipment	3.93	-
Corporate social responsibility (refer note 44)	-	17.49
	<b>6,916.02</b>	<b>9,435.61</b>



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**31. Components of other comprehensive income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

**During the year ended 31 March 2023**

	Actuarial gains/ losses on defined benefit employee obligations	Total
Remeasurement gains (losses) on defined benefit plans	97.76	97.76
Income tax effect	(24.60)	(24.60)
	<b>73.16</b>	<b>73.16</b>

**During the year ended 31 March 2022**

	Actuarial gains/ losses on defined benefit employee obligations	Total
Remeasurement gains (losses) on defined benefit plans	37.93	37.93
Income tax effect	(9.55)	(9.55)
	<b>28.38</b>	<b>28.38</b>

**32. Earnings per share (EPS)**

Basic and diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year. Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the company by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted

Particulars	31 March 2023	31 March 2022
Profit for the year as per statement of Profit & Loss	(2,472.45)	(419.58)
<b>Profit attributable to equity holders of the company for basic earnings</b>	<b>(2,472.45)</b>	<b>(419.58)</b>
	<b>No.</b>	<b>No.</b>
Weighted average number of equity shares in calculating basic EPS	5,00,00,000	5,00,00,000
Effect of dilution:	-	-
<b>Weighted average number of equity shares in calculating diluted EPS</b>	<b>5,00,00,000</b>	<b>5,00,00,000</b>
<b>Earnings per equity share in Rs.</b>		
Basic	(4.94)	(0.84)
Diluted	(4.94)	(0.84)
<b>Face value of each equity share (in Rs.)</b>	<b>10</b>	<b>10</b>



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**33. Employee benefit plans**

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and employee state insurance, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to provident fund of Rs. 112.40 lakhs (31 March 2022: Rs. 140.05 lakhs) and employee state insurance of Rs. 10.61 lakhs (31 March 2022: Rs. 14.24 lakhs) for the year aggregated to Rs. 123.01 lakhs (31 March 2022: Rs. 154.29 lakhs) and is included in "contribution to provident and other funds" (refer note 27).

Defined benefit plans - (unfunded)

Gratuity:

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination / resignation. The benefit vests on the employee completing 5 years of service. The Company makes provision of such gratuity liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

Leave encashment:

The company has a defined benefit leave encashment plan. Leave encashment is payable to employee at the time of his retirement/ termination/ resignation. Maximum leave accumulation to which an employee is entitled in 45 days. The Company makes provision of such gratuity liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the year the Code becomes effective.

**The following tables summarise the components of net benefit expense recognised in the statement of profit & loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:**

**Changes in the present value of the defined benefit obligation are, as follows:**

	Gratuity		Leave encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Defined benefit obligation at the beginning of the year</b>				
Current service cost	406.77	370.47	84.88	93.40
Interest cost	26.67	39.08	7.14	13.44
Benefits paid	29.20	25.19	6.09	6.35
Actuarial (gain)/ loss on obligations - OCI	(92.26)	(11.08)	(24.10)	(7.27)
	(77.02)	(16.89)	(20.73)	(21.04)
<b>Defined benefit obligation at the end of the year</b>	<b>293.36</b>	<b>406.77</b>	<b>53.28</b>	<b>84.88</b>



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
(Amount in Rupees lakhs, unless otherwise stated)

**33. Employee benefit plans (contd.)**

Changes in the fair value of plan assets are, as follows:

**Fair value of plan assets at the beginning of the year**

Contribution by employer

Benefits paid

Expected interest income on plan assets

Actuarial gain/(loss) on plan asset

**Fair value of plan assets at the end of the year**

	Gratuity		Leave encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Contribution by employer	-	-	-	-
Benefits paid	-	-	-	-
Expected interest income on plan assets	-	-	-	-
Actuarial gain/(loss) on plan asset	-	-	-	-
<b>Fair value of plan assets at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Reconciliation of fair value of plan assets and defined benefit obligation:**

Fair value of plan assets

Defined benefit obligation

**Amount recognised in the balance sheet**

	Gratuity		Leave encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Fair value of plan assets	-	-	-	-
Defined benefit obligation	293.36	406.77	53.28	84.88
<b>Amount recognised in the balance sheet</b>	<b>293.36</b>	<b>406.77</b>	<b>53.28</b>	<b>84.88</b>

**Amount recognised in statement of profit and loss:**

Current service cost

Interest expense

Expected return on plan asset

**Amount recognised in statement of profit and loss**

	Gratuity		Leave encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Current service cost	26.67	39.08	7.14	13.44
Interest expense	29.20	25.19	6.09	6.35
Expected return on plan asset	-	-	-	-
<b>Amount recognised in statement of profit and loss</b>	<b>55.87</b>	<b>64.27</b>	<b>13.23</b>	<b>19.79</b>

**Amount recognised in other comprehensive income:**

Actuarial changes arising from changes in demographic assumptions

Actuarial changes arising from changes in financial assumptions

Return on plan assets (excluding amounts included in net interest expense)

Actuarial (gain)/ loss arising from Experience adjustments

**Amount recognised in other comprehensive income**

	Gratuity		Leave encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Actuarial changes arising from changes in demographic assumptions	(5.29)	(12.80)	(1.04)	(3.26)
Actuarial changes arising from changes in financial assumptions	-	-	-	-
Return on plan assets (excluding amounts included in net interest expense)	(71.73)	(4.09)	-	-
Actuarial (gain)/ loss arising from Experience adjustments	<b>(77.02)</b>	<b>(16.89)</b>	<b>(20.73)</b>	<b>(21.04)</b>
<b>Amount recognised in other comprehensive income</b>	<b>(154.04)</b>	<b>(33.78)</b>	<b>(22.81)</b>	<b>(25.30)</b>



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**33. Employee benefit plans (contd.)**

The principal assumptions used in determining gratuity liability for the company's plans are shown below:

	Gratuity		Leave encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Discount rate	7.38%	7.18%	7.38%	7.18%
Expected rate of return on plan assets	0.00%	0.00%	0.00%	0.00%
Future salary increases	5.00%	5.00%	5.00%	5.00%
Attrition rate (up to 30 years)	3.00%	3.00%	3.00%	3.00%
Attrition rate (from 30 to 44 years)	2.00%	2.00%	2.00%	2.00%
Attrition rate (above 44 years)	1.00%	1.00%	1.00%	1.00%
Retirement age	60 years	60 years	60 years	60 years

A quantitative sensitivity analysis for significant assumption as at 31 March 2022 is as shown below:

	Gratuity		Leave encashment	
	Sensitivity level	Impact on DBO	Impact on DBO	
<b>Gratuity Plan</b>				
		31 March 2023	31 March 2023	31 March 2022
<b>Assumptions</b>				
Discount rate	+0.50%	(12.63)	(2.93)	(4.48)
	-0.50%	13.59	2.23	3.83
Future salary increases	+0.50%	13.84	2.28	3.90
	-0.50%	(12.96)	(2.99)	(4.58)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Sensitivities due to mortality and withdrawals are insignificant and hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Expected contribution for the next Annual reporting period is Rs. 50.72 lakhs and Rs. 11.47 lakhs for gratuity and leave encashment respectively.

The following payments are expected contributions to the defined benefit plan in future years (In absolute terms i.e. undiscounted):

	Gratuity		Leave encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Within the next 12 months (next annual reporting period)	20.79	83.71	3.50	12.27
Between 2 and 6 years	67.40	85.26	13.07	18.91
Beyond 6 years	205.17	237.80	36.70	53.71
<b>Total expected payments</b>	<b>293.37</b>	<b>406.77</b>	<b>53.28</b>	<b>84.88</b>

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 14.56 years (31 March 2022: 16.47 years).



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**34. Leases taken - as a lessee:**

The company obtained land measuring 87,600 square metres in Maharashtra on a 95 years lease from Maharashtra Industrial Development Corporation vide lease agreement dated 15.11.1994 for a lump sum consideration of ₹ 43.04 lakhs. The gross block of ₹ 43.04 lakhs as reduced by accumulated depreciation of ₹ 11.06 lakhs as at 1st April 2019 (date of transition to Ind AS 116) has been re-classified as Right of Use asset - leasehold land. Since total consideration was paid in lump sum, no lease liability has been recognised.

Set out below are the net carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Right of use - Lease hold land
As at 1 April 2021	31.08
Additions	-
Less: Depreciation expense	0.45
<b>As at 31 March 2022</b>	<b>30.63</b>
Additions	-
Less: Depreciation expense	0.45
<b>As at 31 March 2023</b>	<b>30.18</b>

The Company has obtained various office and warehouse spaces on short term leases and also hired tractors, cranes etc. that are commissioned at various sites. Rental expense recorded for short-term leases was ₹ 275.07 lakhs for the year ended March 31, 2023 and ₹ 613.33 lakhs for the year ended March 31, 2022.

**35. Commitments and contingencies**

**(a) Commitments**

Letters of Credit opened in favour of inland/ overseas suppliers (Net) are Rs. 33.96 lakhs (March 31, 2022 - Rs. 584.50 lakhs).

**(b) Contingent liabilities**

(i) In respect of VAT, CST, GST and WCT Demands pending before various authorities and in dispute Rs. 1104.22 lakhs (March 31, 2022 - Rs. 1029.12 lakhs)

(ii) In respect of Excise and service tax Demands pending before various authorities and in dispute Rs. 43.40 lakhs (March 31, 2022 - Rs. 43.40 lakhs).

(iii) In respect of Income tax Demands pending before CIT(A) and in dispute Rs. 26.73 lakhs (March 31, 2022 - Rs. 26.73 lakhs)

(iv) In respect of interest before MSME facilitation council, Chandigarh in dispute Rs. 32.52 lakhs (March 31, 2022 - Rs. 32.52 lakhs)

(v) Counter guarantees issued in respect of guarantees issued by company's bankers Rs. 10,538.24 lakhs (March 31, 2022 - Rs. 12,346.24 lakhs)

**36. Related party disclosures**

List of related parties

(a) Parent company	Unitech Limited
(b) Fellow subsidiaries	1 Colossal Projects Private Limited
(c) Key management personnel:-	1 Mr. Mahesh Kumar Agrawal - Wholetime Director (upto 30/06/2022)
	2 Mr. Rajendra Kumar Bhandari - Wholetime Director
	3 Mr. Gyanendra Kumar Chaturvedi - Chief Financial Officer
	4 Mrs. Anuradha Mishra Batish - Company Secretary (upto 24/05/2022)
	5 Mrs. Kanika - Company Secretary

Details relating to remuneration of key managerial personnel

Name of KMP	31 March 2023	31 March 2022
	Short-term employee benefits	Short-term employee benefits
Mr. Mahesh Kumar Agrawal	25.73	81.24
Mr. Rajendra Kumar Bhandari	26.40	21.77
Mr. Gyanendra Kumar Chaturvedi	26.10	25.58
Mrs. Anuradha Mishra Batish	0.77	5.14
Mrs. Kanika	3.04	-

The following transactions were carried out with related parties in the ordinary course of business:-

Related party transactions	Period	Parent company	Fellow subsidiaries	Total
<b>Sale of tangible asset:</b>				
Unitech Limited	31 March 2023	-	-	-
	31 March 2022	-	-	-

Net outstanding balance :-

Related party	Period	Parent company	Fellow subsidiaries	Total
<b>Capital advance given:</b>				
Colossal Projects Private Limited	31 March 2023	-	825.00	825.00
	31 March 2022	-	825.00	825.00



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**37. Segment information**

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. Based on the consideration of dominant sources and nature of risk & returns, the company is primarily engaged in erection and sale of power transmission towers. Most of the activities are revolving around this business and accordingly has only one reportable segment. The geographical location of its main operations and the internal organization/ reporting and management structure supports such treatment.

**38. Dues to micro and small enterprises**

The dues to micro and small enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

Particulars	31 March 2023	31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	78.90	59.26
Interest due on above	7.35	3.28
	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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**39. Fair values measurements**

**(i) Financial instruments by category**

Particulars	31 March 2023		31 March 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>				
Investments	2.94	-	2.43	-
Other financial assets (non current)	-	30.41	-	30.70
Trade receivables	-	8,985.40	-	14,505.46
Cash and cash equivalents	-	9.30	-	663.64
Bank balance other than above	-	1,230.31	-	2,581.96
Loans	-	-	-	-
Other financial assets (current)	-	51.80	-	89.01
<b>Total financial assets</b>	<b>2.94</b>	<b>10,307.22</b>	<b>2.43</b>	<b>17,870.77</b>
<b>Financial liabilities</b>				
Other financial liabilities (Non-current)	-	-	-	-
Borrowings (current)	-	3,178.43	-	2,761.73
Trade payables	-	4,169.76	-	10,704.93
Other financial liabilities	-	1,174.70	-	1,879.39
<b>Total financial liabilities</b>	<b>-</b>	<b>8,522.89</b>	<b>-</b>	<b>15,346.05</b>

**(ii) Fair value hierarchy**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

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

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities, other than those whose fair values are close approximations of their carrying values.

**39. Fair values measurements (contd)**



**UNITECH POWER TRANSMISSION LIMITED**  
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**Financial assets and liabilities measured at fair value - recurring fair value measurements for which fair values are disclosed at 31 March 2023:**

Date of valuation	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
31-Mar-23	2.94	2.94	-	-

There have been no transfers between Level 1 and Level 2 during the period.

**Financial assets and liabilities measured at fair value - recurring fair value measurements for which fair values are disclosed at 31 March 2022:**

Date of valuation	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
31-Mar-22	2.43	2.43	-	-

There have been no transfers between Level 1 and Level 2 during the period.



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**39. Fair values measurements (contd)**

**Assets and liabilities which are measured at amortised cost for which fair values are disclosed at 31 March 2023:**

Date of valuation	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
31-Mar-23	49.36	-	-	49.36
<b>Financial assets</b>				
Security deposits given				

There have been no transfers between Level 1 and Level 2 during the period.

**Assets and liabilities which are measured at amortised cost for which fair values are disclosed at 31 March 2022:**

Date of valuation	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
31-Mar-22	55.50	-	-	55.50
<b>Financial assets</b>				
Security deposits given				

There have been no transfers between Level 1 and Level 2 during the period.

For cash and cash equivalents, trade receivables, other receivables, short term borrowing, trade payables and other current financial liabilities the management assessed that their fair value is approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the Company's long-term interest free security deposits are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the market borrowing rate as at the end of the reporting period. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. The fair value of non current investments have determined basis the quoted price on recognised stock exchange.



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**40. Financial risk management objectives and policies**

The Company's principal financial liabilities, comprise borrowings, trade payables, and employee liabilities. The Company's principal financial assets include trade and other receivables and cash and short-term deposits/ loan that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by the Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Company. The board provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

**I. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include , deposits.

The sensitivity analyses of the above mentioned risk in the following sections relate to the position as at 31 March 2023 and 31 March 2022.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The analysis for contingent liabilities is provided in Note 35.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 31 March 2022.

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to the risk of changes in market interest rates relates primarily to debt obligations with floating interest rates.

	Increase/ decrease in basis points	Effect on profit before tax  Rs. Lakhs
<b>31 March 2023</b>		
INR	+50	15.89
INR	-50	(15.89)
<b>31 March 2022</b>		
INR	+50	(13.81)
INR	-50	13.81

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

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**40. Financial risk management objectives and policies (contd.)**

**I. Market risk (contd.)**

B. Foreign currency sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency). Foreign currency risk sensitivity is the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in EURO exchange rates, with all other variables held constant. The company's exposure to foreign currency changes for all other currencies is not material.

	<u>Change in USD</u> <u>rate</u>	<u>Effect on</u> <u>profit before</u> <u>Rs. in lakhs</u>
<b>31-Mar-23</b>	+5%	-
	-5%	-
<b>31-Mar-22</b>	+5%	(6.14)
	-5%	6.14

**II. Credit risk**

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

Credit risk from investments with banks and other financial institutions is managed by the Treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assess the Company's policy and update as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

At the year end the Company does not have any significant concentrations of bad debt risk other than the receivables provided for and disclosed in note 11.

In respect of trade receivables, the Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's trade receivables has low credit risk as there is a prompt collection from debtors within a period ranging from three to six months. The history of trade receivables shows a negligible allowance for bad and doubtful debts. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

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**40. Financial risk management objectives and policies (contd.)**

**II. Credit risk (contd.)**

*B. Financial instruments and cash deposits*

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties.

**III. Liquidity risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	<b>On demand</b>	<b>Upto 12 months</b>	<b>1 to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
<b>Year ended</b>					
<b>As at 31st March 2023</b>					
Borrowings (current)	3,178.43	-	-	-	3,178.43
Trade payables	2,824.93	1,344.83	-	-	4,169.76
Other financial liabilities	287.01	887.69	-	-	1,174.70
	<b>6,290.37</b>	<b>2,232.52</b>	-	-	<b>8,522.89</b>
<b>Year ended</b>					
<b>As at 31st March 2022</b>					
Borrowings (current)	2,761.73	-	-	-	2,761.73
Trade payables	4,414.01	6,290.92	-	-	10,704.93
Other financial liabilities	270.92	1,608.47	-	-	1,879.39
	<b>7,446.66</b>	<b>7,899.39</b>	-	-	<b>15,346.05</b>

**IV. Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company's manufacturing facilities are situated in different geographies.

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**41. Capital management**

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Company monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate. No changes were made in the objectives, policies or processes during the year ended 31 March 2023. The Company's objective is to maintain the gearing ratio between 50% to 70%.

	31 March 2023	31 March 2022
Borrowings	3,178.43	2,761.73
Trade payables	4,169.76	10,704.93
Other financial liabilities	1,174.70	1,879.39
<b>Total Debts</b>	<b>8,522.89</b>	<b>15,346.05</b>
Less: Cash and cash equivalents	9.30	663.64
<b>Net debts</b>	<b>8,513.59</b>	<b>14,682.41</b>
<b>Total equity</b>	<b>8,009.19</b>	<b>10,408.47</b>
<b>Total debt and equity</b>	<b>16,522.78</b>	<b>25,090.88</b>
<b>Gearing ratio (%)</b>	<b>51.58%</b>	<b>61.16%</b>

**42. Balance confirmation**

Balances of certain debtors, creditors, loans and advances are subject to confirmation.

**43. Capital advances**

A share purchase agreement (SPA) dated March 20, 2019 had been signed between Unitech Limited (UL), the parent company of Unitech Power Transmission Ltd (UPTL) and Sterling Wilson Private Ltd (SWPL) for the sale of entire equity of UPTL in favour of SWPL. As per the terms contained in SPA, the settlement agreement dated June 12, 2019 was signed between Colossal Projects Pvt Ltd (CPPL) and UPTL. Since the terms of SPA, mainly the transfer of equity of UPTL to SWPL was under implementation, the management had decided to keep the terms of the aforesaid settlement agreement in abeyance till the equity of UPTL is actually transferred by UL. Now the sale of UPTL to SWPL has not been fructified. The new management of Unitech Limited is permitted by Hon'ble Supreme Court to explore other potential buyers for the sale of their shareholding in UPTL. CPPL has confirmed the balance outstanding in their books of account. Therefore, no adjustment of Rs. 825 lakhs, the receivable from CPPL, (subsidiary company of UL), has been made.

**44. Corporate social responsibility**

As per Section 135 of the Companies Act, 2013, Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is not required to spend any amount for Corporate Social Responsibility activities during the year 2022-23, although the Company was required to spend Rs. 17.49 lakhs in previous year (refer note below for relevant disclosures).

	31 March 2023	31 March 2022	
a) Gross amount required to be spent by the Company during the year	-	17.49	
b) Amount approved by the Board to be spent during the year <sup>1</sup>	-	17.49	
c) Amount spent during the year ending on 31 March 2023:	<b>In cash</b>	<b>Shortfall</b>	<b>Total</b>
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	-	-	-
d) Amount spent during the year ending on 31 March 2022:	<b>In cash</b>	<b>Shortfall</b>	<b>Total</b>
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	6.41	11.08	17.49
e) Details related to spent / unspent obligations:	<b>31 March 2023</b>	<b>31 March 2022</b>	
i) Contribution to Public Trust	-	-	
ii) Contribution to Charitable Trust	-	-	
iii) Unspent amount in relation to:			
- Ongoing project	-	-	
- Other than ongoing project	-	11.08	

<sup>1</sup>(i) The approved amount of FY 2017-18, 2018-19 and 2019-20 is short spent by Rs. 16.05 lakhs, Rs. 0.79 lakhs and Rs. 23.69 lakhs



44. Corporate social responsibility (contd.)

Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
Self	-	-	-	-	-	-

In case of S. 135(5) (Other than ongoing project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-

45. Disclosure under Ind AS 7 'Statement of Cash Flows'

Ind AS 7 require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities.

	31 March 2022	Cash flows	Non-cash changes	31 March 2023
			Fair value changes	
Short term borrowings	2,761.73	416.70	-	3,178.43
Total liabilities from financing activities	2,761.73	416.70	-	3,178.43

	31 Mar 2021	Cash flows	Non-cash changes	31 March 2022
			Fair value changes	
Short term borrowings	1,690.31	1,071.42	-	2,761.73
Total liabilities from financing activities	1,690.31	1,071.42	-	2,761.73

46. Unhedged foreign currency exposure

Unhedged foreign currency exposures

The amount of foreign currency exposure that are not hedged by derivative instruments or otherwise are as under -

	31 March 2023	31 March 2023	31 March 2022	31 March 2022
	Foreign Currency	Amount (Rs. Lakhs)	Foreign Currency	Amount (Rs. Lakhs)
Foreign capital creditors				
EUR in lakhs	-	-	1.45	122.76





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(Amount in Rupees lakhs, unless otherwise stated)

**47. Ratio Analysis and its elements**

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	% change	Reasons for variance (if above 25%)
Current ratio	Current Assets	Current Liabilities	1.42	1.42	-0.06%	NA
Debt- Equity ratio	Total Debt	Total Equity	0.40	0.27	49.57%	Refer note (a)
Debt service coverage ratio	Net profit after tax + Non Cash Operating Expenses (Depreciation and Other Amortizations) + Finance Cost+ Other Adjustments (Loss on Sale of Property, plant and equipment)	Interest and lease Repayments + Principal Repayments of long term borrowings	(2.43)	0.64	-476.99%	Refer note (b)
Return on equity ratio	Net Profit After Tax	Average total equity	-26.85%	-3.96%	578.55%	Refer note (c)
Inventory turnover ratio	Sale of products	Average Inventory	2.57	4.72	-45.64%	Refer note (c)
Trade receivable turnover ratio	Revenue from Operations	Average Trade Receivable	1.40	2.13	-34.32%	Refer note (c)
Trade payable turnover ratio	Total Purchases and other expenses	Average Trade Payable	1.07	1.83	-41.73%	Refer note (c)
Net capital turnover ratio	Revenue from Operations	Current Assets -Current Liabilities	3.82	4.55	-16.09%	NA
Net profit ratio	Net Profit After Tax	Revenue from Operations	-15.07%	-1.26%	1093.67%	Refer note (c)
Return on capital employed	Profit Before Tax + Finance Cost	Capital Employed = Tangible Net worth + Total long term borrowings + Deferred Tax Liability	-30.19%	1.95%	-1646.83%	Refer note (d)
Return on investment	Gain on sale/ fair valuation of investment in Sovereign Gold Bonds	Average investment in Sovereign Gold Bonds	18.99%	6.37%	198.21%	Refer note (e)

**Reasons for variance of more than 25% in ratios**

- Increase in debts during the period resulted in the increase in ratio.
- Losses in the current financial year resulted in the decrease in the ratio.
- Heavy losses in the current financial year as compared to last year has resulted in the decrease in the ratio.
- Losses in the current year and increase in finance cost has lead to the increase in ratio.
- Variance is due to change in market price of gold.



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
 (Amount in Rupees lakhs, unless otherwise stated)

48. The Company has sanctioned credit facilities from banks on the basis of security of current assets. The quarterly returns filed by the Company with such banks are in agreement with the books of accounts of the Company during the financial year 2022-23. For FY 2021-22, all the quarterly returns filed by the Company with banks were in agreement with the books of accounts of the Company except for statements filed in fourth quarter of FY 2021-22 as specified below:

Quarter	Name of bank	Particulars of Securities provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
4th Quarter of the FY 2021-22	Canara Bank	Stock	4272.67	4084.73	187.94	Increase in WIP unbilled sales
		Debtors	14526.78	14578.88	-52.10	Decrease due to Adjustment of Advances and Statutory deduction



**UNITECH POWER TRANSMISSION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
**(Amount in Rupees lakhs, unless otherwise stated)**

**49. Other statutory information:**

- (i) No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (ii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iii) The Company has not been declared a wilful defaulter by any bank or financial Institution or other lender.
- (iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**(vi) Utilisation of Borrowed funds and share premium:**

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

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company has not advanced any loans or advances in the nature of loans that were granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any repayment terms.

(viii) The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous 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).

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

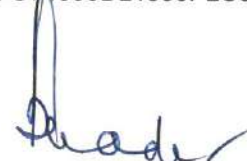
**50.** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.


In terms of our report of even date annexed  
**For KMGS & Associates**  
Chartered Accountants  
FRN No. 004730N

  
**Lalit Goel**  
Partner  
Membership No: 91100



For and on behalf of the Board of Directors of  
**Unitech Power Transmission Limited**  
CIN: U74999DL1995PLC072431

  
**Ashok Kumar Yadav**  
Director  
DIN: 01839508

  
**Rajendra Kumar Bhandari**  
Whole-time Director  
DIN: 07273022

  
**Kanika**  
Company Secretary  
M. No:A69239

  
**Gyanendra Kumar Chaturvedi**  
Chief Financial Officer

Place : New Delhi  
Dated : 13/09/2023

**Unitech Power Transmission Limited**  
**Notes to Financial Statements for the year ended 31 March 2023**

**1. Corporate information**

UNITECH POWER TRANSMISSION LIMITED ("UPTL" or "the company") is a limited company domiciled in India and was incorporated on 14<sup>th</sup> September, 1995. The registered office of the Company is located at Unitech House, 6 Community Centre, Saket New Delhi - 110017, India.

**2. Significant accounting policies**

**2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on a historical cost basis, except for the certain assets and liabilities which have been measured at different basis and such basis has been disclosed in relevant accounting policy.

The financial statements are presented in INR and all values are rounded to the nearest lakh (INR 00,000), except when otherwise indicated.

**2.2 Significant accounting policies**

**a. Current versus non-current classification**

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

An asset/ liability is treated as current when it is:

- Expected to be realised or intended to be sold or consumed or settled in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

The Company classifies all other liabilities as non-current.

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

**b. Property, plant and equipment**

**i) Tangible assets**

Property, plant and equipment are stated at cost [i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs (in case of a qualifying asset) upto the date of acquisition/ installation], net of accumulated depreciation and accumulated impairment losses, if any.



**Unitech Power Transmission Limited**  
**Notes to Financial Statements for the year ended 31 March 2023**

When significant parts of property, plant and equipment (identified individually as component) are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Whenever major inspection/overhaul/repair is performed, its cost is recognized in the carrying amount of respective assets as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses/gains arising in case retirement/disposals of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation on property, plant and equipment are provided to the extent of depreciable amount on the straight line (SLM) Method. Depreciation is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.

Leasehold Land and Leasehold Improvements are amortized over the period of the lease or the useful life of the asset, whichever is lower.

The residual values, useful lives and methods of depreciation/amortization of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

ii) Capital work in progress

Capital work in progress includes construction stores including material in transit/ equipment / services, etc. received at site for use in the projects.

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalized at the time of commissioning of such assets.

**c. Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization.

Intangible assets with finite lives (i.e. software and licenses) are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and method for an intangible asset is reviewed at least at the end of each reporting period.

Costs relating to computer software and technical know-how are capitalised and amortised on straight line method over their estimated useful economic life of six years.

**d. Research & Development Costs**

Research and development costs that are in nature of tangible assets and are expected to generate probable future economic benefits are capitalised as tangible assets. Revenue expenditure on research and development is charged to the statement of profit and loss in the year in which it is incurred.

**e. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.



**Unitech Power Transmission Limited**  
**Notes to Financial Statements for the year ended 31 March 2023**

**f. Impairment of non-financial assets**

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

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

**g. Inventories**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw material are determined on weighted average basis. Cost of components and accessories, Stores Erection, materials, spares and loose tools are determined on First-in-first out (FIFO) method.

**h. Revenue Recognition**

The Company derives revenues primarily from erection, sale and servicing of power transmission towers.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements with customers for erection, sale and servicing of power transmission towers are mostly on a fixed – price basis.

Revenue from fixed-price contracts are recognised when the performance obligations are satisfied upon delivery of goods and provision of services to the customers and where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increase in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Dividend income is recognized when the right to receive payment is established.



**Unitech Power Transmission Limited**  
**Notes to Financial Statements for the year ended 31 March 2023**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

**i. Foreign currency transactions**

The Company's financial statements are presented in INR, which is also its functional currency.

Foreign currency transactions are initially recorded in functional currency using the exchange rates at the date the transaction.

At each balance sheet date, foreign currency monetary items are reported using the exchange rate prevailing at the year end.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

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

**j. Taxes on income**

Current tax

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

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternate Tax (MAT), paid in accordance with the Income Tax Act, 1961 gives rise to expected future economic benefits in the form of adjustment of future tax liability arising within a specified period, is recognised as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the company will pay normal income tax during the specified period.

Deferred tax

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or



**Unitech Power Transmission Limited**  
**Notes to Financial Statements for the year ended 31 March 2023**

substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity/other comprehensive income is recognized in respective head and not in the statement of profit & loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

**k. Employee benefits**

All employee benefits that are expected to be settled wholly within twelve months after the end of period in which the employee renders the related services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, etc. are recognized as expense during the period in which the employee renders related service.

The Company's contribution to the Provident Fund is remitted to provident fund authorities and are based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss.

Gratuity is a defined benefit obligation.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

Past service costs are recognised in statement of profit & loss in the period of plan amendment.

Compensated absences and other benefits like gratuity which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a non-current liability at the present value of the defined benefit obligation at the balance sheet date.

**l. Leases**

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

**The Company as a lessee**

The Company enters into an arrangement for lease of buildings, plant and machinery including computer equipment and vehicles. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- a) control the use of an identified asset,
- b) obtain substantially all the economic benefits from use of the identified asset, and
- c) direct the use of the identified asset





**Unitech Power Transmission Limited**  
**Notes to Financial Statements for the year ended 31 March 2023**

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

**The Company as a lessor**

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

**m. Provisions, Contingent liabilities and Contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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



**Unitech Power Transmission Limited**  
**Notes to Financial Statements for the year ended 31 March 2023**

Contingent liability is disclosed in the case of:

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

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

**n. Earnings per share**

Basic earnings per equity share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

**o. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

**d. Standards (including amendments) issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**(i) Ind AS 1 - Presentation of Financial Statements-**

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

**(ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors**

This amendment has introduced a definition of 'accounting estimates' and included amendments to IndAS8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

**(iii) Ind AS 12 – Income Taxes-**

This amendment has narrowed the scope of the initial recognition exemptions so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.



**Unitech Power Transmission Limited**  
**Notes to Financial Statements for the year ended 31 March 2023**

**p. Fair value measurement**

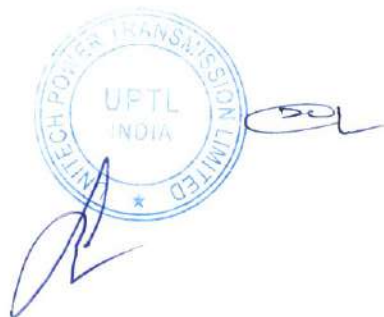
The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

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

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

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

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



**Unitech Power Transmission Limited**  
**Notes to Financial Statements for the year ended 31 March 2023**

**q. Financial instruments**

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

**(a) Financial assets**

**Classification**

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

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

• **Financial assets carried at amortised cost**

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

• **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

• **Financial assets at fair value through profit or loss**

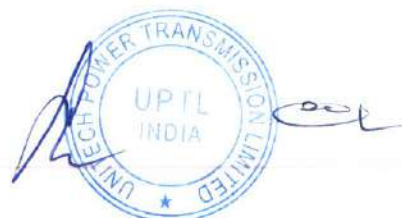
A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**Derecognition**

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

**Investment in subsidiaries, joint ventures and associates**

The company has accounted for its investment in subsidiaries, joint ventures and associates at cost.



**Unitech Power Transmission Limited**  
**Notes to Financial Statements for the year ended 31 March 2023**

**Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss, the calculation of which is based on historical data, on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables and all lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

**(b) Financial liabilities**

**Classification**

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**Initial recognition and measurement**

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

**Subsequent measurement**

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

• **Financial liabilities at amortised cost**

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



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Amortized 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 amortization is included as finance costs in the statement of profit and loss.

• **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

**Derecognition**

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

**(c) Offsetting of financial instruments**

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

**(d) Derivative financial instruments**

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps, full currency swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

**r. Government grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognized as income in statement of profit and loss over the period and in proportion in which depreciation is charged.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.



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When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

s. Unless specifically stated to be otherwise, these policies are consistently followed.

**2.3 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

**Judgements**

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

**Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

**Estimates and assumptions**

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

**(a) Impairment of non-financial assets**

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



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In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

**(b) Defined benefit plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(c) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**(d) Impairment of financial assets**

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

**(e) Leases**

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

