

## INDEPENDENT AUDITOR'S REPORT

To the Members of Meenakshi Energy Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Meenakshi Energy Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2024, its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Emphasis of Matter

We draw attention to the following matters in the notes to the financial statements:

1) Note 2 to the financial statements, which describes the accounting treatment followed by the Company consequent to the implementation of Resolution Plan duly approved under corporate insolvency resolution process by the Hon'ble National Company Law Tribunal, Hyderabad vide its Order dated August 10, 2023 ("the Order"). Pursuant to the Order, share capital was reduced alongwith securities premium and various financial liabilities, as more fully described in the said Note, that were restructured/ extinguished as part of the approved Resolution Plan and the resultant capital reserve balance was subsequently transferred to the Retained Earnings, overriding the requirements of the applicable Indian Accounting Standards (Ind AS).

2) Note 5B. C.3 to the financial statements, which explains that the fair valuation have been carried out by an external Independent Valuer, for the assessment of Impairment of non-financial assets as per Ind AS 36 "Impairment of Assets" and necessary impact has been given in the books of account.

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Our opinion is not modified in respect of these matters.

## **Other Information**

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **Other Matter**

The audit of financial statements for the year ended March 31, 2023, was carried out and reported by M/s. Ram Sandeep & Associates, Chartered Accountants (Firm Registration No: 013819S), vide their modified audit report dated September 30, 2023, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the financial statements.

Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for use of accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled as described in para (vi) below; Further, back-up of the books of account and other books and papers maintained in electronic mode is not take on daily basis until February 27, 2024 which is also not in compliance with the Rule 3(5) of the Companies (Accounts) Rules, 2014;
  - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e. On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;
  - f. The observation relating to the maintenance of accounts and other matters connected therewith are as stated in para b above;
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
  - h. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/ provided remuneration to its directors during the year;
  - i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 35 on Contingent Liabilities to the financial statements;

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(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

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

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

(iv) (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable.

(vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024, which does not have feature of recording audit trail (edit log) facility. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

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**Purushottam Nyati**

Partner

Membership No. 118970

UDIN: 24118970BKCTIQ8902

Place: Mumbai

Date: June 18, 2024

# HARIBHAKTI & CO. LLP

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## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of **Meenakshi Energy Limited** ("the Company") on the financial statements for the year ended March 31, 2024]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

- (i)
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Capital Work-in progress.
  - (a) (B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment and Capital Work-in progress so to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the management during the year. No material discrepancies were noticed on such verification.
  - (c) The title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee) disclosed in the financial statements are held in the name of the Company except for 40.23 acres of land held in the name of third parties. NCLT vide its order dated September 15, 2022 has directed the Company to hand over the possession of 40.23 acres of land to the lawful owners.
  - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.
  - (e) No proceedings have been initiated or are pending against the Company as at March 31, 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)
  - (a) The management has conducted physical verification of inventory except inventory of Fuel and Diesel at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more for each class of inventory were noticed on physical verification carried out during the year.
  - (b) The Company has not obtained any sanctioned working capital limit during the year, from banks and/or financial institutions. Therefore, reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.
- (iii) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause (iii) of paragraph 3 of the Order is not applicable.

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- (iv) The provisions of section 185 and 186 of the Act are not applicable to the Company as it has not provided any loans, investments, guarantees and security. Accordingly, reporting under clause (iv) of paragraph 3 of the Order is not applicable.
- (v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)
  - (a) The Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, though there has been delay in a few cases which is not serious. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) There are no dues with respect to provident fund, GST, sales tax, service tax, value added tax, excise duty and cess, which have not been deposited on account of any dispute.

Statutory dues, whether disputed or otherwise, pertaining to the periods on or before the implementation date of the Resolution Plan i.e., December 27, 2023, have not been considered for reporting under clause (vii)(a) and (b) above (refer Note 2 to the Financial Statements).

- (viii) We have not come across any transaction which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix)
  - (a) The Company has not taken any loans or other borrowings from any lender. Accordingly, reporting under clause (ix)(a) of paragraph 3 of the Order is not applicable.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company did not obtain any money by way of term loans during the year. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable.
  - (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have, been used for long-term purposes by the Company.

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- (e) The Company does not hold any investment in any subsidiary, associate or joint venture as defined under Company Act, 2013. Hence reporting under clause (ix)(e) and (ix)(f) of paragraph 3 of the Order is not applicable.

For the purpose of reporting under this clause, only the events and transactions pertaining to the period from implementation date of Resolution Plan i.e., December 27, 2023, to March 31, 2024, have been considered (refer Note 2 to the Financial Statements).

- (x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has made private placement of equity shares and zero coupon non-convertible debentures during the year and in our opinion, the requirements of section 42 and section 62 of the Act have been complied with and the funds raised have been used for the purpose for which they were raised.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.
- (b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company post Implementation of Resolution Plan i.e. December 28, 2023 has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports issued to the Company for the period from December 27, 2023 to March 31, 2024.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act are not applicable to the Company.



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- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) of paragraph 3 of the Order are not applicable.
- (c) As informed by the Company, the Group to which the Company belongs has no CIC as part of the Group.
- (xvii) The Company has incurred cash losses for the current and the immediately preceding financial year amounting to Rs. 4,635.09 lacs and Rs. 2,043.16 lacs respectively.
- (xviii) There has been resignation of the statutory auditors during the year, however, no issues, objections or concerns were raised by the outgoing auditors.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of section 135 of the Act are not applicable to the Company. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

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Purushottam Nyati

Partner

Membership No. 118970

UDIN: 24118970BKCTIQ8902

Place: Mumbai

Date: June 18, 2024

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of **Meenakshi Energy Limited** on the financial statements for the year ended March 31, 2024]

### **Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **Meenakshi Energy Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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## Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

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**Purushottam Nyati**

Partner

Membership No. 118970

UDIN: 24118970BKCTIQ8902

Place: Mumbai

Date: June 18, 2024

**MEENAKSHI ENERGY LIMITED****BALANCE SHEET**

As at March 31, 2024

(₹ in lakhs)

Particulars	Notes	As at	
		March 31, 2024	March 31, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5A	71,155.60	80,126.68
Capital Work-In-Progress	5B	5,27,861.24	5,83,107.79
Intangible Assets	5C	-	-
Financial Assets			
Other Financial Assets	6	-	152.22
Deferred Tax Assets	7	-	-
Other Non-Current Assets	8	492.70	2,773.89
<b>Total Non-Current Assets</b>		<b>5,99,509.54</b>	<b>6,66,160.58</b>
<b>Current Assets</b>			
Inventories	9	3,050.47	3,611.80
Financial Assets			
Trade Receivables	10	-	1,295.60
Cash and Cash Equivalents	11	67.78	120.33
Other Bank Balances	12	65.89	208.51
Loans	13	0.03	2.71
Other Financial Assets	14	1.02	2,700.10
Other Current Assets	15	1,199.35	299.22
<b>Total Current Assets</b>		<b>4,384.54</b>	<b>8,238.27</b>
<b>Total Assets</b>		<b>6,03,894.08</b>	<b>6,74,398.85</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	16	100.00	4,10,957.56
Other Equity	17	4,75,735.50	(1,75,701.06)
<b>Total Equity</b>		<b>4,75,835.50</b>	<b>2,35,256.50</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	18	77,619.84	-
Lease Liabilities	19	165.13	-
Provisions	20	10.11	-
Deferred Tax Liabilities	21	9,146.84	-
<b>Total Non-Current Liabilities</b>		<b>86,941.92</b>	<b>-</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	22	35,550.00	3,11,298.23
Trade Payables	23		
(a) Total outstanding dues of micro and small enterprises		28.25	150.37
(b) Total outstanding dues of creditors other than micro and small enterprises		267.76	38,541.85
Other Financial Liabilities	24	5,158.33	88,622.84
Provisions	25	1.49	-
Other Current Liabilities	26	110.83	529.06
<b>Total Current Liabilities</b>		<b>41,116.66</b>	<b>4,39,142.35</b>
<b>Total Equity And Liabilities</b>		<b>6,03,894.08</b>	<b>6,74,398.85</b>

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

1-50

As per our report of even date

For and on behalf of the Board of Directors

For Haribhakti &amp; Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/ W100048

PURUSHOTTAM S  
NYATIDigitally signed by  
PURUSHOTTAM S NYATI  
Date: 2024.06.18 20:10:47 +05'30'**Purushottam Nyati**

Partner

Membership No. 118970

Place: Mumbai

Date: 18th of June, 2024

VIBHAV  
AGARWALDigitally signed by  
VIBHAV AGARWAL  
Date: 2024.06.18  
19:28:28 +05'30'**Vibhav Agarwal**

Additional Director

DIN 03174271

Place: Delhi

Date: 18th of June, 2024

Gogulamudi  
Venkat ReddyDigitally signed by  
Gogulamudi Venkat Reddy  
Date: 2024.06.18 19:45:11  
+05'30'**Venkat Reddy Gogulamudi**

Additional Director

DIN 10364574

Place: Nellore

Date: 18th of June, 2024

**MEENAKSHI ENERGY LIMITED**  
**STATEMENT OF PROFIT AND LOSS**

For the year ended March 31, 2024

(₹ in lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations	27	-	-
Other Income	28	13.58	225.96
<b>Total Income</b>		<b>13.58</b>	<b>225.96</b>
<b>Expenses:</b>			
Cost of Materials Consumed	29	67.79	-
Employee Benefits Expense	30	164.35	255.61
Finance Costs	31	4,146.44	956.67
Depreciation and Amortisation Expense	5	7,995.07	7,977.50
Other Expenses	32	2,364.21	3,100.41
<b>Total Expenses</b>		<b>14,737.86</b>	<b>12,290.19</b>
<b>Loss before exceptional items and tax</b>		<b>(14,724.28)</b>	<b>(12,064.23)</b>
Exceptional Items	33	(70,742.87)	2,031.66
<b>Loss before tax</b>		<b>(85,467.15)</b>	<b>(10,032.57)</b>
Tax expense:			
Current tax		-	-
Deferred Tax		(534.94)	-
<b>Loss after tax</b>		<b>(84,932.21)</b>	<b>(10,032.57)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurements loss of defined benefit plans		(4.84)	(4.46)
Tax benefit		-	-
<b>Total Other Comprehensive Income</b>		<b>(4.84)</b>	<b>(4.46)</b>
<b>Total Comprehensive Income</b>		<b>(84,937.05)</b>	<b>(10,037.03)</b>
<b>Earnings Per Share (in ₹)</b>	34		
Basic		(3.82)	(0.24)
Diluted		(3.82)	(0.24)

The accompanying notes are an integral part of the financial statements. 1-50

As per our report of even date

For and on behalf of the Board of Directors

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/ W100048

**PURUSHOTTA**

**M S NYATI**

**Purushottam Nyati**

Partner

Membership No. 118970

Place: Mumbai

Date: 18th of June, 2024

**VIBHAV**  
**AGARWAL**

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VIBHAV AGARWAL  
Date: 2024.06.18  
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**Vibhav Agarwal**

Additional Director

DIN 03174271

Place: Delhi

Date: 18th of June, 2024

**Gogulamudi**  
**Venkat Reddy**

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Gogulamudi Venkat Reddy  
Date: 2024.06.18 19:43:28  
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**Venkat Reddy Gogulamudi**

Additional Director

DIN 10364574

Place: Nellore

Date: 18th of June, 2024

**MEENAKSHI ENERGY LIMITED**  
**STATEMENT OF CASH FLOWS**

For the year ended March 31, 2024

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Loss before tax after exceptional items	(85,467.15)	(10,032.57)
<b>Adjustments for:</b>		
Depreciation and Amortisation Expense	7,995.07	7,977.50
Inventory written off (refer note 9)	368.76	-
Provisions and liabilities written back	-	11.96
Trade Receivables and other receivables written off (refer note 33)	6,803.25	-
Loss on write off of Property, Plant and Equipment and capital work-in-progress (net)	36.66	-
Interest Income	(4.43)	(111.55)
Exception Items (Impairment and Write-off)	63,570.86	
Finance Costs (net of capitalisation)	4,146.44	956.67
<b>Operating loss before change in working capital</b>	<b>(2,550.54)</b>	<b>(1,197.99)</b>
<b>Changes in working capital</b>		
Decrease in Inventories	192.57	27.75
Decrease/ (increase) in Trade Receivables	-	1,236.46
Decrease/ (increase) in Other Financial Assets	-	(2,699.66)
Decrease/ (increase) in Other Assets	(1,111.55)	210.08
Increase/ (decrease) in Trade Payables	1,021.62	(430.93)
Increase/ (decrease) in Other Financial Liabilities	(4,103.10)	(1,361.87)
Increase/ (decrease) in Other Current Liabilities	63.99	(80.21)
Increase/ (decrease) in Provisions	11.60	(29.05)
<b>Cash flows used in operations</b>	<b>(6,475.42)</b>	<b>(4,325.42)</b>
Net income tax paid (net of refund)	(0.34)	(20.55)
<b>Net cash flows used in operating activities (A)</b>	<b>(6,475.76)</b>	<b>(4,345.97)</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment (including capital work-in-progress and capital advance)	(5,728.05)	-
Interest received	3.51	111.57
Proceeds from redemption of fixed deposits	142.62	3,600.23
<b>Net cash (used in)/ generated investing activities (B)</b>	<b>(5,581.93)</b>	<b>3,711.80</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of Share Capital	100.00	-
Proceeds received from Borrowings	35,649.76	1,434.64
Repayment of borrowings	(120.72)	-
Lease liability paid	(14.33)	-
Interest paid (excluding on lease liability)	(23,609.58)	(956.67)
<b>Net cash generated from financing activities (C)</b>	<b>12,005.13</b>	<b>477.97</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(52.56)</b>	<b>(156.21)</b>
Cash and cash equivalents at the beginning of the year	120.33	276.54
<b>Cash and cash equivalents at the end of the year</b>	<b>67.78</b>	<b>120.33</b>

**MEENAKSHI ENERGY LIMITED**  
**STATEMENT OF CASH FLOWS**

For the year ended March 31, 2024

(₹ in lakhs)

<b>Particulars</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
<b>Components of cash and cash equivalents</b>		
In current accounts with scheduled banks	67.78	120.18
Cash in hand	-	0.15
<b>Total cash and cash equivalents (refer note 11)</b>	<b>67.78</b>	<b>120.33</b>

**Notes:**

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS)-7 on statement of cash flows.
2. The figures in parentheses indicate outflow.

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

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**As per our report of even date**

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/ W100048

**PURUSHOTTA**  
Digitally signed by  
PURUSHOTTAM S NYATI  
Date: 2024.06.18 20:11:54  
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**M S NYATI**

**Purushottam Nyati**

Partner

Membership No. 118970

Place: Mumbai

Date: 18th of June, 2024

**For and on behalf of the Board of Directors**

**VIBHAV**  
Digitally signed by  
VIBHAV AGARWAL  
Date: 2024.06.18  
19:29:57 +05'30'

**Vibhav Agarwal**  
Additional Director  
DIN 03174271

**Gogulamudi**  
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Gogulamudi Venkat Reddy  
Date: 2024.06.18 19:44:18  
+05'30'

**Venkat Reddy Gogulamudi**  
Additional Director  
DIN 10364574

Place: Delhi

Date: 18th of June, 2024

Place: Nellore

Date: 18th of June, 2024

**MEENAKSHI ENERGY LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
For the year ended March 31, 2024

**A. Equity Share Capital**

(₹ in lakhs)

Particulars	Number of shares	Amount
Balance as at April 01, 2022 (equity shares of ₹ 10/- each)	4,10,95,75,562	4,10,957.55
Add: Changes in Equity Share Capital during the year	-	-
<b>Balance as at March 31, 2023 (equity shares of ₹ 10/- each)</b>	<b>4,10,95,75,562</b>	<b>4,10,957.55</b>
Less: Reduction of Equity Share Capital during the year (equity shares of ₹ 10/- each) (refer note 16)	(4,10,95,75,562)	(4,10,957.55)
Add: Equity Share Capital issued during the year (equity shares of ₹ 10/- each) (refer note 16)	10,00,000	100.00
<b>Balance as at March 31, 2024 (equity shares of ₹ 10/- each)</b>	<b>10,00,000</b>	<b>100.00</b>

**B. Other Equity**

(₹ in lakhs)

Particulars	Equity component of convertible debentures	Reserves and surplus			Other comprehensive income Remeasurements of defined benefit plans	Total
		Securities premium	Capital reserve	Retained earnings		
<b>Balance as at April 01, 2022</b>	<b>2,751.64</b>	<b>7.17</b>	-	<b>(1,68,422.84)</b>	-	<b>(1,65,664.03)</b>
Loss for the year	-	-	-	(10,032.57)	-	(10,032.57)
Other comprehensive income for the year	-	-	-	-	(4.46)	(4.46)
Less: Transfer to Retained Earnings	-	-	-	(4.46)	4.46	-
<b>Balance as at March 31, 2023</b>	<b>2,751.64</b>	<b>7.17</b>	-	<b>(1,78,459.87)</b>	-	<b>(1,75,701.06)</b>
<b>Balance as at April 1, 2023</b>	<b>2,751.64</b>	<b>7.17</b>	-	<b>(1,78,459.87)</b>	-	<b>(1,75,701.06)</b>
Reclassification to OCI	-	-	-	36.05	(36.05)	-
Loss for the year	-	-	-	(84,932.21)	-	(84,932.21)
Other comprehensive income for the year	-	-	-	-	(4.84)	(4.84)
Addition during the year (refer note 2)	-	-	7,39,217.11	-	-	7,39,217.11
Adjustment (refer note 38)	-	-	-	(84.69)	-	(84.69)
Less: Transfer to capital reserve	(2,751.64)	(7.17)	-	-	-	(2,758.81)
Add/ Less: Transfer from capital reserve to retained earnings as per NCLT order	-	-	(7,39,217.11)	7,39,217.11	-	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,75,776.39</b>	<b>(40.89)</b>	<b>4,75,735.50</b>

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

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**As per our report of even date**

**For and on behalf of the Board of Directors**

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W/ W100048

**PURUSHOTTA** Digitally signed by  
**M S NYATI** PURUSHOTTAM S NYATI  
Date: 2024.06.18 20:12:23  
+05'30'  
**Purushottam Nyati**  
Partner  
Membership No. 118970

Place: Mumbai  
Date: 18th of June, 2024

**VIBHAV** Digitally signed by  
**AGARWAL** VIBHAV AGARWAL  
Date: 2024.06.18  
19:30:17 +05'30'  
**Vibhav Agarwal**  
Additional Director  
DIN 03174271

Place: Delhi  
Date: 18th of June, 2024

**Gogulamudi** Digitally signed by  
**Venkat Reddy** Gogulamudi Venkat Reddy  
Date: 2024.06.18 19:45:55  
+05'30'  
**Venkat Reddy Gogulamudi**  
Additional Director  
DIN 10364574

Place: Nellore  
Date: 18th of June, 2024



**1 Corporate Information**

- a. Meenakshi Energy Limited ('MEL' or 'the Company') is incorporated in India. The registered office of the Company is situated at 405, Saptagiri Towers, 1-10-75/1/1 to 6, Begumpet, Secunderabad, Hyderabad. However, it should be noted that an application was made in form INC-22 and GNL-2 before the registrar for change of registered office to Premises at H.no. 8-2-248/1/7/9 &10/6, Office Bearing No:1B, 3rd Floor in Uma Chambers, Panjagutta, Hyderabad, Telangana-500082 vide SRN no. R46586806. Although , no approval was received from the registrar, hence the registered office address remains unchanged.
- b. The Company is engaged in the business of Power generation. The Company's Power Plant is implemented in 2 phases at Thamminapatnam, Sri Potti Sreeramulu, Nellore District, Andhra Pradesh. Phase I with a capacity of 300 MW has 2 Units, of which Unit 1 with a capacity of 150 MW commenced commercial operations with effect from October 06, 2012, while Unit 2 with a capacity of 150 MW commenced commercial operations with effect from April 30, 2013. Phase II with a capacity of 700 MW is presently in the construction stage. The Construction activities relating to Phase II have been rescheduled with consequential cost overruns. Phase II has 2 units (Unit 3, 4), of which Unit 3 Synchronised on February 10, 2018 and yet to achieve Commercial Operation Date (COD), Unit 4 synchronised on April 11, 2018 and yet to achieve COD..
- 2 Committee of Creditors (CoC) has approved the resolution plan submitted by Vedanta Limited (Resolution Applicant) by a majority of 94.96% and the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT"), approved the resolution plan submitted by Vedanta Limited vide its order dated August 10, 2023. The Resolution Plan also outlined certain conditions, which were fully satisfied and control was acquired by Vedanta Limited on December 27, 2023.

Pursuant to the approved resolution plan the following adjustments were made in the financial statements:

- a. The amount of ₹ 100.00 lakhs of equity share capital of the Company was credited to the share capital of the Company with debit of funds received from Vedanta Limited to cash & cash equivalents.
- b. Simultaneously, after issuance of equity to Vedanta Limited and as an integral part of the Resolution Plan, the pre-existing share capital along with securities premium of the Company shall stand cancelled, extinguished, and annulled and be regarded as reduction of share capital to nil.
- c. The amount of reduction in the equity share capital of the Company was credited to the capital reserve of the Company and subsequently to retained earnings of the Company.
- d. In lieu of and as consideration for settlement of dues of the Financial Creditors an amount of ₹ 31,200.00 lakhs (as reduced by Corporate Insolvency Resolution Process cost, Workmen and Employee Dues as per, estimated cost of litigation of ₹ 200.00 lakhs, consideration (if any) required to be paid to the Secured Government Creditors towards the Secured Government Dues as per Applicable Laws) as per the approved resolution plan was paid as Upfront Payment to the Financial Creditors as per approved resolution plan.
- e. In terms of the approved resolution plan, during the year 112,800,006.00 (eleven crores twenty eight lakhs and six) unlisted, zero- coupon, secured, redeemable non-convertible debentures (NCD) having a face value of ₹ 100.00 (rupees one hundred only) each (each such non-convertible debenture is referred to as a "Debenture") issued for an aggregate amount of ₹ 1,12,800.01 Lakhs (the "Debenture Amounts"). The amount of NCD issued by the Company was credited to the Non-Convertible Debentures account with debit to the loan account in the books of the Company and was applied towards the interest component of the balance debt and then against the principal amount of the balance debt. As per Ind AS - 109 these debentures are reported/ computed at present value of ₹ 73,698.51 Lakhs and consequential adjustment net of deferred tax has been made in capital reserve which is in line/ akin with the treatment in terms of NCLT approved Resolution Plan.
- f. The company has credited the extinguishment of paid up share capital, reserves, admitted financial debt of the financial creditors post adjustment of upfront payment and NCD issued, amounts of operational creditors (including other creditors) and statutory creditors to capital reserve of the company and further transferred to retained earnings and the same shall be deemed to be in compliance with the applicable accounting standards, pursuant to the order passed by the Hon'ble NCLT.

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024**

<b>Particulars</b>	<b>₹ in lakhs</b>
Extinguishment of paid up share capital (refer note 16)	4,10,957.56
Extinguishment of securities premium (refer note 17)	7.17
Extinguishment of convertible debentures (refer note 17)	2,751.64
Extinguishment of operational creditors (including the central Govt., state Govt. or Local authority)	47,008.37
Write back of non-assignable loans of financial creditors	2,78,429.96
Extinguishment of other current and non current liability	62.41
<b>Total</b>	<b>7,39,217.11</b>

**3 Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act'), Regulations issued from time to time by "Central Electricity Regulatory Commission" (CERC) under the Electricity Act, 2003 (Tariff Regulations) (to the extent applicable) and in accordance with the relevant provisions of the Companies Act, 2013.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**4 Material accounting policies and critical accounting estimate and judgements****4.1 Basis of preparation, measurement and material accounting policies****a) Basis of preparation**

The financial Statements have been prepared on historical cost convention on accrual basis, except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/amortised cost at the end of each reporting period. Historical cost convention is generally based on fair value of the consideration received or given in exchange for goods and services.

The Company has identified 12 months as its operating cycle. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 "Presentation of Financial Statements" and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakh except unless otherwise stated.

These financial statements are approved for issue by the Board of Directors on June 18th, 2024.

**b) Foreign Currency Translation*****Functional and presentation currency***

The financial statements are presented in currency INR, which is also the functional currency of the Company.

***Foreign currency transactions and balances***

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss. Foreign exchange gain/loss to the extent considered as an adjustment to interest cost are considered as part of borrowing cost.

**c) Revenue recognition**

Revenue is measured at fair value of the consideration received/receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The Company recognizes revenue when it transfers control over a product or service to customers in accordance with Ind AS 115 by applying the following steps:

Step -1- Identify the contract with a customer;

Step -2- Identify the performance obligations in the contract;

Step -3- Determine the transaction price;

Step -4- Allocate the transaction price to the performance obligations in the contract;

Step -5- Recognize the revenue when (or as) the Company satisfies a performance obligation.

***Revenue from Supply of Power***

Revenue from power supply is recognised on the basis of amounts billed to customers for the quantum of power supplied as per agreed schedule and rates per unit on accrual basis and includes unbilled revenues accrued up to the end of the accounting year. Rebates provided to customers for timely payment are accounted for as they accrue. Margins due to customers are accrued on the basis of the methodology set out in the agreements with customers. Differences between the scheduled power to be supplied and actual power supplied, referred to as unscheduled interchange (UI) Charges, have been netted off from sales.

Delayed payment charges and interest on delayed payments are recognised, on grounds of prudence, as and when recovered/confirmed by consumers. Compensation Charges receivable on account of lower than contracted demand is recognized when no significant uncertainty as to collectability exists.

**d) Other income**

Interest income has been accounted for using effective interest rate method. Dividend income is accounted for when the right to receive income is established.

**e) Borrowing Costs**

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property, Plant and Equipment (PPE) and Capital Work-in-Progress (CWIP) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

**f) Property, Plant and Equipment (PPE)**

- (i)** Freehold land is carried at historical cost. All other items of PPE are stated at their cost of acquisition or construction and is net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.
- (ii)** An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

**g) Capital Work-In-Progress**

All project related expenses viz. civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work -In-Progress (CWIP). These expenses are allocated to the respective PPE on completion of the Project.

**h) Depreciation**

Depreciation on property plant and equipment commences when the assets are ready for their intended use. Depreciation on PPE is provided on Straight Line Method (SLM) considering the rates and methodology provided in Appendix III of CERC (Terms and conditions of Tariff) Regulations, 2009 on pro-rata basis with reference to the date of addition/ disposal. The useful life of assets considered for depreciation as above are as follows:

Category	Rate
Building	3.34%
Plant and Equipment	5.28%
Furniture and Fixtures	6.33%
Vehicles	5.28%
Office Equipment	6.33%
Computers	15.00%

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

**i) Intangible Assets**

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses, if any. Intangible Assets are amortised on SLM basis over the life of the asset subject to a maximum of 5 years. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

**j) Impairment of non-financial Assets**

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the Statement of Profit and Loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and it's written down to its recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period, the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

**k) Inventories**

Inventories of stores and spare parts, comprising fuel (coal), diesel and other stores & spares, are valued at the lower of cost (on FIFO basis) and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the inventories to their present location and condition, including customs duty and other levies, coal handling and transportation charges.

**1) Financial Assets and Financial Liabilities*****Recognition and measurement***

Financial assets and financial liabilities (together known as financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial instruments are classified to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) and such classification depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

**(i) Financial Assets - Cash and cash equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

**(ii) Financial Assets and Financial Liabilities measured at amortized cost**

Financial Assets and Financial Liabilities within a business whose objective is to hold these assets 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 are measured at amortized cost. The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability.

**(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

**(iv) Financial Assets or Liabilities at Fair value through profit or loss (FVTPL)**

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the Statement of Profit and Loss.

***De-recognition of financial assets and financial liabilities***

A financial asset is primarily de-recognised 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. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in Statement. Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss except otherwise stated.

***Impairment of Financial Assets and financial liabilities***

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset. The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables that result in relation to revenue from contracts with customers, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

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

**(v) *Equity Instruments***

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

**m) *Post-employment, long term and short term employee benefits******Defined contribution plans******Provident Fund***

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense/ included as part of Capital Work in Progress in Project Expenditure pending allocation to Property, Plant and Equipment based on the amount of contribution required to be made as and when services are rendered by the employees.

***Defined benefit plans******Gratuity (Funded)***

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to Other Comprehensive Income in the year in which such gains or losses are determined.

***Other Long Term Employee Benefits******Compensated absences***

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

***Short Term Employee Benefits***

These are recognised at the undiscounted amount as expense for the year in which the related service is provided.

**n) Provisions, contingent assets and contingent liabilities**

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

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

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

**o) Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the inception of the contract, Company assess whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) Company has the right to direct the use of the asset.

At the date of commencement of the lease, Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low-value leases. For these short-term or low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

**p) Earnings per share**

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

**q) Income Taxes**

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable income differs from ‘profit before tax’ as reported in the Statement of Profit and Loss because of items of income or expense taxable on the basis different than that considered for recognition in the accounts and also due to the items that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

**r) Exceptional items**

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Also tax charges related to exceptional items and certain one-time tax effects are considered exceptional. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS.

The determination as to which items should be disclosed separately requires a degree of judgement. The details of exceptional items are set out in note 33 of the financial statements.

**s) Cash and Cash Equivalent**

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits which have a maturity of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

**t) Current and Non-Current Classification**

Assets and liabilities in the balance sheet based on current / non current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

All other liabilities are classified as non-current.



**4.2 Critical accounting estimate and judgements**

The preparation of the financial statements requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**a) Income taxes**

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination

The Company is eligible to claim tax holiday on income generated from power generation. The deferred tax on temporary differences which are reversing after the tax holiday period have been estimated considering future projections. It is possible that this estimate may be different to the actual outcome within the next financial periods and could cause material adjustments to the deferred tax recognised in financial statements.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**b) Contingencies**

Management judgement is required for estimating the possible out flow of resources, if any, in respect of contingencies/ claim/ litigations/ Right to Recompensate of lenders against the Company as it is not possible to predict the out come of pending matters with accuracy.

**c) Impairment of Non- Financial Assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the 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'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 the other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and it's written down to its recoverable amount. The Company estimates the value-in-use of the Cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset/ CGU.

**4.3 Application of new and amended standards**

- A) The Company has adopted, with effect from 01 April 2023, the following new and revised standards and interpretations. Their adoption has not had any significant impact on the amounts reported in the financial statements.
- a) Ind AS 1 Presentation of financial statements: The amendment requires disclosure of material accounting policies rather than significant accounting policies;
- b) Ind AS 12 Income Taxes: The amendment clarifies application of initial recognition exemption to transactions such as leases and decommissioning obligations;
- c) Ind AS 8 Accounting Policies, Change in Accounting Estimates and Errors: The amendment replaces definition of ‘change in accounting estimates’ with the definition of ‘accounting estimates’

**B) Standards notified but not yet effective**

No new standards have been notified during the year ended March 31, 2024.

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**MEENAKSHI ENERGY LIMITED**
**Notes forming part of the financial statements as at and for the year ended March 31, 2024**
*(All amounts in ₹ lakhs unless otherwise stated)*
**5A. Property, Plant and Equipment**

Particulars	Freehold Land*	Buildings	Plant and equipments	Office Equipments	Furniture and fixtures	Computer	Motor vehicles	ROU	Total
								Leasehold land**	
<b>Gross block</b>									
As at April 01, 2022	5,442.70	14,986.20	1,22,001.38	460.36	563.88	561.06	124.66	-	1,44,140.24
Additions	-	-	-	-	-	-	-	-	-
Disposals/adjustment	-	-	-	-	-	-	-	-	-
As at March 31, 2023	5,442.70	14,986.20	1,22,001.38	460.36	563.88	561.06	124.66	-	1,44,140.24
Additions	-	-	-	-	-	55.85	-	186.33	242.18
Disposals/adjustment	-	-	(2,736.80)	(28.35)	(15.02)	(16.21)	(10.39)	-	(2,806.77)
As at March 31, 2024	5,442.70	14,986.20	1,19,264.58	432.01	548.86	600.70	114.27	186.33	1,41,575.65
<b>Accumulated depreciation</b>									
As at April 01, 2022	-	3,756.27	51,234.53	197.61	259.32	550.65	37.91	-	56,036.29
Additions	-	541.64	7,352.71	30.06	35.93	9.97	6.94	-	7,977.25
Disposals/adjustment	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	4,297.91	58,587.24	227.67	295.25	560.62	44.85	-	64,013.54
Additions	-	543.12	7,372.85	30.14	36.01	0.31	6.43	6.21	7,995.07
Disposals/adjustment	-	-	(1,588.13)	(16.63)	(8.66)	(16.21)	(6.61)	47.68	(1,588.56)
As at March 31, 2024	-	4,841.03	64,371.96	241.18	322.60	544.72	44.67	53.89	70,420.05
<b>Net Block</b>									
As at March 31, 2023	5,442.70	10,688.29	63,414.14	232.69	268.63	0.44	79.81	-	80,126.68
As at March 31, 2024	5,442.70	10,145.17	54,892.62	190.83	226.26	55.98	69.60	132.44	71,155.60

a) Property, plant and equipment has been given as security (refer note 18 and 22).

b) \*Land includes the land for which NCLT vide order dated September 15, 2022 directed RP/ the company to handover the possession of the land measuring to an extent 40.23 acres situated in various Survey Numbers in compliance to the High Court Order dated November 18, 2013 (refer note 46)

c) \*\*For disclosure relating to ROU leasehold land (refer note 38).

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**MEENAKSHI ENERGY LIMITED**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

*(All amounts in ₹ lakhs unless otherwise stated)***5B. Capital Work-In-Progress**

Particulars	Capital work-in-progress
As at April 01, 2022	5,83,107.79
Additions	-
Disposals/adjustment	-
<b>As at March 31, 2023</b>	<b>5,83,107.79</b>
Additions	7,142.58
Disposals/adjustment	(62,389.13)
<b>As at March 31, 2024</b>	<b>5,27,861.24</b>

**A.1 Capital work-in-process ageing schedule for the year ended March 31, 2024**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress:					
Phase I	4,263.14	-	-	58.60	4,321.74
Phase II	2,879.44	-	-	5,20,660.06	5,23,539.50

**A.2 Capital work-in-process ageing schedule for the year ended March 31, 2023**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended*:					
Phase I	-	-	-	58.60	58.60
Phase II	-	-	-	5,83,049.19	5,83,049.19

\*Reason for suspension: SBI, a Financial creditor of the Company filed an application on January 23, 2019 for a CIRP process at NCLT and same has been admitted by NCLT vide its order dated November 7, 2019. Accordingly projects got temporarily suspended. During the year, these above projects got restarted.

**B. Capital work-in-process completion schedule for the year ended March 31, 2024**

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
Phase I	4,321.74	-	-	-
Phase II	5,23,539.50	-	-	-

C.1 Both the phases have not exceeded its cost compared to its original plan.

C.2 During the year ended 31 March 2024, Interest capitalised was Rs 3175.77 lakhs, includes Interest to Related Party of Rs 1311.91 Lakhs

C.3 The Company has carried out fair valuation of the Capital Work-in progress of Phase 2 by an independent valuer and have accordingly taken necessary impact in the books of account based on the valuation report provided by the valuer. The impact in Statement of Profit & Loss account has been included in "Exceptional Items" (Refer note 33 & C.4)

**MEENAKSHI ENERGY LIMITED**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in ₹ lakhs unless otherwise stated)*

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**C.4** In accordance with 'Ind AS 36 - Impairment of Assets', The Company has recognised an Impairment Loss of Rs 62,436.97 Lakhs during the year which is shown under Impairment in Exceptional Items in the statement of Profit & Loss.

Vedanta Limited acquired Meenakshi Energy Limited ("Meenakshi Energy") through the National Company Law Tribunal (NCLT) process and the plant was inoperative for the past five years, so the management has undergone Fair Valuation of the Assets to reflect the fair value of the assets in the Financial Statements.

An impairment loss of Rs. 62,436.97 Lakhs has been recognized on the Cash Generating Unit (CGU) based on a fair valuation report obtained from an independent valuer.

The Company's Phase-2 Capital Work-in-Progress and Property, Plant and Equipment has been considered as a Cash Generating Unit (CGU). The recoverable amount of the Company's cash generating unit was determined to be Rs 5,23,539.57 Lakhs as at 31 March 2024.

The recoverable amount of the CGU was determined based on the Depreciated Replacement Cost Method under Cost Approach for doing Assessment of Building, Plant & Machinery and all Other Assets.

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**MEENAKSHI ENERGY LIMITED**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

*(All amounts in ₹ Lakhs unless otherwise stated)***5C. Intangible assets**

<b>Particulars</b>	<b>Computer Software</b>	<b>Total</b>
<b>Gross block</b>		
As at April 01, 2022	170.00	<b>170.00</b>
Additions	-	-
As at March 31, 2023	<b>170.00</b>	<b>170.00</b>
Additions	-	-
As at March 31, 2024	<b>170.00</b>	<b>170.00</b>
<b>Accumulated depreciation</b>		
As at April 01, 2022	169.75	<b>169.75</b>
Additions	0.25	<b>0.25</b>
As at March 31, 2023	<b>170.00</b>	<b>170.00</b>
Additions	-	-
As at March 31, 2024	<b>170.00</b>	<b>170.00</b>
<b>Net Block</b>		
As at March 31, 2023	-	-
As at March 31, 2024	-	-

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**MEENAKSHI ENERGY LIMITED**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

**6 Non current financial assets - Others at amortised cost**

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security deposits with		
government/ semi-government	-	148.29
others	-	3.93
Receivable against encashment of bank guarantee	-	1,000.00
Other receivables	-	500.00
	-	1,500.00
Less: Allowances for expected credit loss	-	(1,500.00)
	-	<b>152.22</b>

**Note on movement of allowance for expected credit loss**

	As at March 31, 2024	As at March 31, 2023
Opening balance at the beginning of the year	1,500.00	1,500.00
Less: Allowance written off	(1,500.00)	-
<b>Closing balance at the end of the year</b>	<b>-</b>	<b>1,500.00</b>

**7 Deferred Tax Assets**

	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets	-	-

**Note:**

The Company has started the generation of power in financial year 2012-13 and qualified for deduction of an amount equal to hundred percent of

- a) the profits and gains derived from such business for ten consecutive assessment years under section 80-IA(4)(iv) of the Income Tax Act, 1961. The Company can avail the option of deduction for any ten consecutive assessment years out of fifteen years beginning from the year in which the Company has started the generation of power. The Company has claimed the first deduction in assessment year 2017-18 and can continue to claim the same for ten consecutive assessment years, until assessment year 2026-27. [Refer note 4.2(a)]

**b) The reconciliation of tax expense and the accounting profit multiplied by tax rate**

Particulars	As at March 31, 2024	As at March 31, 2023
Loss before tax	(85,467.15)	(10,032.57)
<b>Tax at the Indian tax rate of 26.00% (March 31, 2023: 29.12%)#</b>	<b>(22,221.46)</b>	<b>(2,921.48)</b>
Add/(Less): Tax effect on account of:		
<b>Amounts inadmissible under Income Tax Act, 1961:</b>		-
Depreciation and amortisation debited to profit and loss account	2,078.72	
Interest on NCDs	534.94	
Other Disallowances	252.00	
<b>Amounts admissible under Income Tax Act, 1961</b>		-
Depreciation allowable under section 32(1)(ii) and 32(1)(iia)	(388.00)	
Interest on loan from banks disallowed u/s 43b in earlier years and paid during the year	(6,107.00)	
Losses on which no DTA created	25,850.80	2,921.48
<b>Income tax expense / (credit)</b>	<b>-</b>	<b>-</b>

#During the present fiscal year, surcharge has not been factored into the tax rate calculation due to the turnover for the current financial year being less than ₹ 100 lakhs.

- c) Deferred tax assets aggregating to ₹ 46,723.76 lakhs as on March 31, 2024 (March 31, 2023 ₹ 39,860.05 lakhs) pertains to unabsorbed depreciation, business losses and deferred tax liability of ₹ 14,375.12 lakhs (March 31, 2023 ₹ 18,220.59 lakhs) pertains to temporary differences between books and tax base of Property, Plant and Equipment. Accordingly, on prudence basis net deferred tax asset has not been recognised in the

**8 Other Non-Current Assets**

	As at March 31, 2024	As at March 31, 2023
Capital advances*	255.00	2,558.79
Prepaid expenses	22.26	-
Advance tax and TDS receivable	215.44	215.10
	<b>492.70</b>	<b>2,773.89</b>

\*In previous year, the parties having the capital advances have been adjusted against the same parties balances of trade payable / retention amounts.

**MEENAKSHI ENERGY LIMITED**
**Notes forming part of the financial statements as at and for the year ended March 31, 2024**
*(All amounts in ₹ lakhs unless otherwise stated)*
**9 Inventories (at lower of cost and net realisable value)**

	As at March 31, 2024	As at March 31, 2023
Fuel	6.79	167.52
Diesel	53.83	9.04
Stores and spares*#	2,989.85	3,435.24
	<b>3,050.47</b>	<b>3,611.80</b>

\*Stores and spares of ₹ 7.08 lakhs (previous year ₹ Nil) has been held with third parties.

# Based on Independent Valuer Report, Net Realisable Value is almost equivalent to carrying value of Stores & Spares.

**Note on movement of inventories for year ended 31 March, 2024**

Particulars	Fuel	Diesel	Stores and spares	Total
Opening stock	167.52	9.04	3,435.24	3,611.80
Add: Purchases during the year	-	86.94	46.62	133.56
Less: Cost of material consumed (refer note 29)	(67.79)	-	-	(67.79)
Less: Inventory written off (refer note 33)	(92.93)	-	(275.83)	(368.76)
Less: Inventory consumed	-	(42.15)	(216.19)	(258.34)
<b>Closing stock</b>	<b>6.79</b>	<b>53.83</b>	<b>2,989.85</b>	<b>3,050.47</b>

**Note on movement of inventories for year ended 31 March, 2023**

Particulars	Fuel	Diesel	Stores and spares	Total
Opening stock	167.52	9.04	3,455.55	3,632.11
Add: Purchases during the year	-	-	7.61	7.61
Less: Cost of material consumed	-	-	(27.92)	(27.92)
Less: Inventory written off	-	-	-	-
Less: Inventory consumed	-	-	-	-
<b>Closing stock</b>	<b>167.52</b>	<b>9.04</b>	<b>3,435.24</b>	<b>3,611.80</b>

**10 Trade Receivables**

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good	-	1,295.60
Unsecured, credit impaired	-	3,861.65
	-	5,157.25
Less: Allowance for credit impaired	-	(3,861.65)
	-	<b>1,295.60</b>

There are no debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

**Note on movement of allowance for credit impaired\***

	As at March 31, 2024	As at March 31, 2023
Opening balance at the beginning of the year	3,861.65	3,861.65
Less: Allowance written off	(3,861.65)	-
<b>Closing balance at the end of the year</b>	<b>-</b>	<b>3,861.65</b>

**Trade Receivable ageing schedule as on March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	Less than 6 months	6 months-1 year	More than 3 years	
Undisputed, considered good	-	-	-	-	-	-

**Trade Receivable ageing schedule as on March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	Less than 6 months	6 months-1 year	More than 3 years	
Undisputed, considered good	-	-	-	-	851.00	1,295.60



**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***11 Cash and Cash Equivalents**

	As at March 31, 2024	As at March 31, 2023
In current accounts with scheduled banks	67.78	120.18
Cash on hand	-	0.15
	<b>67.78</b>	<b>120.33</b>

**12 Other Bank Balances at amortised cost**

	As at March 31, 2024	As at March 31, 2023
Fixed deposits with original maturity more than 3 months and original maturity less than 12 months*	65.89	208.51
	<b>65.89</b>	<b>208.51</b>

\*includes fixed deposits of ₹ 64.16 lakhs (previous year ₹ nil) given for bank guarantees.

**13 Current financial assets - Loans**

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Advances to staff	0.03	2.71
	<b>0.03</b>	<b>2.71</b>

**14 Current financial assets - Others at amortised cost**

	As at March 31, 2024	As at March 31, 2023
Interest accrued on fixed deposits	1.02	0.10
Receivable against encashment of bank guarantee*	-	2,700.00
	<b>1.02</b>	<b>2,700.10</b>

\*In accordance with PPA article 4.1, the company deposited a performance Bank Guarantee dated October 15, 2018, for an amount of ₹ 2,700.00 lakhs in favour of PTC India Limited (Performance Security Deposit - PSD, Performance Bank Guarantee - PBG). On May 13, 2022, PTC has invoked and encashed the PSD PBG and recovered an amount of Rs.2,700 Lakhs. During the year, bank guarantee of ₹ 2,700.00 lakhs has been written off.

**15 Other Current Assets**

	As at March 31, 2024	As at March 31, 2023
Advances other than capital advances	901.57	169.70
Prepaid expenses	252.09	60.19
Balance with gratuity fund (refer note 36)	45.69	69.33
	<b>1,199.35</b>	<b>299.22</b>

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**MEENAKSHI ENERGY LIMITED**
**Notes forming part of the financial statements as at and for the year ended March 31, 2024**
*(All amounts in ₹ lakhs unless otherwise stated)*
**16 Share Capital**

	As at March 31, 2024	As at March 31, 2023
<b>Authorised share capital</b>		
5,000,000,000 (previous year 5,000,000,000) equity shares of ₹ 10 each	5,00,000.00	5,00,000.00
200,000,000 (previous year 200,000,000) 0.01% cumulative convertible preference shares of ₹ 10 each	20,000.00	20,000.00
	<b>5,20,000.00</b>	<b>5,20,000.00</b>
<b>Issued, subscribed and fully paid up share capital</b>		
1,000,000 (previous year 4,109,575,562) equity shares of ₹10 each fully paid up (refer note 2)	100.00	4,10,957.56
	<b>100.00</b>	<b>4,10,957.56</b>

**a) Reconciliation of the shares outstanding at the end of the year**

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares</b>				
Balance as at the beginning of the year	4,10,95,75,562	4,10,957.56	4,10,95,75,562	4,10,957.56
Issued during the year (refer note 2)	10,00,000	100.00	-	-
Reduction during the year (refer note 2)	(4,10,95,75,562)	(4,10,957.56)	-	-
<b>Balance as at the end of the year</b>	<b>10,00,000</b>	<b>100.00</b>	<b>4,10,95,75,562</b>	<b>4,10,957.56</b>

**b) Details of shareholders holding more than 5% shares in the Company**

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
SBICAP Trustee Company Limited <sup>^</sup>	-	-	3,91,24,02,331	95.20%
Vedanta Limited*	10,00,000	100.00%	-	-

\*includes 6 shares held by the nominee shareholders

The above information is furnished as per the shareholder register as at the year end.

<sup>^</sup>SBICAP Trustee Company Limited (SBICAP) on behalf of all Banks and Financial Institutions (except Srei Infrastructure Finance Limited (SIFL), the original lenders, whose loan assigned to Devi Trading and Holding Private Limited during the year) (here in after referred to as 'Lenders') of the Company invoked 3,811,506,509 equity shares of ₹ 10/- each on December 20, 2017 and 100,895,822 equity shares of ₹ 10/- each on January 19, 2018 representing 95.20 % of total paid up equity share capital of the Company held by India Power Corporation Limited and Meenakshi Energy & Infrastructure Holdings Private Limited (collectively referred to as 'the Shareholders') respectively. These Shares were transferred in the name of SBICAP on May 02, 2018.

**c) Details of shares held by holding company**

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
India Power Corporation Limited	-	-	10,02,34,046	2.44%
Vedanta Limited*	10,00,000	100.00%	-	-

\*includes 6 shares held by the nominee shareholders

The above information is furnished as per the shareholder register as at the year end.

Ultimate Holding Company of Vedanta Limited is Volcan Investment Limited

**d) Details of shares held by the promoters in the Company**

Name of promoters shareholder	As at March 31, 2024		As at March 31, 2023		% change during the year
	Number of shares	% holding	Number of shares	% holding	
India Power Corporation Limited	-	-	10,02,34,046	2.44%	-2.44%
Meenakshi Energy and Infrastructure Holdings Private Limited	-	-	9,69,39,022	2.36%	-2.36%
Vedanta Limited*	10,00,000	100.00%	-	-	100.00%

\*includes 6 shares held by the nominee shareholders

The above information is furnished as per the shareholder register as at the year end.

**MEENAKSHI ENERGY LIMITED**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in ₹ lakhs unless otherwise stated)*

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**e) Terms/rights/preferences/restrictions attached to equity shares**

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to receive dividend as declared from time to time and are entitled to one vote per share except in previous year 100,234,046 shares entitled to 1000 votes per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding. There was no dividend proposed or declared during the year.

**f)** The Company has not issued any equity shares pursuant to any contract without payment being received in cash nor allotted as fully paid up by way of any bonus shares and there has not been any buy-back of shares during the period of five years immediately preceding the reporting periods including current year.

**g)** Vedanta Limited has infused ₹ 100 Lakhs in form of equity against which 10,00,000.00 equity shares have been allotted to Vedanta Limited and its nominees on October 16, 2023 pursuant to the implementation of NCLT order dated August 10, 2023. Form PAS-3 for allotment of equity shares have been filed with MCA vide SRN AA6094505 dated November 06, 2023. Subsequent to the issuance of equity shares as contemplated in the Resolution Plan and as per the NCLT order, the existing paid-up share capital of ₹ 4,10,957.56 Lakhs was extinguished in full, excluding the new equity shares of ₹ 100 Lakhs issued to Vedanta Limited and form INC-28 was filed with ROC vide SRN AA5819264 dated November 15, 2023.

Despite the filings with the MCA, the company's paid-up share capital has not yet been updated in the MCA master data. The company has submitted the required application for updating the MCA master data.

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**MEENAKSHI ENERGY LIMITED**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

*(All amounts in ₹ lakhs unless otherwise stated)***17 Other Equity**

	As at March 31, 2024	As at March 31, 2023
<b>Equity components of convertible debentures*^</b>		
Balance at the beginning of the year	2,751.64	2,751.64
Less: Extinguished during the year (refer note 2)	(2,751.64)	-
<b>Balance as at the end of the year</b>	<b>-</b>	<b>2,751.64</b>
<b>Securities premium^</b>		
Balance at the beginning of the year	7.17	7.17
Less: Extinguished during the year (refer note 2)	(7.17)	-
<b>Balance as at the end of the year</b>	<b>-</b>	<b>7.17</b>
<b>Capital reserve</b>		
Balance at the beginning of the year	-	-
Add: Addition during the year (refer note 2)	7,39,217.11	
Less: Transferred to retained earnings (refer note 2)	(7,39,217.11)	
<b>Balance as at the end of the year</b>	<b>-</b>	<b>-</b>
<b>Retained earnings</b>		
Balance at the beginning of the year	(1,78,423.82)	(1,68,391.25)
Add: Adjustment (refer note 38)	(84.69)	-
Add: Loss for the year	(84,932.21)	(10,032.57)
Add: Capital reserve transferred to retained earnings^ (refer note 2)	7,39,217.11	-
<b>Balance as at the end of the year</b>	<b>4,75,776.39</b>	<b>(1,78,423.82)</b>
<b>Other comprehensive income</b>		
Balance at the beginning of the year	-	
Add: Reclassified from OCI	(36.05)	(31.59)
Add: Other comprehensive income for the year	(4.84)	(4.46)
<b>Balance as at the end of the year</b>	<b>(40.89)</b>	<b>(36.05)</b>
	<b>4,75,735.50</b>	<b>(1,75,701.06)</b>

**\*Zero Coupon Fully Compulsorily and Mandatorily Convertible Debentures of ₹ 10 each:**

(a) The Compulsorily Convertible Debentures (CCDs) constitute direct, unconditional, unsubordinated and unsecured obligations of the Company.

(b) The Compulsorily Convertible Debentures (CCDs) are non-marketable and non- interest bearing debentures.

^ As per approved resolution plan, equity, debentures, liabilities are extinguished in current financial year (refer note 2).

**Notes:**

i) Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

ii) Capital reserve has been credited by the extinguishment of paid up Capital, reserves, admitted financial debt of the financial creditors, amounts of operational creditors (including other creditors) and statutory creditors and further transferred to retained earnings pursuant to the order passed by the Hon'ble NCLT. (refer note 2)

iii) Retained earnings represent the amount that can be distributed as dividend considering the requirements of the Companies Act, 2013. During the year, no dividends are distributed to the equity shareholders by the Company.

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***18 Non-current financial liabilities - Borrowings at amortised cost**

	As at March 31, 2024	As at March 31, 2023
<b>Secured - Debentures</b>		
Zero Coupon Non Convertible debentures*	77,619.84	-
	<u>77,619.84</u>	<u>-</u>

\*In terms of the approved resolution plan, during the year 112,800,006.00 (eleven crores twenty eight lakhs and six) unlisted, zero- coupon, secured, redeemable non-convertible debentures (NCD) having a face value of ₹ 100.00 (rupees one hundred only) each (each such non-convertible debenture is referred to as a "Debenture") issued for an aggregate amount of ₹ 1,12,800.01 Lakhs (the "Debenture Amounts"). The amount of NCD issued by the Company was credited to the Non- Convertible Debentures account with debit to the loan account in the books of the Company and was applied towards the interest component of the balance debt and then against the principal amount of the balance debt. As per Ind AS - 109 these debentures are reported/ computed at present value of ₹ 73,698.51 Lakhs and consequent treatment has been given akin to the treatment given in the approved Resolution Plan.

The Non-Convertible Debentures (NCDs) are non-marketable i.e. they are not capable of being sold on a recognized stock exchange in or outside India. The Company does not intend to, and shall not list the NCDs on any recognized stock exchange in or outside India. They are non-interest bearing debentures and redeemable in 5 equal instalments of

The NCDs have been secured by pari passu charge on all existing Tangible Assets consisting Property, Plant & Equipment and Capital Work-in-progress.

As per Section 71 (4) of Companies Act 2013, when debentures are issued by a company , it shall create a debenture redemption reserve account out of the profits of the company available for payment of dividend out of free reserves of the company.

As per Section 2 (43) of Companies Act 2013, free reserves means such reserves which are available for distribution as dividend provided that - any amount representing unrealised gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or any change in carrying amount of an asset or of a liability recognised in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value shall not be treated as free reserves.

As the company has no profit during the year and free reserves includes notional gains on account of extinguishment of liabilities as per NCLT order, so the company is not required to create Debenture Redemption Reserve during the year.

**19 Lease liabilities**

	As at March 31, 2024	As at March 31, 2023
Lease liabilities (refer note 38)	165.13	-
	<u>165.13</u>	<u>-</u>

**20 Non-current provisions**

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for leave encashment	10.11	-
	<u>10.11</u>	<u>-</u>

**MEENAKSHI ENERGY LIMITED**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

*(All amounts in ₹ lakhs unless otherwise stated)***21 Deferred Tax Liabilities**

	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities*	9,146.84	-
	<b>9,146.84</b>	<b>-</b>

\* Deferred Tax Liability has been recognised on temporary difference in relation to Non Convertible Debentures of Rs 10,166.40 Lakhs which has been routed through capital reserve.

**Movement of Deferred Tax Liabilities on NCDs:**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening</b>	-	-
Routed through Capital Reserve	#REF!	-
Routed through P&L	(534.94)	-
Routed through CWIP	(484.60)	-
<b>Closing</b>	<b>#REF!</b>	<b>-</b>

**22 Current financial liabilities - Borrowings at amortised cost<sup>^</sup>**

	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Working capital loans from banks (Note A)	-	8,053.48
Current maturities of long term debt (Note B) \$	-	2,79,556.83
<b>Unsecured</b>		
CIRP advance from lenders*	-	5,329.49
Loan from related party# (refer note 37)	35,550.00	3,094.42
Other	-	15,264.01
	<b>35,550.00</b>	<b>3,11,298.23</b>

\*Interest on Corpus Fund by Committee of Creditors was provided for the amount during the year 2021-22 to 2023-24 (Till it got paid). The Corpus fund along with the accrued interest should form part of the CIRP cost.

<sup>^</sup> As per approved resolution plan, current financial liabilities - Borrowings has been extinguished during the current financial year. (refer note 2)

# Loan amount of ₹ 31,200.00 lakhs (previous year ₹ Nil) has been taken from Vedanta Limited (holding company). Also, total credit facility provided by Vedanta Limited is of ₹ 10,000.00 lakhs (previous year ₹ Nil), out of which ₹ 4,350 lakhs (previous year ₹ Nil) has been taken as a credit facility. Loan amount of ₹ Nil (previous year ₹ 3,094.42 lakhs) has been taken from India Power Corporation Limited.

**Note A:** In previous year, the details of terms and conditions w.r.t. security, etc. for working capital loans sanctioned

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***\$ Security Terms**

Cash Credit and Buyer's Credit were obtained under a consortium arrangement with State Bank of Hyderabad (SBH) and Punjab National Bank with State Bank of Hyderabad being the lead banker and were secured by:

- (a) a first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future;
- (b) a first charge on all of the Company's tangible moveable assets pertaining to the Phase-I project, including moveable plant and machinery, machinery spare parts, tools and accessories, furniture, fixtures, vehicles and all other moveable assets, both present and future;
- (c) a first charge on Company's receivables pertaining to the Phase-I project and entire current assets pertaining to the Phase-I project;
- (d) Personal Guarantee was given by Mr. Devineni Suresh in favour of SBH (now SBI) being lead bank and Punjab National Bank vide deed of personal guarantee dated September 18, 2012 pursuant to working capital consortium agreement dated September 18, 2012. On March 8, 2017, SBI at the request of the Company, released the personal guarantee of Mr. Devineni Suresh (as there was change in management of the Company and Mr. Devineni Suresh was no longer chairman and holds only 100 shares). Punjab National Bank (PNB) has filed an Original Application i.e. OA No. 514 of 2019 on May 14, 2019 before the Hon'ble Debt Recovery Tribunal -II for recovery of an alleged amount of Rs.3,706.52 lakhs against Mr. Devineni Suresh based on the guarantee deed dated September 18, 2012. The matter is currently sub-judice as the same is being contested by Mr. Devineni Suresh that he is not liable to pay any amounts, stating that the shareholding of the company had been changed with the consent of all the banks and that his guarantee

All the aforesaid mortgages and charges shall in all respects rank pari-passu amongst the Phase-I Lenders of term loans and working capital facilities without any preference or priority to one over the other or others except common assets of Phase-I and Phase-II lenders.

**Note B:**

	As at March 31, 2024	As at March 31, 2023
Current maturities of long term debt [Note : (a) & (b)]		
Phase - I Banks	-	66,429.89
Phase - II Banks	-	1,04,978.52
Phase - II Financials Institutions	-	1,08,148.42
	-	<b>2,79,556.83</b>

**(a) Security Terms :****(i) Term loans - Phase I**

The term loan facility was obtained under a consortium arrangement with banks with State Bank of India being the Lead Banker and was secured by:

- a) A first mortgage and charge on all the Company's immovable properties pertaining to the Phase I Project, both present and future, including mortgage charge on 176 acres of land for plant area.
- b) A first charge on all of the Company's tangible moveable assets, pertaining to the Phase I Project, both present and future, and Current Assets pertaining to the Phase I Project.

All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-I lenders without any preference or priority to one over the other or others.

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***(ii) Term loans - Phase II**

The term loan facility was obtained under a consortium arrangement with financial institutions and banks with Rural Electrification Corporation Limited being the Lead Institutional lender and was secured by:

- a) a first mortgage and charge on all the Phase – II Project’s immovable properties, both present and future;
- b) a first charge on all the Company’s tangible moveable assets, stocks of raw materials, semi-finished, finished goods and consumable goods relating to the Phase – II Project and all other movable assets, both present and future;
- c) a first charge on Phase – II Project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future.

All the aforesaid mortgage, charges and assignments and pledge shall in all respects rank pari-passu amongst the Phase-II lenders without any preference or priority to one over the other or others.

**(iii) Common Security to both Phase – I and Phase – II project lenders:**

- (a) a first charge on all intangibles of the Company, both present and future;
- (b) an assignment by way of security of the right, title and interest of the Company in, to and under the project documents and under all the clearances, and the right, title, interest, benefits, claims and demands whatsoever of the Company under all Insurance contracts and Insurance proceeds; and
- (c) pledge of 100% of equity shares held by new promoter namely India Power Corporation Limited (IPCL) and 51% of equity shares held by Meenakshi Energy and Infrastructure Holdings Pvt. Ltd.\*
- (d) Sponsor Support Agreement, Various Undertakings and Corporate Guarantee provided by IPCL executed vide

\* 3,811,506,509 shares held by IPCL and 100,895,822 shares held by Meenakshi Energy and Infrastructure Holdings Pvt. Ltd. had been acquired by SBICAP.

**b) Terms of repayment and interest:**

Term of repayment : As loans had been recalled by the Lenders, their outstanding dues were immediately repayable.

Term of interest : During the previous year 2022-23, no interest provided except on Corpus fund.

**23 Trade payables**

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises	28.25	150.37
Total outstanding dues of creditors other than micro and small enterprises	267.76	38,541.85
	<b>296.01</b>	<b>38,692.22</b>

**Trade payable ageing schedule as on March 31, 2024**

Particulars	Outstanding for following periods from due date of payment				
	Unbilled	Not due	Less than 1 year	More than 3 years	Total
(i) Undisputed dues - MSME	-	-	28.25	-	28.25
(ii) Undisputed dues - Others	237.19	-	30.57	-	267.76
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>237.19</b>		<b>58.81</b>	-	<b>296.01</b>



**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***Trade payable ageing schedule as on March 31, 2023**

Particulars	Outstanding for following periods from due date of payment				
	Unbilled	Not due	Less than 1 year	More than 3 years	Total
(i) Undisputed dues - MSME	-	-	-	150.37	150.37
(ii) Undisputed dues - Others	-	-	499.91	16,805.58	38,541.85
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	-	-	<b>499.91</b>	<b>16,955.95</b>	<b>38,692.22</b>

\*Disclosures Under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 and Schedule III

Particulars	March 31, 2024	March 31, 2023
i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting period;		
- principal amount	28.25	150.37
- interest due <sup>^</sup>	-	-
ii) the amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day	-	0.18
iii) the amount of interest due and payable for the year	-	-
iv) the amount of interest accrued and remaining unpaid at the end of the	-	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are	-	-

**24 Other current financial liabilities**

	As at March 31, 2024	As at March 31, 2023
Interest accrued and due on borrowings (refer note 22)#	-	74,285.69
Interest accrued but not due on borrowings (refer note 22)*	2,628.40	-
Payable for capital works <sup>^</sup>	1,976.71	2,863.11
Retention money	150.45	10,770.01
Emd from Bidders	-	200.00
Advance from related party (refer note 37)	398.77	-
Employee related payables	0.46	-
Other liabilities	3.54	504.03
	<b>5,158.33</b>	<b>88,622.84</b>

# Interest accrued and due on borrowings of ₹ Nil (previous year ₹ 703.25 lakhs) is payable to related party. (refer note 37)

\* Interest accrued but not due on borrowings of ₹ 2,628.40 lakhs (previous year ₹ Nil) is payable to related party. (refer note 37)

<sup>^</sup> Due to creditors other than micro and small enterprises.

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***25 Short-term provisions**

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for leave encashment	1.49	-
	<u>1.49</u>	<u>-</u>

**26 Other current liabilities**

	As at March 31, 2024	As at March 31, 2023
Unearned income	-	62.41
Statutory dues payable	110.83	466.65
	<u>110.83</u>	<u>529.06</u>

*(This space has been intentionally left blank)*

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***27 Revenue from operation**

	As at March 31, 2024	As at March 31, 2023
<b>Operating revenue</b>		
Sale of power	-	-
Margin on sale of power through third party	-	-
	-	-

**28 Other income**

	As at March 31, 2024	As at March 31, 2023
Interest income on financial asset at amortised cost	4.43	111.55
Miscellaneous income	9.15	102.45
Provisions / liabilities no longer required, written back	-	11.96
	<b>13.58</b>	<b>225.96</b>

**29 Cost of materials consumed**

	As at March 31, 2024	As at March 31, 2023
Opening stock	167.52	167.52
Add : Purchase during the year	-	-
Less : Transfer for commissioning	-	-
Less: Written off	(92.94)	-
Less : Closing stock	(6.79)	(167.52)
	<b>67.79</b>	-

**30 Employee benefits expenses**

	As at March 31, 2024	As at March 31, 2023
Salaries and wages#	153.33	235.74
Contribution to provident fund	6.04	12.76
Staff welfare	4.98	7.11
	<b>164.35</b>	<b>255.61</b>

# Salaries &amp; wages capitalised during the year 2023-24: Rs 36.87 lakhs (Previous Year: Nil)

**31 Finance cost**

	As at March 31, 2024	As at March 31, 2023
Interest on		
CIRP advance	454.74	549.17
Loan from related party (refer note 37)#	1,608.52	-
Zero coupon non-convertible debentures (refer note 18)#	2,057.46	-
Lease liability (refer note 38)	18.60	-
Others*	6.28	407.40
Other borrowing cost	0.84	0.10
	<b>4,146.44</b>	<b>956.67</b>

\*In previous year, interest of ₹ 395.02 lakhs was charged by IDBI bank on bank guarantee encashment.

# Refer note 5B(C.2)

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***32 Other expenses**

	As at March 31, 2024	As at March 31, 2023
Rent	3.23	4.20
Stores & spares parts consumed	9.22	0.01
Insurance	289.74	367.39
Repairs and Maintenance	-	
Machinery	10.84	30.00
Others	41.44	62.28
Transmission network charges	141.23	191.95
Operation and maintenance	205.37	1,366.37
Foreign exchange fluctuation loss	-	23.87
Power & fuel	457.37	245.86
Auditors' remuneration*	7.97	9.44
Loss on write off of property, plant and equipment and capital work-in-progress (net)	36.66	-
Vehicle hire charges & maintenance	21.58	30.05
Legal & professional fee	348.01	295.53
Security expenses	75.00	59.53
IRP Expenditure	594.01	365.48
Miscellaneous expenses	122.54	48.45
	<b>2,364.21</b>	<b>3,100.41</b>
 *Payments to the statutory auditors comprises (inclusive of GST):		
Statutory audit fees	7.08	7.08
Tax audit fees	0.89	2.36
	<b>7.97</b>	<b>9.44</b>

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***33 Exceptional items**

	As at March 31, 2024	As at March 31, 2023
BG Encashment *	-	2,031.66
Write off of property, plant and equipment	(1,133.89)	-
Impairment [Refer Note 5B(C.4)]	(62,436.97)	-
Trade Receivables and other receivables written off #	(6,803.25)	-
Inventory Written Off	(368.76)	-
	<b>(70,742.87)</b>	<b>2,031.66</b>

\*M/s Siemens Ltd. issued two Bank Guarantees for a value of ₹ 941.66 lakhs being BG No. 003GT0217051009 and ₹ 1,090.00 lakhs being BG No. 003GT02172230034 on 20.02.2017 and 11.08.2017 respectively. Due to unsatisfactory performance, the company had invoked the bank guarantees and credited the proceeds to trust account held by the company on 31.01.2020. On this M/s Siemens Ltd filed a case against the company and others, and the adjudicating authority (NCLAT) vide its order dated 23rd September 2022 held that the BG amount may be utilised for the function of the company as a going concern. Accordingly, the amount is shown as exceptional income for the year.

# Company has used a practical expedient for writing off trade receivables and other receivables which are outstanding for more than 3 years. Accordingly, the amount is shown as exceptional expense for the year.

**34 Earning per share**

	As at March 31, 2024	As at March 31, 2023
Loss attributable to equity shareholders	(84,932.21)	(10,032.57)
Total number of equity shares outstanding at the beginning of the year (refer note 16)	4,10,95,75,562	4,10,95,75,562
Total number of equity shares outstanding at the end of the year (refer note 16)	10,00,000	4,10,95,75,562
Weighted average number of equity shares during the year-for basic earning per share	2,22,36,72,025	4,10,95,75,562
Effect of dilutive potential equity share equivalent*	-	2,75,16,432
Weighted average number of equity shares during the year-for diluted earning per share	2,22,36,72,025	4,13,70,91,994
Nominal value of each equity share (₹)	10	10
<b>Basic Earning per share to equity shareholder (₹)</b>	<b>(3.82)</b>	<b>(0.24)</b>
<b>Diluted Earning per share to equity shareholder (₹)*</b>	<b>(3.82)</b>	<b>(0.24)</b>

\* Since in previous year, the effect of conversion of convertible debentures was anti-dilutive during the year, it has not been considered for the purpose of computing dilutive earning per share.

*(This space has been intentionally left blank)*

**MEENAKSHI ENERGY LIMITED**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

*(All amounts in ₹ lakhs unless otherwise stated)***35 Contingencies, guarantees & capital commitment****(A) Details of contingent liabilities - under litigation\***

		As at March 31, 2024	As at March 31, 2023
a	Custom duty claim disputed by the company relating to the issue of applicability and classification of coal	-	2,722.83
b	Seigniorage fee demand notice received	-	254.46
c	Other claims against the company by various parties acknowledged as contingency	-	17,945.00
d	Adani Enterprise Ltd.	-	62.00
e	Workmen or employees claims	-	692.95

\*As per the approved resolution plan, during the year all the pending litigations till December 27, 2023 are handed over to the legal representative of lenders. Accordingly, as at March 31, 2024 the Company do not have any contingent liability.

**(B) Bank guarantees**

	As at March 31, 2024	As at March 31, 2023
Bank guarantees*	64.16	64.16

\*The Company has given the guarantees in the normal course of business and does not expect any material losses.

**(C) Capital commitment**

The Company has an operational and financial commitment in the normal course of business. Estimated amount of contracts remaining to be executed on capital account and other commitments not provided for:

	As at March 31, 2024	As at March 31, 2023
Capital commitment [net of advances ₹ 255.00 lakhs (previous year ₹ Nil)]	1,851.30	-

**36 Employee benefit obligations****(A) Defined benefit plan****Post employment obligations - Gratuity**

The weighted average duration of the defined benefit obligation is 10.36 years (previous year 11.90 years).

**Reconciliation of opening and closing balances of the present value of defined benefit obligations**

Particulars	As at March 31, 2024	As at March 31, 2023
Present value obligation as at the start of the year	30.96	27.31
Interest cost	2.27	1.82
Current service cost	2.01	0.70
Benefits paid	(10.29)	(3.49)
Total actuarial loss/(gain) on obligations	(5.67)	4.62
<b>Present value obligation as at the end of the year</b>	<b>19.28</b>	<b>30.96</b>

**Reconciliation of opening and closing balance of the fair value of plan assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets as at the start of the year	70.83	68.81
Actual return on plan assets	4.36	4.82
Actuarial loss/(gain) on plan assets	-	0.15
Acquisition Adjustments	-	(0.41)
Contribution	0.07	0.95
Benefits paid	(10.29)	(3.49)
<b>Fair value of plan assets as at the end of the year</b>	<b>64.97</b>	<b>70.83</b>

**Amount Recognised in Balance Sheet**

Particulars	As at March 31, 2024	As at March 31, 2023
Present value obligation as at the end of the year	(19.28)	(30.96)
Fair value of plan assets as at the end of the year	64.97	70.83
<b>Net asset recognized in Statement of Financial Position</b>	<b>45.69</b>	<b>39.87</b>

**MEENAKSHI ENERGY LIMITED**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

*(All amounts in ₹ lakhs unless otherwise stated)***Amount recognised in the Statement of Profit and Loss**

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Current service cost	2.01	0.70
Interest cost	2.27	1.82
Expected return on plan assets	(5.19)	(4.82)
<b>Total</b>	<b>(0.91)</b>	<b>(2.30)</b>

The company has recognized Rs 25.13 lakhs as gratuity expenditure during the year. This amount includes Rs 26.04 lakhs as expenses for the earlier years and the balance income of Rs 0.91 Lakhs as per the actuarial report.

**Amount recognised in Other Comprehensive Income**

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Actuarial Losses / (gains) on PBO	5.67	4.62
Actuarial Losses / (gains) on plan assets	(0.83)	(0.16)
<b>Total</b>	<b>4.84</b>	<b>4.46</b>

**Bifurcation of actuarial gain/loss on obligation**

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Actuarial Losses / (gains) on arising from experience adjustments	(5.96)	-
Actuarial Losses / (gains) on arising from change in financial assumption	0.29	-
Actuarial Losses / (gains) on arising from change in demographic assumption	-	(4.62)

**Principal actuarial assumptions used for estimating the Company's Defined benefit obligations are set out below**

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Discount rate	7.10%	7.34%
Future salary increase	5%	5%
Mortality rates	100% of LIC IALM (2012-14)	100% of LIC IALM (2012-14)

**Sensitivity analysis**

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	(19.28)	(30.96)
a) Impact due to increase of 0.5 %	(19.88)	(25.96)
b) Impact due to decrease of 0.5 %	(18.65)	(28.85)
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	(19.28)	(30.96)
a) Impact due to increase of 0.5 %	(18.64)	(29.81)
b) Impact due to decrease of 0.5 %	(19.89)	(25.18)

**Major categories of Plan assets**

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Funds managed by the Insurer	100%	100%

**Expected cash contribution for the next Annual reporting period**

Particulars	Year ended
	March 31, 2024
Service cost	2.09
Net interest cost	(3.24)

**MEENAKSHI ENERGY LIMITED**
**Notes forming part of the financial statements as at and for the year ended March 31, 2024**
*(All amounts in ₹ lakhs unless otherwise stated)*
**Experience adjustments on plan liabilities and assets**

Particulars	Present Value of DBO	Fair Value of Plan Assets	Experience gain/ (loss) adjustments on plan liabilities
2019-20	53.31	103.46	(38.42)
2020-21	43.28	102.91	(21.06)
2021-22	27.31	68.8	28.33
2022-23	30.96	70.83	(4.62)
2023-24	19.28	64.97	(5.67)

**(B) Defined contribution plan**
**Provident fund**

For defined contribution plans, the amount charged to the statement of profit and loss is the total amount of contributions payable in the year.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employer's contribution to recognised provident fund	6.04	12.76

(C) Leave encashment expense recognised in P&amp;L during the year is Rs 4.9 Lakhs. (Rs 7.46 Lakhs)

**37 Related party disclosures**
**a) Name of related party and relationship:**

Ultimate Holding Company	Volcan Investment Limited (w.e.f December 27, 2023)*
Holding Company	Vedanta Limited (w.e.f December 27, 2023)* India Power Corporation Limited (up to December 27, 2023)
Fellow Subsidiaries	India Uniper Power Services Private Limited-Joint Venture (up to December 27, 2023)
Key Management Personnel (KMP)	Vibhav Agarwal (Additional Director) (w.e.f. October 20, 2023) Venkat Reddy Gogulamudi (Additional Director) (w.e.f. October 20, 2023) Jagdeep Singh (Additional Director) (w.e.f. October 16, 2023) Jyoti Kumar Poddar (Director) (up to December 27, 2023) Debasish Som (Director) (up to December 27, 2023)

\*On December 27, 2023, pursuant to the successful implementation of the approved Resolution Plan the control of Meenakshi Energy Limited was acquired by Vedanta Limited.

**b) Transactions with related parties in the ordinary course of business:**

Nature	Name of the entity / KMPs	Year ended March 31, 2024	Year ended March 31, 2023
Interest others	Vedanta Limited	2,920.44	-
Share capital issued	Vedanta Limited	100.00	-
Loan taken	Vedanta Limited	35,649.76	-
Loan repaid	Vedanta Limited	99.76	-
Advances taken	Vedanta Limited	395.39	-
Expense reimbursement	Vedanta Limited	3.38	-
<b>Extinguishment of liabilities:</b>			
Inter Corporate Deposits	India Power Corporation Ltd. (Inter Corporate Deposits)	3,094.42	-
Trade/ Amount Payables (net)	India Uniper Power Services Private Limited	405.49	-
Trade/ Amount Payables (net)	Mr. Jyoti Kumar Poddar	1.20	-
Trade/ Amount Payables (net)	Mr. Debasish Som	2.70	-
Interest accrued and due	India Power Corporation Ltd. (Interest on ICDs)	703.25	-

**c) Balance as at the end of the year**

Nature	Name of the entity / KMPs	As at March 31, 2024	As at March 31, 2023
Trade/amount payables (net)	India Power Corporation Ltd. (Inter Corporate Deposits)	-	3,094.42
	India Uniper Power Services Private Limited	-	405.49
	Mr. Jyoti Kumar Poddar	-	1.20
	Mr. Debasish Som	-	2.70
Current financial liabilities-borrowings	Vedanta Limited	35,550.00	-
Interest accrued and due	Vedanta Limited	2,628.40	-
	India Power Corporation Ltd. (Interest on ICDs)	-	703.25
Other current financial liabilities	Vedanta Limited	398.77	-



**MEENAKSHI ENERGY LIMITED**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

*(All amounts in ₹ lakhs unless otherwise stated)***38 Leases****a. Operating leases – assets taken on lease**

Certain premises has been obtained on operating lease (low value). The lease term for premises is 3 years and is renewable as per mutual agreement. The Company does not have any non-cancellable operating lease. The Company has recognised as an expense of ₹ 3.23 lakhs (previous year ₹ 4.20 lakhs) towards lease rent in the statement of profit and loss.

**b. Right of Use**

The company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate of 11.56% p.a. and the right of use asset at its carrying amount as if the Indian Accounting Standard 116 - Leases had been applied since the commencement date of the lease.

**Following are the changes in the carrying value of right of use assets (ROU) for the year ended March 31, 2024:**

Particulars	Leasehold land
Gross Carrying Value	
Balance as at April 1, 2023	-
Additions	186.33
Deletions	-
<b>Balance as at March 31, 2024</b>	<b>186.33</b>
Accumulated Depreciation	
Balance as at April 1, 2023	-
Adjustments	47.68
Additions	6.21
Deletions	-
<b>Balance as at March 31, 2024</b>	<b>53.89</b>
Net Carrying Value	
<b>As at March 31, 2024</b>	<b>132.44</b>

**Amounts recognised in profit and loss**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense on right of use assets	6.21	-
Interest expense on lease liabilities	18.60	-

**The following is the movement in lease liabilities during the year ended March 31, 2024:**

Particulars	Amount
Balance as at April 1, 2023	-
Additions	160.86
Deletions	-
Finance cost accrued during the year	18.60
Less: Payment of lease liabilities	(14.33)
<b>Balance as at March 31, 2024</b>	<b>165.13</b>

The company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

During the year ended March 31 2024, a retrospective adjustment was made to the financial statements to reflect the impact of lease liability. The adjustment of Rs 84.69 Lakhs has been retrospectively recorded through retained earnings in accordance with applicable standard 'Ind AS 116 - Leases'

**39 Foreign currency transactions:****Expenditure in foreign currency**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Miscellaneous expenses	2.31	1.37
<b>Total</b>	<b>2.31</b>	<b>1.37</b>

**40 Segment Information**

The Company is engaged in the business of power generation. As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosure prescribed by Indian Accounting Standard-108 on Segment Reporting are not required.

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***41 Details of Loans given, Investments made and Guarantee given covered u/s 186(4) of the Companies Act, 2013:**

- a. Details of loans given : The Company has not given any loan during the year.  
b. Details of investments made: The Company has not made any investments during the year.  
c. Details of guarantee given and security provided : The Company has not given any guarantee or provided any security during the year.

- 42 Since the Company has made aggregate losses for the past three years, the provisions relating to expenditure on Corporate Social Responsibility is not applicable to the Company for the financial year 2023-24 (*for previous year : Not applicable*).

**43 Financial Instruments****a. Categories of financial instruments**

Details with respect to financial assets and financial liabilities are as follows:

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets:</b>						
Loans - security deposits	-	-	-	-	-	152.22
Interest due on fixed deposits	-	-	1.02	-	-	0.10
Trade receivables	-	-	-	-	-	1,295.60
Receivable against encashment of bank guarantee	-	-	-	-	-	2,700.00
Loans and advances	-	-	0.03	-	-	2.71
Cash and cash equivalents	-	-	67.78	-	-	120.33
Other bank balances	-	-	65.89	-	-	208.51
<b>Total Financial Assets</b>	-	-	<b>134.72</b>	-	-	<b>4,479.47</b>
<b>Financial Liabilities:</b>						
Borrowings	-	-	1,13,169.84	-	-	3,11,298.23
Lease liabilities	-	-	165.13	-	-	-
Trade payables	-	-	296.01	-	-	38,692.22
Other current financial liabilities	-	-	5,158.33	-	-	88,622.84
<b>Total Financial Liabilities</b>	-	-	<b>1,18,789.31</b>	-	-	<b>4,38,613.29</b>

**b. Fair value hierarchy**

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.  
(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices).  
(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**c. Fair value of financial assets and liabilities measured at amortised cost**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial Assets:</b>				
Loans - security deposits	-	-	152.22	152.22
Interest due on fixed deposits	1.02	1.02	0.10	0.10
Trade receivables	-	-	1,295.60	1,295.60
Receivable against encashment of bank guarantee	-	-	2,700.00	2,700.00
Loans and advances	0.03	0.03	2.71	2.71
Cash and cash equivalents	67.78	67.78	120.33	120.33
Other bank balances	65.89	65.89	208.51	208.51
<b>Total Financial Assets</b>	<b>134.72</b>	<b>134.72</b>	<b>4,479.47</b>	<b>4,479.47</b>
<b>Financial Liabilities:</b>				
Borrowings	1,13,169.84	1,13,169.84	3,11,298.23	3,11,298.23
Lease liabilities	165.13	165.13	-	-
Trade payables	296.01	296.01	38,692.22	38,692.22
Other current financial liabilities	5,158.33	5,158.33	88,622.84	88,622.84
<b>Total Financial Liabilities</b>	<b>1,18,789.32</b>	<b>1,18,789.32</b>	<b>4,38,613.29</b>	<b>4,38,613.29</b>

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***d. Fair value technique**

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, trade receivables, current trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The Management considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised cost in the financial statements approximates their fair values.

**e. Financial risk management framework**

The Company's business activities are exposed to a variety of financial risks – credit risk, liquidity risk and market risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The risks 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.

<b>Risk</b>	<b>Exposure arising from</b>
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost
Liquidity risk	Borrowings and other liabilities
Market risk	Future commercial transactions

**Credit risk**

The Company is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**Liquidity risk**

In current year, the Company manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Hence, the Company considers the liquidity risk as low.

During the previous year, liquidity crisis had led to default in repayment of principal and interest to lenders. The Company was under the Corporate Insolvency Resolution Process till December 27, 2023.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments excluding future Interest Payable on Credit Facility provided by Vedanta as the amount is not ascertainable as on date.

**As at March 31, 2024**

<b>Particular</b>	<b>Payments due by year</b>			<b>Total</b>
	<b>&lt;1 year</b>	<b>1-5 years</b>	<b>&gt;5 years</b>	
Borrowings*	38,178.40	90,240.00	22,560.00	1,50,978.40
Lease liabilities	15.05	68.10	454.33	537.48
Trade payables	296.01	-	-	296.01
Other current financial liabilities	2,529.93	-	-	2,529.93
<b>Total Financial Liabilities</b>	<b>41,019.40</b>	<b>90,308.10</b>	<b>23,014.33</b>	<b>1,54,341.83</b>

**As at March 31, 2023**

<b>Particular</b>	<b>Payments due by year</b>			<b>Total</b>
	<b>&lt;1 year</b>	<b>1-5 years</b>	<b>&gt;5 years</b>	
Borrowings	3,85,583.92	-	-	3,85,583.92
Trade payables	38,692.22	-	-	38,692.22
Other current financial liabilities	14,337.15	-	-	14,337.15
<b>Total Financial Liabilities</b>	<b>4,38,613.29</b>	<b>-</b>	<b>-</b>	<b>4,38,613.29</b>

\* includes interest accrued on borrowings

**Market risk-Foreign Currency Risk Management**

The Company's functional currency is Indian rupees (INR). The Company undertakes denomination in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's imports in relation to raw material and capital goods. The Company is exposed to exchange rate risk under its working capital management.

Adverse movement in the exchange rate between the rupee and any relevant foreign currency results in increase in the Company's overall debt position in rupee terms without the Company having incurred additional debt. In order to hedge exchange rate risk, the Company has a policy to hedge cash flow up to a specific tenure using forward exchange contracts. The Company hedges its estimated foreign currency exposure in respect of imports and other payables.

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)***Interest Rate Risk Management:**

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.

As the company does not have any Floating rate borrowings, there is no interest rate exposure and thus the disclosure on sensitivity analysis is not required.

**f. Capital Management**

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimisation of the debt and equity balance. The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of the Company's capital management, capital includes issued share capital and all other equity reserves attributable to the equity holders of the Company.

Nature	Year ended	Year ended
	March 31, 2024	March 31, 2023
Net debt *	1,15,730.46	3,85,463.59
Total equity (Refer Note 17)	4,75,835.50	2,35,256.50
<b>Net debt to equity ratio</b>	<b>24%</b>	<b>164%</b>

\* Net Debt= Current Borrowings+ Non-current borrowings+ Interest accrued-Cash & Cash Equivalents.

**g. Details of derivative instruments and unhedged foreign currency exposures**

(i) The Company has not entered into any derivative contracts during the year and previous year.

(ii) Unhedged foreign currency exposure :

Particulars	As on March 31, 2024		As on March 31, 2023	
	Foreign currency	₹	Foreign currency	₹
	Trade payables	-	-	USD 3.72

**44 Reconciliation of Liabilities arising from Financing Activities:**

Particulars	Opening Balance	Cash Movement	Business Acquisition/ Disposals	Foreign Exchange changes	Fair value changes	Others	Total
March 31, 2024							
<b>Non Current:</b>							
Borrowings	-	-	-	-	-	77,619.84	77,619.84
Lease liabilities	-	-	-	-	-	165.13	165.13
<b>Current</b>							
Borrowings	3,11,298.23	35,529.04	-	-	-	(3,11,182.63)	35,644.63
<b>Total</b>	<b>3,11,298.23</b>	<b>35,529.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,33,397.66)</b>	<b>1,13,429.60</b>
March 31, 2023							
<b>Non Current</b>							
Borrowings	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-
<b>Current</b>							
Borrowings	3,09,314.42	1,434.64	-	-	-	549.17	3,11,298.22
<b>Total</b>	<b>3,09,314.42</b>	<b>1,434.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>549.17</b>	<b>3,11,298.22</b>

## MEENAKSHI ENERGY LIMITED

### Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

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- 45 SBI, a Financial creditor of the Company filed an application on January 23, 2019 for a CIRP process at NCLT and same has been admitted by NCLT vide its order dated November 7, 2019 appointed an IRP /RP. Since the Company was undergoing Corporate Insolvency Resolution Process (CIRP) as on March 31, 2023, as per the Code, it is required that the Company be managed as going concern during CIRP.

In view of the ongoing CIRP, powers of the board of directors have been suspended and these powers are, in terms of the code, now vested with Mr. Ravi Sankar Devarakonda, as Interim Manager (Erstwhile Resolution Professional) to carry out the functions of the Company in his capacity as the RP from November 7, 2019 onwards till plan approval date i.e. August 10 2023 for successful transition. Pursuant to Hon'ble NCLT order dt. 10.08.23 in IA no. 156 of 2023 in CP no. 184/7/HDB/2019 the resolution plan submitted by Vedanta Limited (Successful Resolution Applicant) was approved.

With effect from December 27, 2023, as per the approved resolution plan by the NCLT and on issue of equity share capital, the management of the company is vested with Board of Directors appointed by the shareholders (Vedanta Limited).

- 46 NCLT vide order dated September 15 2022 directed RP/ the company to handover the possession of the land admeasuring to an extent 40.23 acres situated in various Sy No's which was mistakenly allotted to the corporate debtor by Andhra Pradesh Industrial Infrastructure Corporation Ltd (APIICL) as mentioned in the order of Hon'ble High Court of Andhra Pradesh vide order dated November 18 2013. The legal department of Andhra Pradesh Industrial Infrastructure Corporation Ltd (APIICL) has also issued a letter dated June 08, 2020, directing the RP/ company to release the land belonging to the applicants as the same are third party lands and do not form part of the moratorium.

NCLT also opined that since the high court order was passed prior to initiation of CIRP the said land would not attract provisions of Sec 14 of the IBC Code.

Further, NCLT directed Resolution professional that he, at his liberty, approach Andhra Pradesh Industrial Infrastructure Corporation Ltd (APIICL) for either allotment of similarly land of equivalent value or to pay the Corporate debtor the entire amount spent by Corporate debtor. Accordingly, Resolution professional has written letter to APIIC providing his concurrence to release the said land as per the High Court Directions vide communications dated September 28, 2022, October 06, 2022, October 11, 2022 and November 30, 2022. However, we were informed that approval and directions for handover of the subject Lands was yet to be received from the Vijayawada head office and response from APIICL is awaited in this regard. Further, the resolution professional had requested APIIC to compensate the above land with an equivalent land. Response from APIIC is awaited in this regard. [Refer Note 5A(b)]

#### 47 Other statutory information

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

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

iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

- (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

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

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

vi) The Company does not have any subsidiaries, so the requirements of Section 2(87) of the act read with Companies (Restriction on number of layers) Rules, 2017 is not applicable.

vii) The Company is not declared wilful defaulter by bank or financials institution or lender during the year.

viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except for Rural Electrical Corporation

ix) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

**MEENAKSHI ENERGY LIMITED**
**Notes forming part of the financial statements as at and for the year ended March 31, 2024**
*(All amounts in ₹ lakhs unless otherwise stated)*

(x) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements except land of 40.23 acres included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

xi) The Company does not have any transactions with companies which are struck off.

**48.1** The Company has been incurring losses and there are negative cash flows from its operating activities because of non-operation of plant. The management expects the Company will continue its operations to generate positive cash flows in financial year 2024-25. Considering the business performance plan aligned with business opportunities and comfort given by the Company's controlling shareholders of the future financial support, if needed, the Company is confident that it will be able to raise adequate funds to bridge the gap, if any, in future cash flows. Accordingly, these financial statements have been prepared on going concern basis.

**48.2** During the NCLT period, The Company was required to appoint a whole-time Company Secretary before extinguishment of its capital on account of approval of the resolution plan. However, the Company had not appointed whole-time Company Secretary during that period. As on date, the Company is not required to comply with Section 203.

**49 Financial ratios are as follows:**

Particulars	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance (%)	Reason for Variance
Current ratio (in times)	Current assets	Current liabilities	0.11	0.02	468%	As per NCLT order, financial and operational creditors till December 27, 2023 are extinguished and transferred to capital reserve.
Debt-equity ratio (in times)	Gross debt	Total equity	0.24	1.32	-82%	As per NCLT order, financial creditors till December 27, 2023 are extinguished and transferred to capital reserve.
Debt service coverage ratio (in times)	Profit before exceptional items and tax + depreciation and amortisation expense + interest expense	Interest expense + principal payments of long term loans	-17.68	-1.15	1440%	Due to increase in loss.
Return on equity ratio (%)	Net profit after tax	Average equity	-23.89%	-4.18%	472%	Due to increase in loss.
Inventory turnover ratio (in times)	Revenue from operations less EBITDA	Average inventory	-	-	-	Due to no Operations
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	-	-	-	Due to no Operations
Trade payables turnover ratio (in times)	Total purchases	Average trade payables	0.01	-	-	Due to no Operations
Net capital turnover ratio (in times)	Revenue from operations	Current assets - Current liabilities	-	-	-	Due to no Operations
Net profit ratio (%)	Net profit after tax before exceptional items	Revenue from operations	-	-	-	Due to no Operations
Return on capital employed (in times)	Net profit after tax before exceptional items	Average capital employed	(0.29)	(0.03)	768%	Due to increase on loss and other equity as per NCLT order
Return on Investment (%)	Profit before tax + finance cost	Total assets	-13.38%	-1.35%	894%	Due to increase in loss.

**MEENAKSHI ENERGY LIMITED****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in ₹ lakhs unless otherwise stated)*

50 The figures for the previous year have been regrouped / rearranged wherever necessary to confirm to the current year classification.

S. No.	Regrouped from	Amount	Regrouped to	Amount
1	Note: 16 - Current Tax Assets (Net) - Advance tax and TDS	215.10	Note: 8 - Other Non-Current Assets - Advance tax and TDS receivable	215.10
2	Note: 7 - Non Current Financial Assets - Loans	152.22	Note: 6 - Non Current Financial Assets - Others	152.22

**As per our report of even date****For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/ W100048

**PURUSHOTTAM S  
NYATI**Digitally signed by  
PURUSHOTTAM S NYATI  
Date: 2024.06.18 20:12:50 +05'30'**Purushottam Nyati**

Partner

Membership No. 118970

Place: Mumbai

Date: 18th of June, 2024

**For and on behalf of the Board of Directors****VIBHAV****AGARWAL**Digitally signed by  
VIBHAV AGARWAL  
Date: 2024.06.18  
19:30:45 +05'30'**Vibhav Agarwal**

Additional Director

DIN 03174271

Place: Delhi

Date: 18th of June, 2024

**Gogulamudi****Venkat Reddy**Digitally signed by  
Gogulamudi Venkat Reddy  
Date: 2024.06.18 19:46:51  
+05'30'**Venkat Reddy Gogulamudi**

Additional Director

DIN 10364574

Place: Nellore

Date: 18th of June, 2024