

CG Power Solutions Limited

Financial Statements

For the year ended March 31, 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CG POWER SOLUTIONS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of **CG Power Solutions Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, 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 significant accounting policies 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 Indian Accounting Standards proscribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its loss including comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements 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 ("ICAI") 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 ICAI's 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.

Material Uncertainty related to Going Concern

The Company has incurred losses consistently over the past years. As at 31st March, 2022, the Company's current liabilities exceeded its current assets by Rs. 18,69,94,23,046. The networth of the Company as on that date is also negative i.e Rs. 18,69,94,13,046. The Holding Company of the Company has passed a resolution for liquidation of the Company. With reference to above, we are unable to obtain sufficient and appropriate audit evidence as to whether the Company will be able to service its debt, realise its assets and discharge its liabilities as and when they fall due over the period of next 12 months. Accordingly, we are unable to comment on the whether the Company will be able to continue as going concern over the period of next 12 months. Also refer 25 to the financial statements.

Our opinion is not modified in respect of this matter

Emphasis of Matter

We refer to Note 24 of the Financial Statements regarding the ongoing investigation by regulatory agencies into the affairs of the Company, which also includes current liabilities - payable to others. The impact if any arising on account of the ongoing investigation is not considered in the financial statements.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' 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 course of our 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.



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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. 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 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 are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of 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 Act, 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;

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 Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and except for the matter described in the "Emphasis of Matter" paragraph above, 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, except for the possible effects of the matter described in the "Emphasis of Matter" paragraph above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, paragraph above, the aforesaid financial statements comply with the Indian 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 31 March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 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";
 - (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 according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year;



(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 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 8 & 23 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were 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.
 - a. The Company 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 during the year ,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;
 - b. The Company has represented that, to the best of its knowledge and belief, no funds have been received by the Company , during the year ,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
 - c. Based on such audit procedures that we have 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) contain any material mis-statement.

- d. The Company has not declared or paid any dividend during the year, hence Section 123 of the Companies Act, 2013 is not applicable.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No: 101961W / W – 100036



Vijay Mehta

Partner

Membership No: 106533



UDIN: 22106533AHYIQM8213

Place: Mumbai

Date: April 27, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on other Legal and Regulatory requirements" in the Independent Auditor's Report of even date to the members of CG Power Solutions Limited ("the Company") on the financial statements for the year ended 31st March, 2022)

- (i) The Company does not have Property plant and Equipment as well as Intangible assets. Accordingly reporting under clause 3(i)(a) to 3(i)(e) of the Order is not applicable.
- (ii) The Company does not have Inventory. Accordingly reporting under clause 3(ii)(a) and 3(ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has neither made investments, provided any guarantee or security, nor granted any loans or advances in the nature of loans, secured or unsecured to Companies, firms, and limited liability partnerships or any other parties. Accordingly reporting under clause 3(iii)(a) to 3(iii)(f) of the Order is not applicable.
- (iv) According to the records of the Company examined by us and the information and explanations given to us the Company has not granted any loans, made investments or provided any guarantees or security to the parties to which the provisions of section 185 and 186 are applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under to the extent notified;
- (vi) According to the records of the Company examined by us and the information and explanations given to us, the Company is not required to maintain cost records prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013;
- (vii) (a) The company is regular in depositing undisputed statutory dues including, income-tax, goods and service tax, cess and any other material statutory dues, as applicable, with the appropriate authorities. Undisputed statutory dues outstanding as at 31st March 2022, for a period of more than six months from the date they become payable are as follows;



Name of Statute	Nature of Dues	Amount Rs	Period to which amount relates	Due date	Date of Payment
The Income Tax Act 1961	Tax Deducted at Source	4,06,08,131	FY 2018-19	30 th April 2019	Not Paid
The Income Tax Act 1961	Tax Deducted at Source	6,000	FY 2019-20	7 th August 2019	Not Paid

(b) According to the information and explanations given to us and the records of the Company examined by us, the details of amounts not paid on account of dispute are as follows:

Name of Statute	Nature of Dues	Amount Rs	Period to which amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act 1961	Income Tax	4,94,94,490	FY 2017-18	Commissioner of Income Tax (Appeal)	

(viii) To the best of our information and according to the information and explanations provided to us, there were no transactions not recorded in the books of account and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) According to the records of the Company examined by us and the information and explanations given to us, the Company has availed a loan from its Holding Company in the previous years, which is repayable on demand. Accordingly, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender; Accordingly reporting under clause 3 (ix)(a) to 3(ix)(f) of the Order is not applicable;

(x) The Company has not raised money by way of initial public offer or further public offer or made a preferential allotment or private placement of shares or convertible debentures (fully , partially or optionally convertible) during the year. Accordingly reporting under clause 3 (x)(a) to 3(x)(b) of the Order is not applicable.;



- (xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year; There were no whistle blower complaints during the year. Accordingly reporting under clause 3(xi)(a) to 3(xi)(c) of the Order is not applicable
- (xii) The Company is not a Nidhi company. Accordingly reporting under clause 3 (xii)(a) to 3(xii)(c) of the Order is not applicable;
- (xiii) To the best of our knowledge and according to information and explanations given to us, there were no transactions with related parties during the year, except outstanding balances payable as disclosed in Note 16 to the financial statements. Accordingly reporting under clause 3(xiii) of the Order is not applicable;
- (xiv) The Company does not have an Internal Audit system as the same is not required in terms of section 138 of the Act. Accordingly reporting under clause 3(xiv)(a) to 3(xiv)(b) of the Order is not applicable;
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company during the year, the company has not entered into non-cash transactions with Directors or persons connected with them. Accordingly reporting under clause 3(xv) of the Order is not applicable;
- (xvi) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company is not required to be registered under sections 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934)
- (b) According to the records of the Company examined by us and the information and explanation given to us, the Company has not conducted any Non-banking Financial or Housing Finance activities during the year. Accordingly, reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly reporting under clause 3 (xvi)(c) of the Order is not applicable.
- (d) the Group has two Core Investment Companies as part of the Group. For the purpose of reporting under this clause we have reported those Core Investment Companies of the Group which have been registered with the Reserve of Bank of India..
- (xvii) The Company has not incurred cash losses during the year. However, the company incurred a cash loss of Rs. 236 (Rupees two hundred thirty-six only) in the immediately preceding financial year;



- (xviii) There has been no resignation of the Statutory Auditors during the year. Accordingly reporting under clause 3(xviii) of the Order is not applicable;
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, in our opinion and as mentioned in the material uncertainty over going concern paragraph of this report, there exists a material uncertainty as on the date of this report, that the Company is incapable of meeting its liabilities existing at the Balance Sheet date as and when they fall due within a period of one year from the Balance Sheet date.
- (xx) As per the provisions of the Section 135 of the Act, the conditions for undertaking the Corporate Social Responsibility activities are not applicable. Accordingly reporting under clause 3(xx)(a) to 3(xx)(b) of the Order is not applicable;
- (xxi) The Company does not have Subsidiaries or associates and is therefore not required to prepare Consolidated Financial Statements. Accordingly reporting under clause 3(xxi) of the Order is not applicable.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No: 101961W / W – 100036



Vijay Mehta

Partner

Membership No: 106533

UDIN: 22106533AHYIQM8213

Place: Mumbai

Date: April 27, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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 **CG Power Solutions Limited** ("the Company") as of 31st March 2022 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 Board of Directors of the Company 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 issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements of the Company 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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements of the Company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements of the Company 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 judgment, 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 (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 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

The Company did not have any operations or employees during the year. The Board of Directors of the Company managed affairs of the Company and based on this fact and to the best of our information and according to the explanations given to us, the company had in all material respect internal financial control with reference to financial statements of the Company and such internal financial control over financial reporting were operating



effectively, through the management of the Parent company, as at 31st March 2022 based on internal control over financial reporting criteria as established by the Management of the parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No: 101961W / W – 100036



Vijay Mehta

Partner

Membership No: 106533



UDIN: 22106533AHYIQM8213

Place: Mumbai

Date: April 27, 2022

CG POWER SOLUTIONS LIMITED
BALANCE SHEET AS AT MARCH 31, 2022

In ₹

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Non-current assets			
(a) Intangible assets	5	-	-
(b) Financial assets			
-Other Financial Assets	6	10,000	10,000
		10,000	10,000
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	7	39,134	39,134
(ii) Loans	8	-	-
		39,134	39,134
TOTAL ASSETS		49,134	49,134
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	9	500,000	500,000
(b) Other equity	10	(18,699,913,046)	(18,699,913,046)
		(18,699,413,046)	(18,699,413,046)
(2) Liabilities			
(a) Current liabilities			
(I) Financial liabilities			
(i) Borrowings	11	12,990,712,126	12,990,712,126
(ii) Trade payable	12	-	-
(A)-Total outstanding dues of micro enterprises and small enterprises; and		-	-
(B)-Total outstanding dues of creditors other than micro enterprises and small enterprises		1,180,000	1,180,000
		12,991,892,126	12,991,892,126
(II) Other current liabilities	13	5,707,570,054	5,707,570,054
TOTAL EQUITY AND LIABILITIES		49,134	49,134
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	2 & 3		

The accompanying notes form an integral part of financial statements.

As per our report of even date
For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No.:101961W/W-100036



Vijay Mehta
Partner
Membership No. 106533
Mumbai
Date: 27 April, 2022



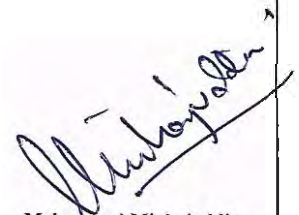
For and on behalf of
CG Power Solutions Limited



Tukaram Desai
Director
(DIN: 09041871)
Mumbai
Date: 27 April, 2022



Mrs. Pramugha Anand
Director
(DIN: 09517400)



Mohammed Minhajuddin
Director
(DIN: 09177872)



CG POWER SOLUTIONS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

In ₹

Particulars		Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
(1)	Revenue from operations		-	-
(2)	Other income		-	-
(3)	Total income		-	-
(4)	Expenses			
	Other expenses	14	-	236
	Total expenses		-	236
(5)	Profit/ (loss) before tax		-	(236)
(6)	Tax expense		-	-
(7)	Profit / (loss) for the year		-	(236)
(8)	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Other comprehensive income for the year		-	-
(9)	Total comprehensive income for the year		-	(236)
(10)	Earning per equity share (face value of ₹10 each)			
	(i) Basic	15	-	(0.00)
	(ii) Diluted	15	-	(0.00)
	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	2 & 3		

The accompanying notes form an integral part of financial statements.

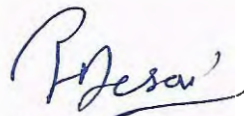
As per our report of even date
For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101961W/W-100036




Vijay Mehta
Partner
Membership No. 106533
Mumbai
Date: 27 April, 2022



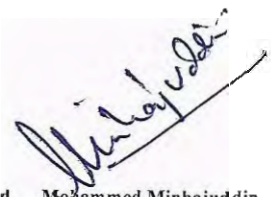
For and on behalf of
CG Power Solutions Limited



Tukaram Desai
Director
(DIN: 09041871)
Mumbai
Date: 27 April, 2022



Mrs. Pramugha Anand
Director
(DIN: 09517400)



Mohammed Minhajuddin
Director
(DIN: 09177872)



CG POWER SOLUTIONS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(A) Equity share capital

For the year ended March 31, 2022

Particulars	In ₹
Balance as at April 01, 2020	500,000
Add/(Less) Changes in equity share capital during the year	-
Balance as at March 31, 2021	500,000
Add/(Less) Changes in equity share capital during the year	-
Balance as at March 31, 2022	500,000

(B) Other equity

For the year ended March 31, 2022

Particulars	Retained Earnings
Balance as at April 01, 2020	(18,699,912,810)
Profit / (loss) for the year	(236)
Other comprehensive income	-
Balance as at March 31, 2021	(18,699,913,046)
Profit / (loss) for the year	-
Other comprehensive income	-
Balance as at March 31, 2022	(18,699,913,046)

The accompanying notes form an integral part of financial statements

As per our report of even date

For C N K & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101961W/W-100036



Vijay Mehta

Partner

Membership No 106533

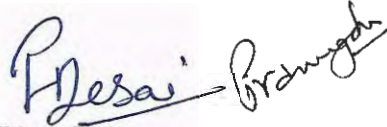
Mumbai

Date 27 April, 2022



For and on behalf of

CG Power Solutions Limited



Tukaram Desai

Director

(DIN 09041871)

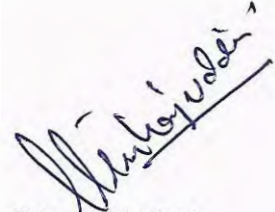
Mumbai

Date 27 April, 2022

Mrs. Pramugha Anand

Director

(DIN 09517400)



Mohammed Minhajuddin

Director

(DIN 09177872)



CG POWER SOLUTIONS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Particulars	In ₹	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flows from operating activities		
Profit/ (loss) before tax	-	(236)
Adjustments to reconcile loss before tax to net cash flows:		
Provision for doubtful debts	-	-
Provision for doubtful advances	-	-
Operating cash flow before changes in assets and liabilities	-	(236)
Cash generated from operations	-	(236)
Income tax paid	-	-
Net cash inflow from operating activities (A)		(236)
Net (decrease)/increase in cash and cash equivalents during the year	-	(236)
Cash and cash equivalents at beginning of the year	39,134	39,370
Cash and cash equivalents at end of the year	39,134	39,134

Notes:

The cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standards (Ind AS) 7 Statement of Cash Flows.

The accompanying notes form an integral part of financial statements.

As per our report of even date
For C N K & Associates LLP
Chartered Accountants

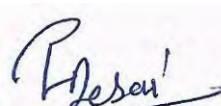

ICAI Firm Registration No.:101961W/W-100036



Vijay Mehta
Partner
Membership No. 106533
Mumbai
Date: 27 April, 2022

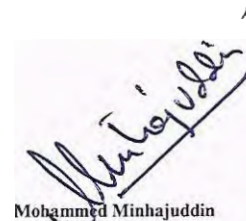


For and on behalf of
CG Power Solutions Limited

Tokaram Desai
Director
(DIN: 09041871)
Mumbai
Date: 27 April, 2022

Mrs. Pramugtha Anand
Director
(DIN: 09517400)



Mohammed Minhajuddin
Director
(DIN: 09177872)



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

1. Corporate information

CG Power Solutions Limited (the 'Company') incorporated on 14th March, 2012 is a company limited by shares, having its registered office at 6th Floor, CG House, Dr. A.B. Road, Worli, Mumbai 400 030, India.

The Company is a wholly-owned subsidiary of CG Power and Industrial Solutions Limited (the 'Holding Company'). The holding company is a limited company incorporated and domiciled in India whose shares are publicly traded.

The financial statements of the Company for the year ended 31 March, 2022 were authorised for issue in accordance with a resolution of directors on 27 April, 2022.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirements of Division II of Schedule III of the Companies Act, 2013. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and financial liabilities measured at fair value

The financial statements are presented in Indian Rupees ('INR') except when otherwise indicated.

3. Significant accounting policies

3.1 Intangible assets:

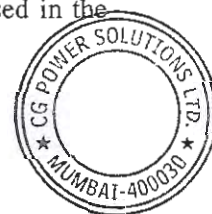
Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives, if any are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The amortisation expense on intangible assets with finite lives is recognised in statement of profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

Intangible assets are amortised as follows:

- Specialised software : Over a period of five years;
- Technical know-how : Over a period of five years (from the date of availability for its use); and
- Commercial rights : Over a period of ten years.

On transition to Ind AS, the Company has elected to continue with the carrying value as per the previous GAAP for all intangible assets as its deemed cost.

3.2 Impairment of non-financial assets:

At least at the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised in the statement of profit and loss, when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's (CGUs) fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

3.3 Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and on hand, cheques in hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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

Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

3.4 Revenue recognition:

(a) Revenue from sale of goods and services

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, which generally coincides with the delivery of goods to customers. Revenue from services is recognised when services are rendered.

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered. Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items in a contract when they are highly probable to be provided. The variable consideration is estimated at contract inception updated thereafter at each reporting date or until crystallisation of the amount. Liquidated damages are recognised as a part of variable consideration.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their standalone selling prices.

(b) Dividend and Interest Income

Dividend income is accounted for when the shareholder's right to receive the same is established, which is generally when shareholders approve the dividend.

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is recognised taking into account the amount outstanding and effective interest rate.

3.5 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

3.6 Taxes on income

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

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

Deferred tax

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

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

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

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

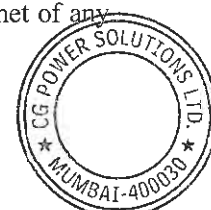
Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

3.7 Provisions, Contingent liabilities, Contingent assets and Commitments:

General

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



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

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

Contingent liability is disclosed in the case of:

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

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

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

3.8 Exceptional items:

An item of income or expense which by its size, type or incidence is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed as such in the financial statements.

3.9 Current and non-current classification

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

An asset is current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

3.10 Fair value measurement

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

- In the principal market for the asset or liability



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

3.11 Financial instruments initial recognition and subsequent measurement

Financial assets

Initial recognition and measurement

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

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

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

Financial assets at fair value

Financial assets at amortised cost



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

A loss allowance for full lifetime expected credit losses is made for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition, as well as to contract assets or trade receivables that do not constitute a financing transaction in accordance with Ind AS 115.

For all other financial instruments, expected credit losses are measured at an amount equal to the 12-month expected credit losses.

Financial Liabilities

Initial recognition and measurement

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

The Company financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

De-recognition

A financial liability is derecognised 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 recognised in the statement of profit or loss.



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

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 realise the assets and settle the liabilities simultaneously.

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities within the next financial year.

4. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

Estimates and assumptions

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

(i) Development costs

Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred. Management assesses and monitors whether the recognition requirements for development costs continue to be met. There is inherent uncertainty in the economic success of any product development. The Company uses judgement in assessment of development cost eligible for capitalisation.

(ii) Impairment of non-financial assets

In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or cash generating units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

(iii) Income taxes

Deferred tax assets for unused tax losses are recognised only when it is probable that taxable profit will be available against which the losses 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.

(iv) Impairment of financial assets

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

(v) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in notes but are not recognised. The cases which have been determined as remote by the Company are not disclosed.

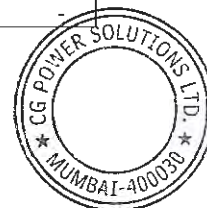


CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

5 Intangible assets

In ₹

Particulars	Technical know-how	Intangible assets under development	Total
Cost:			
As at April 01, 2020	305,403,750	58,629,224	364,032,974
Additions	-	-	-
Disposals/transfers	-	-	-
As at March 31, 2021	305,403,750	58,629,224	364,032,974
Additions	-	-	-
Disposals/transfers	-	-	-
As at March 31, 2022	305,403,750	58,629,224	364,032,974
Accumulated amortisation:			
As at April 01, 2020	305,403,750	58,629,224	364,032,974
Amortisation charge for the year	-	-	-
Impairment for the year	-	-	-
Disposals/transfers	-	-	-
As at March 31, 2021	305,403,750	58,629,224	364,032,974
Amortisation charge for the year	-	-	-
Impairment for the year	-	-	-
Disposals/transfers	-	-	-
As at March 31, 2022	305,403,750	58,629,224	364,032,974
Net book value			
As at March 31, 2021	-	-	-
As at March 31, 2022	-	-	-



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

6 Non-current Other financial assets

In ₹

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good -Security deposits	10,000	10,000
Total	10,000	10,000

7 Cash and cash equivalents

In ₹

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks: - On current accounts	39,134	39,134
Total	39,134	39,134

8 Financial assets – Loans

In ₹

Particulars	As at March 31, 2022	As at March 31, 2021
Loans receivable which have a significant increase in credit risk		
Loans receivables- credit impaired#	-	-
Less: Allowance for doubtful loans	-	-
Loan to Director*	91,754,344	91,754,344
Less: Allowance for doubtful loan	(91,754,344)	(91,754,344)
Total	-	-

*Unapproved remuneration to director recoverable

#During the FY 2020-21, the Company has written off the loan receivable. However the Company along with Holding company has continued recovery suits.



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

9 Equity share capital

Particulars	In ₹	
	As at March 31, 2022	As at March 31, 2021
Authorised:		
50,000 equity shares of ₹ 10 each	500,000	500,000
(P.Y. 2020-21: 50,000 equity shares of ₹ 10 each)	500,000	500,000
Issued, subscribed and paid-up:		
50,000 equity shares of ₹ 10 each	500,000	500,000
(P.Y. 2020-21: 50,000 equity shares of ₹ 10 each)	500,000	500,000

Notes:

Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Balance as at beginning of the year	50,000	500,000	50,000	500,000
Add: Issued during the year	-	-	-	-
Balance as at the end of the year	50,000	500,000	50,000	500,000

Terms / rights attached to equity shares:

- The Company has one class of share capital, i.e., equity shares having face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.
- There are no shares reserved for issue under options and contracts/commitments for the sale/ disinvestment.
- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

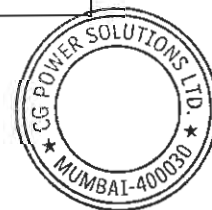
Details of shareholders holding more than 5% shares in the Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	%	Number of shares	%
CG Power and Industrial Solutions Limited (Holding Company and its nominees)	50,000	100	50,000	100

Details of shares held by promoters and Holding Company

As at March 31, 2022						
Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Equity shares with face value of ₹ 10 each	CG Power and Industrial Solutions Limited	50,000	-	50,000	100%	-
Total		50,000	-	50,000	100%	-

As at March 31, 2021						
Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares with face value of ₹ 10 each	CG Power and Industrial Solutions Limited	50,000	-	50,000	100%	-
Total		50,000	-	50,000	100%	-



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

10 Other equity

Particulars	In ₹	
	As at March 31, 2022	As at March 31, 2021
Retained earnings	(18,699,913,046)	(18,699,913,046)
Total	(18,699,913,046)	(18,699,913,046)

Nature and purpose of reserves:

(1) Retained earnings:

Retained earnings are the profit/(loss) that the Company has earned till date.



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

11 Financial liabilities – Short term borrowings

Particulars	In ₹	
	As at March 31, 2022	As at March 31, 2021
Unsecured		
Loans & Advances from Holding Company	12,990,712,126	12,990,712,126
Total	12,990,712,126	12,990,712,126

The above loan is repayable on demand. The Holding company has discontinued charging of interest on the above loan and accordingly, no interest expense is accrued during the year

12 Financial liabilities – Trade payable

Particulars	In ₹	
	As at March 31, 2022	As at March 31, 2021
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,180,000	1,180,000
Total	1,180,000	1,180,000

Trade payable ageing schedule
As at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less Than 1 year	1-2 Years	2-3 Years	More than 3 Years	
		(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	1,180,000	1,180,000	
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	
Total	-	-	-	1,180,000	1,180,000	

As at March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less Than 1 year	1-2 Years	2-3 Years	More than 3 Years	
		(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	1,180,000	1,180,000	
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	
Total	-	-	-	1,180,000	1,180,000	

13 Other current liabilities

Particulars	In ₹	
	As at March 31, 2022	As at March 31, 2021
Other payables:		
Statutory dues #	40,614,131	40,614,131
Others*	5,666,955,923	5,666,955,923
Total	5,707,570,054	5,707,570,054

The company has defaulted in payment of TDS of ₹ 4,06,14,131 Interest and Penalty, if any, is not quantifiable and will be recognised on actual basis. The Company is under regulatory investigation for various transactions. Therefore, this TDS liability amount may undergo change on completion of investigation.

*The company had received certain advances from unrelated parties aggregating to ₹ 5,66,69,55,923. The company has recognised these advances as current liability and will continue to do so until fulfilment/ extinguishment of aforesaid liability.

Relationship with Struck off Companies

Name of struck off company	Nature of transactions	Balance outstanding as at March 31, 2022	Relationship with the struck off company, if any, to be disclosed
Kusum Multi Trade Pvt Ltd	Other liabilities	3,250,000	
Blazing Star Infrastructure Pvt Ltd	Other liabilities	1,000,000	
Bloomberg Multiventures Pvt Ltd	Other liabilities	2,500,000	
Charming Infrastructure Pvt Ltd	Other liabilities	1,000,000	
Converge Teadlex Private Limited	Other liabilities	300,000	
Knarj Entertainment Private Limited	Other liabilities	2,000,000	
Krutika Diamond Pvt Ltd	Other liabilities	1,485,000	
Overall Distributors Pvt Ltd	Other liabilities	3,000,000	
Scordic Impex Private Limited	Other liabilities	3,335,691	
Sodha Infrastructure Private Limited	Other liabilities	16,000,000	
Spareon Cargo Private Limited	Other liabilities	9,200,000	
Starleaf Impex India Private Limited	Other liabilities	2,900,000	
Treyve Distributors Private Limited	Other liabilities	2,000,000	
Total		47,970,691	

Note: The transactions with above companies were entered into during the period of management with erstwhile directors. During year ended March 31, 2022 and March 31, 2021, there are no transactions entered into with these companies. The closing balance represents balances carried forward from earlier years.



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

14 Other expenses

In ₹

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Bank charges	-	236
Total	-	236

Note : Statutory Audit Fees for the financial year 2021-22 amounting ₹ 2,00,000 (previous year ₹ 2,50,000) and Fees for Limited review Rs. 50,000 are being accounted in the books of holding company.

15 Earning per share:

In ₹

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Face value of equity shares	10	10
Weighted average number of equity shares outstanding	50,000	50,000
Loss for the year	-	(236)
Weighted average earnings per share (Basic/Diluted)	-	(0.00)



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

16 Disclosure as required by Indian Accounting Standard (Ind AS) 24 Related Party Disclosure:

i) List of related parties over which control exists:

Holding Company and Fellow subsidiaries

Sr. No	Name of the Related Party	Relationship
1	Tube Investments Of India Limited (Ultimate Parent company w e f 26 November, 2020)	Ultimate Parent company
2	CG Power and Industrial Solutions Limited	Holding Company
3	CG Adhesive Products Limited	Fellow Subsidiary
4	CG Power Equipments Limited	Fellow Subsidiary
5	CG International Holdings Singapore PTE Limited	Fellow Subsidiary
6	CG Sales Networks Malaysia Sdn. Bhd	Fellow Subsidiary
7	CG International BV	Fellow Subsidiary
8	CG Power Solutions UK Ltd	Fellow Subsidiary
9	CG Power Systems Canada Inc	Fellow Subsidiary
10	CG-Ganz Generator and Motor Limited Liability Company (ceased to be subsidiary w e f 15 December, 2021)	Fellow Subsidiary
11	CG Service Systems France SAS (ceased to be subsidiary w e f 20 July, 2020)	Fellow Subsidiary
12	CG Industrial Holdings Sweden AB	Fellow Subsidiary
13	CG Drives & Automation Sweden AB	Fellow Subsidiary
14	CG Drives & Automation Germany GmbH	Fellow Subsidiary
15	CG Drives & Automation Netherlands BV	Fellow Subsidiary
16	CG Middle East FZE	Fellow Subsidiary
17	QEI, LLC	Fellow Subsidiary
18	CG Power Americas, LLC	Fellow Subsidiary
19	PT Crompton prima Switchgear Indonesia	Fellow Subsidiary
20	CG Power and Industrial Solutions Limited Middle East FZCO	Fellow Subsidiary

Key Management Personnel:

- 1 Shirish Athalekar (appointed w e f February 5, 2021, resigned w e f February 28, 2022)
- 2 Tukaram Desai (appointed w e f February 2, 2021)
- 3 Mohammed Minhajuddin (appointed w e f May 26, 2021)
- 4 Mrs Pramugha Anand (appointed w e f February 28, 2022)

ii) List of related parties with whom transactions were carried out during the year and description of relationship :

Holding Company

- 1 CG Power and Industrial Solutions Limited

Description	Name of Related Party	Nature of Relationship	Value of Transactions		Balance as at	
			For the year ended March 31, 2022	For the year ended March 31, 2021	March 31, 2022 Receivable/ (Payable)	March 31, 2021 Receivable/ (Payable)
Loan (Including Accrued Interest)	CG Power and Industrial Solutions Limited	Holding Company	-	(1,915,400,000)	(12,990,712,126)	(12,990,712,126)



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

17 Financial Risk Management
Financial risk factors

The company's activities expose it to a variety of financial risks; market risk, credit risk and liquidity risk. This note presents information about the company's exposure to each of the said risks, the company's objectives, policies and processes for measuring risks and the company's management of capital. Further quantitative disclosures are included throughout these Ind AS financial statements.

The board of director has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company to set appropriate measures and controls and to monitor risks and adherence to limits. Risks management policies and systems are reviewed regularly to reflect changes in market conditions and in the company's activities

The company's exposure to the various types of risks associated to its activity and financial instruments is detailed below:

a) **Market risks**

Market risks is the risks that changes in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

b) **Credit risk**

Credit risk represents the potential loss that the company would incur if counter parties fail to perform pursuant to the terms of their obligations to the company.

c) **Liquidity risk**

This refers to availability of funds for the Company to meet its financial obligations as they fall due.

The maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations are as follows:-

For the year ended March 31, 2022 :

	On demand or within one year	One year to five years	Over five years
Financial Liabilities:			
Borrowing	12,990,712,126	-	-
Trade payable	1,180,000	-	-
Total undiscounted financial liabilities	12,991,892,126	-	-

For the year ended March 31, 2021 :

	On demand or within one year	One year to five years	Over five years
Financial Liabilities:			
Borrowing	12,990,712,126	-	-
Trade payable	1,180,000	-	-
Total undiscounted financial liabilities	12,991,892,126	-	-

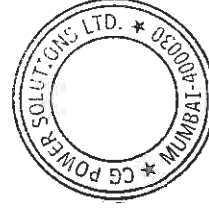
The carrying value of all financials assets and financials liabilities approximates its fair value and appropriate provision have been made as necessary.



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

18 Ratio Analysis

Sr. No.	Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance	Explanation on variance of more than 25%
1	Current Ratio	Current Assets	Current Liabilities	0.00	0.00	0.00%	-
2	Debt Equity Ratio	Total Debt	Shareholder's Equity	(0.69)	(0.69)	0.00%	-
3	Debt service coverage ratio	Earnings available for debt service ^	Debt service	-	(0.00)	0.00%	-
4	Return on Equity Ratio	Net profit after taxes	Average shareholder's equity	-	0%	0.00%	-
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	-	-	0.00%	-
6	Trade Receivable Turnover Ratio	Revenue	Average Trade receivable	-	-	0.00%	-
7	Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade payable	-	-	0.00%	-
8	Net Capital Turnover Ratio	Revenue	Working Capital	-	-	0.00%	-
9	Net Profit Ratio	Net Profit^	Revenue	-	-	0.00%	-
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed	-	0%	0.00%	-
11	Return on Investment	Interest (Finance Income)	Investment	-	-	0.00%	-



CG POWER SOLUTIONS LIMITED
NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

- 19 Contingent Liabilities : Nil (Previous Year : Nil)
 Estimated amount of capital commitments not provided for: Nil (Previous Year: Nil)
- 20 Based on the information available with the Company, there are no transactions during the year or balances outstanding as at the Balance Sheet date with / to small scale industrial undertakings and Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	As at March 31, 2022	As at March 31, 2021
Details relating to Micro, Small and Medium enterprises		
a) Amount remaining unpaid to any supplier at the end of the year:		
- Principal	-	-
- Interest	-	-
b) The amount of interest paid by the buyer as per Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006), along with the amount of the payment made to the suppliers beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues above are actually paid to small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Note: (The above information is given on the basis of intimation received by the Company.)		
Total	-	-

The above disclosure is compiled based on information available with the Company regarding status of trade payables into MSME and others.

- 21 In pursuance of the provisions of the Companies Act, 2013, the Company is required to spend two percent of the average net profits for the three immediately preceding financial years towards CSR activities. Due to the occurrence of net losses in the three preceding financial years, the company is not required to spend any amount on Corporate Social Responsibility.
- 22 The deferred tax assets out of timing difference has not been recognised since it is not probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilised.
- 23 (i) The Company received assessment order u/s 143(3) of the Income Tax Act, 1961 for the Assessment Year 2017-18 along with show cause notice u/s 274 read with section 270A for levy of penalty. The Company filed an appeal before Commissioner of Income Tax (Appeals) on February 15, 2021 against the additions made by the AO along with a request letter to condone the delay in filing the appeal. Further, The Company filed its submission on November 12, 2021 to NFAC. The Company does not expect any liability on completion of assessment.
- (ii) The Company has received a notice dated April 07, 2021 u/s 143(3) of Income Tax Act, 1961 for Assessment Year 2018-19. The Company has made its submissions against the notice. An assessment order was passed u/s 143(3) on April 22, 2021 raising demand of ₹. 4,94,94,490 against which the Company has filed rectification application on April 30, 2021, which is still not disposed off. The Company has filed an appeal before Commissioner of Income Tax (Appeal) against the order of the assessing officer on May 18, 2021 and hearing is awaited. Further, the Company has received notice dated March 17, 2022 for reassessment proceedings. The Company filed adjournment request upto April 9, 2022. However, NFAC passed the order on April 6, 2022 initiating reassessment proceedings. The Company is in process of filing return in response to this notice.
- 24 The Company is fully co-operating with Investigation by regulatory agencies into the affairs of the Company for the financial year 2011-12 to 2019-20.
- 25 The Company's current liabilities exceeded its current assets by ₹ 1869,94,23,046. The Holding company of the Company, i.e. CG Power and Industrial Solutions Limited has proposed for closure of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 ("IBC"). However, as on date, the application for bankruptcy proceeding as per IBC code is still under process. The Company is under regulatory investigation for various transactions including loans given to erstwhile promoter affiliated companies. On conservative basis, the Company has written off these balances. However, the Company has also filed suit for recovery from those parties. Therefore, receivable balances with the parties and consequently financial position of the Company may undergo change. In view of this, financial statements have been prepared on going concern assumption.



CG POWER SOLUTIONS LIMITED

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

26 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

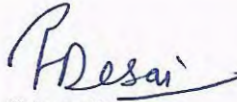
The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

27 Previous years figures

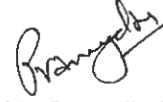
The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

As per our report of even date
For C N K & Associates LLP
Chartered Accountants
ICAI Firm Registration No.:101961W/W-100036

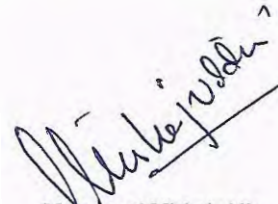
For and on behalf of
CG Power Solutions Limited



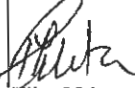
Tukaram Desai
Director
(DIN: 09041871)
Mumbai
Date: 27 April, 2022



Mrs. Pramugha Anand
Director
(DIN: 09517400)



Mohammed Minhajuddin
Director
(DIN: 09177872)



Vijay Mehta
Partner
Membership No. 106533
Mumbai
Date: 27 April, 2022

