

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of KHAVDA V A POWER TRANSMISSION LIMITED

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the Ind AS financial statements of KHAVDA V A POWER TRANSMISSION LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of Profit and Loss (including other comprehensive income), statement of cash flows and statement of changes in equity for the period 10.10.2023 to 31.03.2024, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and loss, its cash flows and changes in equity for the period 10.10.2023 to 31.03.2024.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon. The Board's Report including Annexures to Board's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



When we read the Board's report including annexures to Board's Report, If, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance.

#### **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 Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 Companies Act, 2013, we are



also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, during the year, the Company has not paid/provided any remuneration to its directors.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding,



whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v. In our opinion and based on the information and explanation provided to us, no dividend has been declared or paid during the year by the company.
- vi. Based on our examination we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

3. In terms of section 143(5) of the Companies Act, 2013, we give in "Annexure C", our report on the directions issued by the Comptroller and Auditor General of India.

Place: New Delhi  
Date: 24/04/2024  
UDIN: 24521915BK F QUD1502

For Suresh Kumar Mittal & Co.  
Chartered Accountants  
Firm's Registration No. 500063N



Ankur Bagla  
Partner

Membership No. 521915





**Annexure A referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory requirements" of our report of even date**

(i)	The company neither have any property, plant and equipments nor intangible assets and hence provisions of clause (i) of the order are not applicable to the company.
(ii) (a)	The company has no inventory and hence provisions of clause (ii) (a) of the order or not applicable to the company.
(ii) (b)	During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence provisions of clause (ii) (b) of the order are not applicable to the company.
(iii)	According to the information and explanation provided to us, the company has not made investments in or 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 other parties and hence provisions of clause (iii) of the order are not applicable to the company.
(iv)	In our opinion and according to the information and explanations given to us no loans, investments, guarantees and security covered under section 185 and 186 of the Companies Act, 2013 has been given by the company.
(v)	According to the information and explanation given to us, the company has not accepted any deposit or amounts which are deemed to be deposits from the public. Therefore, the provisions of clause (v) of the order are not applicable to the company.
(vi)	The Central Government has not specified maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of products dealt with by the company and hence provisions of clause (vi) of the order are not applicable to the company.
(vii) (a)	The company is generally regular in depositing with the appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect thereof were outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable.
(vii) (b)	According to the records of the company, there are no dues referred to in sub clause (a) which have not been deposited on account of any dispute.
(viii)	According to the information and explanations provided to us, there were no transactions which were not recorded in the books of account and have been surrendered or disclosed as income, during the year, in the tax assessments under the Income Tax Act, 1961.



(ix) (a)	In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(ix) (b)	According to the records of the company and information or explanation given to us, the company is not a declared wilful defaulter by any bank or financial institution or other lender.
(ix) (c)	According to the records of the company and information and explanation given to us, no term loans received during the year and hence provisions of clause (ix) (c) of the order are not applicable to the company.
(ix) (d)	According to the records of the company and information and explanation given to us, funds raised on short term basis has not been utilized for long term purposes.
(ix) (e)	According to the records of the company and information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.
(ix) (f)	According to the records of the company and information and explanation given to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
(x) (a)	In our opinion, during the year no moneys raised by way of initial public offer or further public offer (including debt instruments).
(x) (b)	According to the records of the company and information and explanation given to us, during the year the company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures.
(xi) (a)	According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
(xi) (b)	The auditors have not filed any report under sub-section (12) of section 143 of the Companies Act in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(xi) (c)	According to the records of the company and information and explanation given to us, no whistle blower complaints have been received by the company during the year.
(xii)	According to the records of the company and information and explanation given to us, the company is not a Nidhi Company hence provisions of clause (xii) of the order are not applicable to the company.
(xiii)	In our opinion all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the



	financial statements etc. as required by the applicable accounting standards.
(xiv) (a)	The company is not required to maintain an internal audit system.
(xiv) (b)	During the year, Internal audit was not required to be conducted.
(xv)	The company has not entered into any non-cash transactions with directors or persons connected with him.
(xvi) (a)	The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934
(xvi) (b)	During the year, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
(xvi) (c)	The company is not a Core Investment Company (CIC) and/or an exempted or unregistered CIC as defined in the regulations made by the Reserve Bank of India.
(xvi) (d)	According to the records of the company and information and explanations given to us, the group has no CIC.
(xvii)	The company has incurred cash losses of Rs. 4295.56 thousand in the financial year under audit and this being the first year of the company preceding year figures are not applicable.
(xviii)	During the year there has been no resignation of the statutory auditors of the company and hence provisions of clause (xviii) of the order are not applicable to the company.
(xix)	On the basis of the financial ratio, ageing and expected date of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditors knowledge of the Board of Directors and management plans we are of the opinion that no material uncertainty exists as on the date of audit report that the company is 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.
(xx) (a)	According to the records of the company and information and explanations given to us, in our opinion, there are no unspent amounts towards Corporate Social Responsibility (CSR) on projects other than ongoing projects requiring transfer to a fund specified in schedule vii to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act.
(xx) (b)	According to the records of the company and information and explanations given to us, in our opinion, there are no amount remaining unspent under sub section (5) of section 135 of the Companies Act, pursuant to any ongoing project.





(xxi)	There are no subsidiaries accordingly provision of clause (xxi) of the Companies (Auditors' Report) order (CARO) are not applicable to the company.
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Place: New Delhi

Date: 24/04/2024

UDIN: 24521915BK FQUD1502

For Suresh Kumar Mittal & Co.  
Chartered Accountants  
Firm's Registration No. 500063N



Ankur Bagla  
Partner

Membership No. 521915



**Annexure "B" referred to in paragraph 2(f) under the heading of "Report on Other Legal and Regulatory requirements" of our report of even date**

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

We have audited the internal financial controls over financial reporting of KHAVDA V A POWER TRANSMISSION LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS Financial Statements of the Company for the period 10.10.2023 to 31.03.2024.

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

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) 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
- c) 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 Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI".

For Suresh Kumar Mittal & Co.  
Chartered Accountants  
Firm's Registration No. 500063N



Ankur Bagla  
Partner

Membership No. 521915

Place: New Delhi

Date: 24/04/2024

UDIN: 24521915BKFQUD1502



**Annexure "C" referred to in paragraph 3 under the heading of "Report on Other Legal and Regulatory requirements" of our report of even date**

Direction indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts for the year 2022-23, issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013.

S. No.	Directions under section 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions	Impact on financial statement
1	Whether the company has system in place to process all the accounting transaction through IT system? If yes, the implications of processing transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	All accounting transactions of the company are recorded in the tally software. No accounting transaction is being recorded / processed otherwise than through the tally Software.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loan/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender Company).	There are no cases of restructuring of existing loan or cases of waiver/write off of debts/loans/interest etc.	Nil
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	No fund has been received from Central/State agencies.	Nil

For Suresh Kumar Mittal & Co.  
Chartered Accountants  
Firm's Registration No. 500063N

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Ankur Bagla  
Partner  
Membership No. 521915

Place: New Delhi  
Date: 24/04/2024  
UDIN: 24521915BKFAUD1502



### Compliance Certificate

We have conducted the audit of annual accounts of KHAVDA V A POWER TRANSMISSION LIMITED ("the Company") for the year ended 31 March 2024 in accordance with the directions/sub-directions issued by the C& AG of the India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us.

For Suresh Kumar Mittal & Co.  
Chartered Accountants  
Firm's Registration No. 500063N



Ankur Bagla  
Partner

Membership No. 521915

Place: New Delhi  
Date: 24/04/2024  
UDIN: 24521915BKFAUD1502





**KHAVDA V-A POWER TRANSMISSION LIMITED**

CIN U42202DL2023GOI421022

Balance Sheet as at 31 March, 2024

(All amounts in ₹ thousands, unless stated otherwise)

Particulars	Notes	As at 31 March, 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		-
<b>Total non current assets</b>		-
<b>Current assets</b>		
<b>Financial assets</b>		
Cash and cash equivalents	4	499.88
<b>Total current assets</b>		<b>499.88</b>
<b>TOTAL ASSETS</b>		<b>499.88</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	5	500.00
Other equity	6	(4,295.56)
<b>Total equity</b>		<b>(3,795.56)</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Other financial liabilities	7	4,151.59
Other current liabilities	8	143.85
<b>Total current liabilities</b>		<b>4,295.44</b>
<b>Total liabilities</b>		<b>4,295.44</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>499.88</b>

Summary of material accounting policies &amp; other information 1 to 3

The accompanying notes from 4 to 17 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

For Suresh Kumar Mittal &amp; Co.

Chartered Accountants

FRN: 500063N



Ankur Bagla

Partner

Membership no: 521915

Date: 24/04/2024

Place: New Delhi



For and on behalf of Board of Directors of

**KHAVDA V-A POWER TRANSMISSION LIMITED**  
ARVIND KUMAR

Director

DIN: 10342637

Date: 24/04/2024

  
RAJ KUMAR SONKAR

Director

DIN: 10265125

Date: 24/04/2024

**KHAVDA V-A POWER TRANSMISSION LIMITED**

CIN U42202DL2023GO1415540

Statement of Profit and Loss for the period ended 31 March, 2024

(All amounts in ₹ thousands, unless stated otherwise)

	Particulars	Notes	For the period ended 31 March, 2024
I	Revenue from operations		
II	Other income		
III	<b>Total Revenue (I+II)</b>		-
	<b>Expenses</b>		
	Other expenses	9	4,295.56
IV	<b>Total expenses</b>		4,295.56
V	<b>Profit/(loss) before exceptional items and tax (III-IV)</b>		(4,295.56)
VI	Exceptional items		-
VII	<b>Profit/(loss) before tax (V-VI)</b>		(4,295.56)
	<b>Tax expense</b>	10	
	Current tax		-
	Deferred tax		-
	Earlier year taxes/(refunds)		-
VIII	<b>Total tax expenses</b>		-
IX	<b>Profit/(Loss) for the period (VII-VIII)</b>		(4,295.56)
X	<b>Other comprehensive Income</b>		
	- Items that will not be reclassified subsequently to profit or loss		
	Re-measurement gains/(losses) on defined benefit plans		-
	Tax impact on re-measurement gains/(losses) on defined benefit plans		-
XI	<b>Total Comprehensive Income for the period (IX+X)</b> <b>(Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		(4,295.56)
XII	<b>Earnings per equity share (in ₹):</b>		
	(1) Basic		(85.91)
	(2) Diluted	11	(85.91)

**Summary of material accounting policies & other information 1 to 3**

The accompanying notes from 4 to 17 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

For Suresh Kumar Mittal &amp; Co.

Chartered Accountants

FRN: '500063N



Ankur Bagla

Partner


Membership no: 521915

Date: 24/04/2024

Place: New Delhi



For and on behalf of Board of Directors of

**KHAVDA V-A POWER TRANSMISSION LIMITED**  
**ARVIND KUMAR**  
Director  
DIN: 10342637  
Date: 24/04/2024  
**RAJ KUMAR SONKAR**  
Director  
DIN: 10265125  
Date: 24/04/2024

**KHAVDA V-A POWER TRANSMISSION LIMITED**
**CIN U42202DL2023GOI421022**
**Statement of Cash Flows for the period ended 31 March, 2024**

(All amounts in ₹ thousands, unless stated otherwise)

Particulars	For the period ended 31 March, 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	
Profit / (Loss) before tax	(4,295.56)
Operating profit before working capital changes	(4,295.56)
Changes in working capital	-
Adjustments for increase/(decrease) in operating liabilities:	
Other financial liabilities (current)	4,151.59
Other current liabilities	143.85
Cash generated from operations	(0.12)
Less: Tax paid	
Net cash used in operating activities (A)	(0.12)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Net cash flow from investing activities (B)	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Issue of share capital	500.00
Net cash flow from financing activities (C)	500.00
Net increase/decrease in cash and cash equivalents (A+B+C)	499.88
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	499.88
Reconciliation of cash and cash equivalents as per the cash flow statement - Balance with Bank	499.88

Summary of material accounting policies &amp; other information 1 to 3

The accompanying notes from 4 to 17 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

**For Suresh Kumar Mittal & Co.**

Chartered Accountants

FRN: '500063N


**Ankur Bagla**

Partner

Membership no: 521915

Date: 24/04/2024

Place: New Delhi



For and on behalf of Board of Directors of

**KHAVDA V-A POWER TRANSMISSION LIMITED**

**ARVIND KUMAR**

Director

DIN: 10342637

Date: 24/04/2024


**RAJ KUMAR SONKAR**

Director

DIN: 10265125

Date: 24/04/2024

**KHAVDA V-A POWER TRANSMISSION LIMITED****CIN U42202DL2023GOI421022****Statement of changes in equity for the year ended 31 March, 2024**

(All amounts in ₹ thousands, unless stated otherwise)

**A Equity share capital**

Particular	Amount
Balance as at 10 October, 2023	-
Add: Issued during the period	500.00
Balance as at 31 March, 2024	500.00

**B Other equity**

	Retained Earnings	Total
Balance as at 10 October, 2023	-	-
Changes in accounting policy or prior period period error	-	-
Restated Balance as at 10 October, 2023	-	-
Profit / (Loss) for the year	(4,295.56)	(4,295.56)
Add: Other comprehensive Income	-	-
Balance as at 31 March, 2024	(4,295.56)	(4,295.56)

**Summary of material accounting policies & other information 1 to 3**

The accompanying notes from 4 to 17 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

For Suresh Kumar Mittal &amp; Co.

Chartered Accountants

FRN: '500063N

For and on behalf of Board of Directors of


**KHAVDA V-A POWER TRANSMISSION LIMITED****Ankur Bagla**

Partner

Membership no: 521915

Date: 24/04/2024

Place: New Delhi

  
**ARVIND KUMAR**  
Director  
DIN: 10342637  
Date: 24/04/2024  
**RAJ KUMAR SONKAR**  
Director  
DIN: 10265125  
Date: 24/04/2024

## **KHAVDA V A POWER TRANSMISSION LIMITED**

**Summary of Material accounting policies & other information for the period ending 31st March 2024**  
(All amounts in Rupees Thousands, unless stated otherwise)

### **1. COMPANY OVERVIEW**

Khavda V A Power Transmission Limited ("the Company") having CIN U42202DL2023GOI421022 was incorporated on 10.10.2023 at New Delhi. The Company is a wholly owned associate of REC Power Development & Consultancy Limited (RECPDCL). The Company is a Special Purpose Vehicle incorporated for "Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part A". The Government of India has appointed RECPDCL as Bid Process Co-ordinator for selection of the developer for the project through tariff based competitive bidding process. On completion of the bid process, the successful bidder is to acquire one hundred percent (100%) of the equity shares of the company along with all its related assets and liabilities.

### **2. BASIS OF PREPERATION AND MATERIAL ACCOUNTING POLICIES**

#### **2.1 Basis of preparation and measurement**

##### **(i) Statement of compliance with Indian Accounting Standards (Ind AS)**

The Company prepared its Standalone Financial Statements in accordance with the requirements of Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). These Standalone Financial Statements comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms / guidelines.

The financial statements for the period ended 31st March, 2024 were authorized and approved by the Board of Directors on 24<sup>th</sup> April, 2024.

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

#### **2.2 Significant accounting policies**

##### **(i) Going concern and basis of measurement**

The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis except for certain financial assets and financial liabilities are measured at fair values at the end of each reporting period.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.





## **KHAVDA V A POWER TRANSMISSION LIMITED**

**Summary of Material accounting policies & other information for the period ending 31st March 2024**  
(All amounts in Rupees Thousands, unless stated otherwise)

### **(ii) Functional and presentation currency:**

These financials have been presented in Indian Rupees (INR), which is also the Company's functional currency, all amounts have been rounded off to the nearest thousands (upto two digits), unless otherwise indicated.

### **(iii) Revenue recognition**

Revenue is recognized (as per the five step model laid down under Ind AS 115) to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognize revenue when a performance obligation is satisfied.

Sale proceeds of Request for Proposal (RFP) has been recognized as other income in the books of the holding company i.e., RECPDCL.

### **(iv) Financial instruments**

#### **Financial liabilities:**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

#### **Subsequent measurement**

Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

#### **De-recognition**

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



## **KHAVDA V A POWER TRANSMISSION LIMITED**

**Summary of Material accounting policies & other information for the period ending 31st March 2024**  
**(All amounts in Rupees Thousands, unless stated otherwise)**

### **(v) Taxation**

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax. It is recognized in Statement of Profit and Loss, except when it relates to an item that is recognized in Other comprehensive income (OCI) or directly in equity, in which case, the tax is also recognized in Other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of previous years.

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 income. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

### **(vi) 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.

To calculate 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.



## **KHAVDA V A POWER TRANSMISSION LIMITED**

**Summary of Material accounting policies & other information for the period ending 31st March 2024**  
**(All amounts in Rupees Thousands, unless stated otherwise)**

### **(vii) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **(viii) Expenditure incurred by Holding Company**

All the direct expenses incurred by holding company for SPV has been booked to the SPV as per invoicing done by the holding company. All Indirect / Common Expenses are allocated and invoiced to SPV on the proportionate basis from the month of issue of RFP or incorporation of SPV, whichever is earlier, till the month in which tenth day from the date of issue of Letter of Intent (LOI) for the transfer of the SPV falls. Part of the month, if any, is considered as full month for cost allocation. The holding company charges interest on the funds deployed by it based on the REC interest rate circular for T & D loans for ungraded organizations, as on the beginning of the period. If bid process activity relating to any SPV is kept in abeyance, due to any reason, no cost allocation for such period of abeyance is made to such SPV and no interest is charged. For direct/indirect expenses, interest is charged from the month in which the expenditure is incurred. Such interest is calculated on monthly basis but recognized at the end of the period.

In accordance to the applicable guidelines of TBCB process as issued by Ministry of Power, Govt. of India, all the direct & indirect expenses, interest incurred by the holding company on behalf of SPV are debited to SPV and recoverable from transmission **service provider / successful bidder**. Further, the Board of Directors of SPV has approved the allocation/booking of all direct and indirect expenses including interest charge and correspondence invoice by the holding company to the SPV

Expenditure incurred for the SPV by Holding Company on behalf of the Company is considered as "other financial liabilities" (Current). Also, interest is charged on such expenditure incurred by Holding Company and such interest is also included in other financial liabilities.

The major stages of TBCB (Tariff Based Competitive Bidding) process done by holding co. RECPDCL includes issue of RFP (Request for proposal) documents, Pre Bid Meeting, opening of technical bid, shortlisting of qualified bidders, opening of financial bid and e – Reverse auction for qualified bidders, final selection of successful bidder and issue of LOI to successful bidder. The certainty on the construction of the project arises only after the issuance of LOI and transfer of SPV to the successful bidder. Hence expenditure incurred from incorporation till transfer of SPV to the successful bidder is charged to the Statement of Profit and Loss.

Further, wherever, payments relating to the Company are made by the Holding Company and the ultimate Holding Company, procedural and statutory requirements with regard to deduction of Tax at Source and deposit thereof as applicable are also complied with by the Holding Company and the ultimate Holding Company against payments released on their account.



## **KHAVDA V A POWER TRANSMISSION LIMITED**

**Summary of Material accounting policies & other information for the period ending 31st March 2024**  
(All amounts in Rupees Thousands, unless stated otherwise)

### **2.3 Significant management judgment in applying accounting policies and estimation of uncertainty**

The preparation of the Company's financial statements requires management to make judgment's, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Such estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of financial statements. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

### **3. Significant estimates and judgment's**

The preparation of the Company's financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

#### ***Significant management judgments***

**Recognition of deferred tax assets/ liability** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

**Allocation of indirect / common expenses** - Indirect/Common Expenses of the company has been allocated in proportionate basis by the holding company. The allocation percentage has been reviewed based on the prevailing business activities of the holding company during the financial year.

#### ***Significant estimates***

**Income Taxes** – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset.





**KHAJDA V-A POWER TRANSMISSION LIMITED**

Notes forming part of Financial Statements for the year ended 31 March, 2024

(All amounts in ₹ thousands, unless stated otherwise)

**4 Cash and cash equivalents**

Particulars	As at 31 March, 2024
Balances with banks:	
- with bank in current accounts	499.88
	499.88

**5 Equity share capital**

Particulars	As at 31 March, 2024
<b>Authorized equity share capital</b>	
50,000 Equity shares of Rs 10 each	500.00
	500.00
<b>Issued, subscribed and paid up equity share capital</b>	
50,000 Equity shares of Rs 10 each	500.00
	500.00

**i) Terms & Right attached to equity shares:**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of the liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

**ii) Reconciliation of equity shares outstanding at the beginning and at the end of the period**

	As at 31 March, 2024	
	No. of shares	(₹ in Thousand)
<b>Equity share capital of ₹ 10 each fully paid up</b>		
Balance at the beginning of the year	-	-
Add: Issued during the year	50,000	500.00
<b>Balance at the end of the period</b>	<b>50,000</b>	<b>500.00</b>

**iii) Shareholders holding more than 5% of shares of the Company as at balance sheet date:**

	As at 31 March, 2024	
	No. of shares	% holding
49,994 Equity Shares held by REC Power Development & Consultancy Limited (RECPDCL) and Balance 6 Equity Shares through nominee of RECPDCL	50,000	100.00%

**iv) Shares held by Promotor:**

	As at 31 March, 2024	
	No. of shares	% holding
49,994 Equity Shares held by REC Power Development & Consultancy Limited (RECPDCL) and Balance 6 Equity Shares through nominee of RECPDCL	50,000	100.00%

v) The Company has neither issued equity shares pursuant to contract without payment being received in cash or any bonus shares nor has there been any buy-back of shares since its incorporation.





**KHAVDA V-A POWER TRANSMISSION LIMITED****Notes forming part of Financial Statements for the year ended 31 March, 2024**

(All amounts in ₹ thousands, unless stated otherwise)

**6 Other equity**

Particulars	As at 31 March, 2024
Retained earnings	
Balance at the beginning of the period / year	-
Add: Changes due to Accounting Policy	-
Add : Profit/(Loss) during the period	(4,295.56)
Closing Balance at the end of the period	(4,295.56)
<b>Total other equity</b>	<b>(4,295.56)</b>

**7 Other financial liabilities (Current)**

Particulars	As at 31 March, 2024
Payable to holding company*	4,097.59
Audit fees payable	54.00
	<b>4,151.59</b>

\* Refer note 12 on related party transactions

**8 Other current liabilities**

Particulars	As at 31 March, 2024
Statutory dues Payable	
- TDS payable	143.85
	<b>143.85</b>



**KHAVDA V-A POWER TRANSMISSION LIMITED**

Notes forming part of Financial Statements for the year ended 31 March, 2024

(All amounts in ₹ thousands, unless stated otherwise)

**9 Other expenses**

Particulars	For the period ended 31 March, 2024
Auditor Remuneration*	59.00
Advertisement	1,388.12
Consultancy	265.50
Legal & Professional Expenses/MCA & ROC Filings	14.61
Expenses Allocated by Holding Company	2,535.09
Miscellaneous Expenses	33.12
Bank Charges	0.12
	<b>4,295.56</b>

**\*Comprises of following:**

As auditors- statutory audit

59.00

59.00

**10 Tax expense**

Particulars	For the period ended 31 March, 2024
Current tax	
Tax pertaining to current period	-
Tax pertaining to earlier years	-
Deferred tax expense/(credit)	-
	<b>-</b>

For the period ended  
31 March, 2024

Tax expense

(i) Current tax

Tax pertaining to current year

-

Tax pertaining to earlier years

-

(ii) Deferred tax expense/(credit)

-

-

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.168% .

Accounting Loss before income tax

(4,295.56)

At country's statutory income tax rate of 25.168%

-

Adjustments in respect of taxes earlier years

(i) Non-deductible expenses for tax purposes

-

(ii) Non-taxable incomes

-

(iii) Earlier year taxes

-

(iv) Deferred tax on allowable provisional expenditure of earlier year

-

(v) Deferred tax change due to rate change

-

-

In accordance with the Indian Accounting Standard 12, "Income Taxes", deferred tax assets on carried forward losses, unabsorbed depreciation and other timing differences have not been accounted in the books in view of virtual certainty as to its realisation.

**11 Basic/diluted earnings/ loss per share**

Net profit/(loss) for the year

(4,295.56)

Weighted average number of equity shares for EPS (in numbers)

50,000

Par value per share (in ₹)

10

Earnings per share - Basic and diluted (in ₹)

(85.91)



**KHAYDA V-A POWER TRANSMISSION LIMITED**

Notes forming part of Financial Statements for the year ended 31 March, 2024

(All amounts in ₹ thousands, unless stated otherwise)

**12 Related party transactions**

In accordance with the requirements of Indian Accounting Standard – 24 the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

**a. Details of related parties:**

Description of relationship	Names of related parties
Holding company	REC Power Development & Consultancy Limited (RECPDCL)
Parent's Holding company	REC Limited

**Key management personnel (KMP)**

The Company is a wholly owned subsidiary of REC Power Development & Consultancy Limited, which is further wholly owned by REC Limited. The Key Managerial Personnel of the Company are employees of REC Limited, deployed on part time basis. No managerial remuneration is paid to them by the Company. The details of such Key Managerial Personnel are as below.

Name	Designation	Date of Appointment	Date of resignation
ARVIND KUMAR	Director	10 October, 2023	-
RAJ KUMAR SONKAR	Director	10 October, 2023	-
JASPAL SINGH KUSHWAHA	Director	10 October, 2023	-

KMP/s / Directors Remuneration	For the period ended 31 March, 2024
Remuneration to KMP's	0.00

**b. Transactions with Holding Company (RECPDCL) are as under:**

	Name of Related Party	For period ended 31 March, 2024
<b>(i) Transactions during the year</b>		
Allocation of expenses	Holding Company (RECPDCL)	4,236.44
<b>(ii) Outstanding Balances at year end</b>		
Payable to Holding Company	Holding Company (RECPDCL)	4,097.59

**13 Capital management policies and procedures**

The Company's capital includes issued share capital and all other distributable reserves (except for specific restricted reserves). The primary objective of the Company's capital management is to maximise shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The Company does not have any non-current borrowings and all its capital needs are met by capital or shareholders only.



**KHAJDA V-A POWER TRANSMISSION LIMITED**

Notes forming part of Financial Statements for the year ended 31 March, 2024

(All amounts in ₹ thousands, unless stated otherwise)

**14 Financial instruments****i) Financial instruments by category measured at amortized cost:**

Particulars	As at 31 March, 2024
<b>Financial assets</b>	
Cash and cash equivalents	499.88
<b>Total</b>	<b>499.88</b>
<b>Financial liabilities</b>	
Other financial liabilities (Current)	4,151.59
<b>Total</b>	<b>4,151.59</b>

The carrying amounts of financial assets and liabilities are considered a reasonable approximation of their fair values.

**ii) Fair values hierarchy**

The Company does not have any financial assets or financial liabilities carried at fair value.

The carrying amounts of other financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values.

**15 Financial risk management****i) Risk management**

The main types of risks to which the Company is exposed in relation to financial instruments are as follows:

**A) Credit risk**

The Company only possess cash and cash equivalents as financial asset as on closing dates, hence and credit risk relating to cash and cash equivalents is considered to be negligible as counterparties are banks. The management considers the credit quality of deposits/balances with such banks to be good and reviews the banking relationships on an on-going basis.

**B) Liquidity risk**

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows, and by anticipating the maturity profiles of financial liabilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Further the Holding Company also incurs all the expenses on behalf of the Company and provides and unconditional liquidity support as an ongoing mechanism basis.

**Maturities of financial liabilities**

The Financial liabilities of the Company comprises of:

- Audit Fees payable - which is paid by Holding Co. on behalf of this Co. and
- Liabilities payable to Holding Co. - The same is discharged by the selected bidder( through TBCB process conducted by Holding Co) which purchases the company by taking over all assets and liabilities of the company. However expected date of the same is not determinable.

**C) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises of currency risk, interest rate risk and price risk.

**Currency risk**

The company does not have any foreign currency transactions, hence, it is not exposed to currency risk.

**Interest rate risk**

As the Company does not have any third party borrowings outstanding, it is not exposed to interest rate risk.

**Price risk**

The company does not have any financial instrument which exposes it to price risk.



**KHAJDA V-A POWER TRANSMISSION LIMITED**

Notes forming part of Financial Statements for the year ended 31 March, 2024

(All amounts in ₹ thousands, unless stated otherwise)

**16 Ratios Analysis**

Ratio	31 March, 2024			PY Not Applicable			Analysis	
	Numerator	Denominator	Ratios	Numerator	Denominator	Ratios	% Variance	Reason for Variance
Current Ratio	499.88	4,295.44	0.12	NA	NA	NA	NA	
Return on Equity Ratio	(4,295.56)	(3,795.56)	1.13	NA	NA	NA	NA	
Return on Capital employed	(4,295.56)	(3,795.56)	1.13	NA	NA	NA	NA	

1. Current ratio - Numerator includes current assets and Denominator includes current liabilities

3. Return on Equity ratio - Numerator includes Net profit after taxes and Denominator includes average shareholders equity.

8. Return on capital employed - Numerator includes earning before interest and taxes and Denominator includes capital employed (Tangible networth plus total debt

9. As the other ratios are NIL or NA, hence the same are not presented

**17 Other notes to accounts**

- 17.1 There is no employee in the roll of the Company. Employees working for the Company are in the roll of the holding company i.e. RECPDCL and ultimate holding company i.e. REC Limited. The employee expenses including contributions in respect of liabilities for employee benefit expense towards leave, provident fund, superannuation and all other benefits as applicable are accounted for by the holding company and ultimate holding company. Hence, disclosure requirements under Ind AS 19 is not applicable.
- 17.2 The code on social security 2020 (Code) relating to employee benefit during employment and post employment benefit received presidential assent in September 2020. The code has been published in the Gazette of India. However, the date on which the code will come in to effect has not been notified. However, there are no employees on roll of company.
- 17.3 The company is incorporated on 10.10.2023. This is the first year of the incorporation of company. Hence previous years comparative figures are not available.
- 17.4 The Company is operating in a single segment and therefore disclosure requirements under Ind AS 108 is not applicable.
- 17.5 There has no transaction under section 248 of the companies Act, 2013 with stuck off companies during the year.
- 17.6 The Companies does not have more than 2 layers as specified in sub rule (2) of companies (Restriction on number of layers) Rules, 2017.
- 17.7 The capital commitments, contingent liabilities and claims against the company not acknowledged as debt is Nil.
- 17.8 As per the provision of the companies Act, 2013, the figures have been rounded off to the nearest of Thousand and decimal thereof.
- 17.9 There are no foreign currency transactions during the year. Therefore no disclosures are required under Schedule III of the Companies Act, 2013.
- 17.10 The figures have been regrouped / rearranged / recast, wherever necessary, for better presentation to make them comparable.
- 17.11 Negative figures have been shown in bracket.
- 17.12 Other additional regulatory information are either NIL or not applicable to the Company
- 17.13 The Company is a wholly owned subsidiary of REC Power Development & Consultancy Limited. The Company is a special purpose vehicle incorporated for "Transmission System for Evacuation of Power from potential renewable energy zone in Khajda area of Gujarat under Phase-V (8 GW): Part A". The Government of India has appointed RECPDCL as Bid Process Co-coordinator for selection of the developer for the project through tariff based competitive bidding process. On completion of the bid process, the successful bidder is to acquire one hundred percent (100%) of the equity shares of the company along with all its related assets and liabilities.

For Suresh Kumar Mittal &amp; Co.

Chartered Accountants

FRN: 500063N

Ankur Bagla

Partner

Membership no: 521915

Date: 24/04/2024

Place: New Delhi



For and on behalf of Board of Directors of

KHAJDA V-A POWER TRANSMISSION LIMITED

ARVIND KUMAR

Director

DIN: 10342637

Date: 24/04/2024

RAJ KUMAR SONKAR

Director

DIN: 10265125

Date: 24/04/2024