



MSEB HOLDING COMPANY LTD.

(A Govt. of Maharashtra Undertaking)

**STANDALONE
FINANCIAL
STATEMENTS
2023-24**

Registered Office: Hongkong Bank Building, 3rd & 4th Floor, Mahatma
Gandhi Road, Fort, Mumbai-400001, Maharashtra

CIN: U40100MH2005SGC153649

INDEPENDENT AUDITOR'S REPORT

To the Members of MSEB Holding Company Limited

Report on the Audit of the Standalone Ind AS Financial Statements

1. Qualified Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid Standalone Ind AS 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 prescribed 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, 2024, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Qualified Opinion

We have not been able to obtain the necessary information and explanations for the purpose of our audit in case of the following matters: -

- a) Ownership of Property, Plant and Equipments and Investment properties being tangible assets which are transferred to the Company under Provisional Transfer Scheme which was finalised on 31st March 2016 vide GR No. Reform2010/Pr.Ka.117/Urja of Rs. 1,44,53,300 Thousands are pending to be transferred in the name of the Company (refer note no. 7.2, 7.7 and 7.8 of the Standalone Ind AS financial statements);
- b) The value of investment of the company in MSEDCL of Rs. 48,82,33,949 Thousands (P.Y. Rs. 48,27,39,849 Thousands) has been diminished due to continuous losses incurred by MSEDCL. MSEDCL has earned Losses in F.Y 2022-23 and F.Y. 2023-24 and its Reserves/other equity as on 31st March 2024 are negative. Further, the auditors of the MSEDCL. have provided adverse opinion in their audit report dated 30th August 2024. In spite of these facts, the diminution in the value of shares of MSEDCL

9

has not been provided for in the books of accounts by the Company. (refer note no. 8.2 of the Standalone Ind AS financial statements);

- c) The balances outstanding in the books of the company with its wholly owned subsidiaries i.e. Maharashtra State Power Generation Co. Ltd. (MSPGCL), Maharashtra State Electricity Transmission Co. Limited (MSETCL), Maharashtra State Electricity Distribution Co. Limited (MSEDCL) are under reconciliation, discussions and deliberations. Reconciliation may have impact on the financial position and certain disclosures in the financial statements (refer note no 9.1 & 21.1 of the Standalone Ind AS financial statements);
- d) The company has given Corporate Guarantee on behalf of Subsidiary companies i.e. MSEDCL and MSPGCL to various banks and financial institutions for which no Corporate Guarantee Fees of whatsoever nature have been charged and therefore no fair valuation of such Corporate Guarantee Fees has been done as per requirements of Ind AS 109 and as such impact of which is not ascertainable. (refer Note No. 28.2, 28.3 and 28.4 of the Standalone Ind AS financial statements);
- e) Share Application money received during F.Y. 2023-2024 amounting to Rs. 29,45,490 Thousands from MSPGCL and Rs. 1,44,76,700 Thousands from MSEDCL is directly paid by Government of Maharashtra (GOM) to these wholly-owned subsidiaries as per GR issued by GOM. During the year, the Company has issued shares amounting to Rs. 1,34,63,110 Thousands to GOM contravening the provision of Section 42 (6) of The Companies Act 2013. (Refer note no. 8.3 and 15.c of the Standalone Ind AS financial statements).

Consequential impact of Para a) to d) above on the Profit, reserves and EPS are neither quantified / quantifiable, nor disclosed.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

3. Emphasis of Matter

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

2

- a) Refer note No. 7.5 where the company has reported that physical verification of assets was not carried out by the management after F.Y. 2010-11.
- b) Refer note No. 13.1 where the company has shown advance tax of Rs. 15,70,664 Thousands (P.Y. Rs. 14,83,664 Thousands) which are net of the provision of tax in the books of accounts amounting to Rs. 4,00,728 Thousands (P.Y. 4,00,728 Thousands). Further, refer note no. 9.2 shown amount paid to Income Tax under protest amounting to Rs. 5,41,701 Thousands (P.Y. Rs. 5,41,701 Thousands). The provision made in the books is as per the Company's judgment only considering the ongoing appeals. The management of the Company is hopeful of the demand being quashed at the respective authorities and the refund to be recovered in full.
- c) Refer note no. 10.1 where the debts outstanding against rentals from property due from subsidiaries amounting to Rs. 48,13,831 Thousands (P.Y. Rs. 49,51,404 Thousands) have been long outstanding. Provision for Expected Credit Loss as per IND AS 109 has been duly made in the books of account.
- d) Refer note no. 25.1 where the company has reported that provision for Gratuity and leave encashment with respect to employees deputed is taken in books from the date of their joining instead of from the day, they are deputed in MSEBHCL.
- e) Refer note no. 29 where the company has reported that due to the reasonable uncertainty on the lease period on account of ongoing disputes on the assets taken on lease, the Company has not recognised the "Right of Use Assets" (ROU) and a corresponding lease liability for all the lease arrangements in which it is a lessee.
- f) Refer note no. 7.12 where the company has not disclosed the fair value of the Investment properties for the purpose of disclosure under Ind AS 40 "Investment Properties".

Our report is not qualified in respect of the above matters.

4. Other Matter

The comparative financial statements of the Company as stated in the Ind AS Financial Statements for the year ended 31st March 2023, were audited by the predecessor auditor who expressed qualified opinion on those standalone Ind AS financial statements vide their report 8th November 2023. Accordingly, we do not express any opinion, as the case may be, on the figures reported in these Standalone Ind AS Financial Statements for the year ended 31st March 2023.

Our opinion is not modified in respect of this matter.



5. Information other than the Standalone Ind AS financial statements and Auditor's report thereon

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

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

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

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

6. Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS 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.

The board of directors are also responsible for overseeing the Company's financial reporting process.

7. Auditor's Responsibility for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Standard on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS 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 material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS 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.

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- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS 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.

8. Report on Other Legal and Regulatory Requirements

- a. 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 'Annexure – A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- b. As required by Section 143(3) of the Act, we report that:
 - i. We have sought and except for the matters described paragraph 2 'Basis for qualified opinion' above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the Standalone Ind AS financial statements.
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the effect of the matters described in paragraph 2 'Basis for qualified opinion' above and paragraph 8(b)(ix)(f) below on reporting pertaining to audit trail.
 - iii. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
 - iv. Except for the possible effects of the matters stated in paragraphs 2 'Basis for qualified opinion' and 3 'Emphasis of Matters' above, in our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - v. The provisions of Section 164(2) of the Companies Act, 2013, are not applicable to the Company being the Government Company, pursuant to the Notification No. GSR 463 (E) dated 5th June 2015 issued by the Government of India,

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- vi. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 8(b)(ii).
- vii. With respect to the adequacy of the internal financial control over financial reporting of the company and operative effectiveness of such controls, refer to our separate report in 'Annexure - B'.
- viii. With respect to the other matters to be included in the Auditors' Report in accordance with the requirement of section 197(16) of the Companies Act 2013, as amended, we report that the Company being a Government Company the provision of Section 197 read with Schedule V of the Companies Act is not applicable. Hence reporting u/s 197(16) of the Act is not required; and
- ix. 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 information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements - Refer Note No. 28 to the Standalone Ind AS financial statements.
 - b) The Company does not have any long-term contracts including derivative contracts for which provision is required for any material foreseeable losses.
 - c) There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d) (i) The Management has represented that 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 (Refer Note no. 43(a) to the Standalone Ind AS financial statements);

(ii) The Management has represented that 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

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Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note no. 43(b) to the Standalone Ind AS financial statements); and

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

- e) The company has not paid any dividend during the financial year and has not declared any dividend during the year, accordingly compliance with provisions of Section 123 of Companies Act, 2013 is not applicable.
- f) The Company was using Tally as accounting software for maintaining its books of account for the financial year ended 31st March 2024. Based on our examination, the feature of recording audit trail (edit log) facility was not enabled in the accounting software throughout the year.

Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024.

- x. As required under section 143(5) of the Act, based on our audit as aforesaid, we enclose herewith, as per "Annexure-C" and "Annexure-D", the directions and sub-directions respectively issued by the Comptroller and Auditor General of India.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W



(A.V. Kamat)
Partner
M. No. 39585

Place: Mumbai
Date: 28.12.2024

UDIN - 25039585 BM1VZY4195

Annexure A to the Independent Auditor's Report

Annexure referred to in paragraph 8(a) under Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of M/s MSEB Holding Company Limited on the Standalone Ind AS Financial Statements for the year ended 31st March 2024:

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

- i) In respect of the Plant's Property, Plant and Equipment's and Intangible Assets:
 - a) A) The Company has maintained the fixed assets register in respect of assets allocated under the Scheme of Transfer and additions made thereto after the incorporation of the Company pursuant to above scheme capturing the details of quantity and location of the asset (Refer Note No. 7.5 of the standalone Ind AS financial statements). The company needs to further streamline its fixed asset register to show proper and identifiable records, to the extent possible, showing full particulars, including quantitative details and the situation of fixed assets.

B) According to the information and explanations given to us and records examined by us, the Company has no intangible assets and accordingly clause 3(i)(a)(B) of the Companies (Auditor's Report) Order, 2020 ("The Order") is not applicable to the Company.
 - b) As explained to us, fixed assets have not been physically verified by the company during the year. The last physical verification of the Fixed Assets was carried out by the management during the year 2010-11. The discrepancies after 2010-11, if any, with the book records whether material or otherwise could not be ascertained (Refer Note No. 7.5 of the standalone Ind AS financial statements).
 - c) In our opinion and according to the information and explanations given to us, title deeds of immovable properties are not held in the name of the company since all the assets were transferred consequent upon the decision of the Government of Maharashtra for reorganization of Maharashtra State Electricity Board (MSEB, pursuant to Chapter XIII of Electricity Act 2003. The assets are transferred under the provisional Transfer Scheme, finalised on 31st March 2016 vide GR No. Reform 2010 /Pr.Ka.117 /Urja. Refer note no. 7.7 of the Standalone Ind AS Financial Statements for details of cases where the title deeds are not in the name of the company and lease agreements not renewed are reported.



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- d) The Company has not revalued its Property, Plant and Equipment during the year. Further, the Company does not hold any Intangible Assets.
- e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) In respect of Inventories:
- a) The Company is involved in rental activity only and therefore the Company do not carry any inventory. Accordingly, clause (ii)(a) of the Order is not applicable to the company.
- b) According to the records of the company examined by us and the information and explanations given to us, no working capital loan was sanctioned in excess of five crore rupees, in aggregate, from Banks or any financial institutions on the basis of security of current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- iii) The Company has made investments in other parties and granted loans in the nature of unsecured loans to the Companies during the year under audit and earlier years also. Further guarantees were provided in earlier years to Companies which are continuing in the current year also.
- a. Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted loans/advances to one of its wholly owned subsidiary company and other party:

(Amount in Thousands)

| Particulars | Loans | Advance in the nature of loan |
|---|-------------|-------------------------------|
| Aggregate amount granted/ provided during the year | | |
| Subsidiary | 1,33,214 | - |
| Others | - | 2,000 |
| Balance outstanding as at balance sheet date in respect of above cases | | |
| Subsidiary | 3,68,38.021 | - |
| Others | - | 10,435 |

- b. The Company has made investments in subsidiaries and provided interest-free loans to subsidiaries and other parties. The details of interest free loans or advances in the nature of loans provided to parties other than subsidiaries are as follows:

2

(Amount in Thousands)

| Particulars | Advance in the nature of loan |
|--|-------------------------------|
| Aggregate amount granted/ provided during the year | 2,000 |
| Balance outstanding as at balance sheet date in respect of above cases | 10,435 |

- c. We are of the opinion that the terms and conditions of the Investment made, and interest free loans granted to subsidiaries without specifying the schedule of repayment are, prima-facie, appears not to be prejudicial to the interest of the Company.

However, the terms and Conditions of Loans given to a company other than subsidiary companies are prima facie, prejudicial to the interest of the Company.

- d. In the case of loans given both to subsidiary companies and other parties, the repayment of principal and payment of interest has not been stipulated and therefore we are unable to comment as to whether repayments or receipts have been regular or not.
- e. In the case of loans given to both subsidiary companies and other parties, the repayment of the principal has not been stipulated and therefore we are unable to comment as to whether there is any overdue amount for more than ninety days.
- f. As regards to the point whether there is any loan falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party, we are unable to comment upon the same since repayment schedule is not stipulated.
- g. The Company has granted loans either repayable on demand or without specifying any terms or period of repayment. Details of which are as under: -

(Amount in Thousands)

| Particulars | Total | Promoters | Related Parties | Others |
|---|-----------------|------------|-----------------|--------------|
| Aggregate amount of loans/ advances in nature of loans (including interest o/s) | | | | |
| - Repayable on demand (A) | Nil | Nil | Nil | Nil |
| - Agreement does not specify any terms or period of repayment (B) | 1,35,214 | Nil | 1,33,214 | 2,000 |
| Total (A+B) | 1,35,214 | Nil | 1,33,214 | 2,000 |
| Percentage of loans/ advances in nature of loans to the total loans. | - | - | 98.52% | 1.48% |

- iv) According to the information and explanations given to us during the year:

The Company has not given any guarantee during the year.

The Company has granted loans to its wholly owned subsidiary companies i.e. MSEDCL and MSEB Solar Agro Power Limited, however such loans are not covered under Section 185 of the Companies Act 2013.

In respect of loans given to a company other than its wholly owned subsidiary, the company has not complied with the provision of Section 186(7) of the Companies Act, 2013.

In respect of investments in the Subsidiary company and loan given to the subsidiary company the provisions of Section 186 of the Companies Act, 2013 are not applicable, since the investment has been made by the Company in its wholly owned subsidiary companies.

- v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under hence reporting under paragraph 3(v) of the Order is not applicable to the Company.
- vi) We have been informed that the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 148 of the Act, hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.
- vii) a) According to the records of the Company, it has generally been regular in depositing undisputed statutory dues, including provident fund, income tax, goods and service tax, duty of customs, cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable which are outstanding as on 31st March 2024 for a period of more than six months from the date they became payable.
- b) There are no dues of income tax / duty of custom / goods and service tax / value added tax/ cess as on 31st March 2024 which have not been deposited on account of any dispute except the amount mentioned in the table given below:

| Name of the Statute | Nature of Dues | Disputed Amount (in Thousands) | Period to which it pertains | Forum where pending |
|---------------------|------------------------------|--------------------------------|-----------------------------|--------------------------------------|
| Income Tax | Penalty ¹ | 1,371,737 | A.Y. 2007-08 | Commissioner of Income Tax (Appeals) |
| Income Tax | Penalty ² | 1,134,815 | A.Y. 2009-10 | |
| Income Tax | Tax and Penalty ³ | 158,289 | A.Y. 2012-13 | |
| Income Tax | Tax and Penalty ⁴ | 115,899 | A.Y. 2013-14 | |
| Income Tax | Tax and Penalty | 1,229 | A.Y. 2018-19 | |

1 Out of the penalty of Rs. 1,371,737 Thousands for the A.Y. 2007-08 Rs. 250,000 Thousands have been paid under protest.

2 Out of the penalty of Rs. 1,134,815 Thousands for the A.Y. 2009-10 Rs. 100,000 Thousands have been paid under protest

3 Out of the Tax and interest of Rs. 158,289 Thousands for the A.Y. 2012-13 Rs. 75,802 Thousands have been paid under protest and balance demand plus interest of Rs. 83,736 Thousands have been adjusted in the month of June 2018 against the refunds.

4 The Tax and interest of Rs. 115,899 Thousands for the A.Y. 2013-24 have been fully paid under protest.

- viii) According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix) a) The Company did not have any loans or borrowings from any lenders during the year, hence reporting under paragraph 3(ix) of the Order is not applicable to the Company. However, in respect of Bonds issued by erstwhile MSEB, liability for which were transferred to the Company under provisional Transfer Scheme vide GR No. Reform 2010/Pr.Ka.117/Urja dated 31st March 2016, no details are available with the Company for determination of the Liability recorded in the books of accounts hence we are unable to comment in respect of default, if any.
- b) On the basis of the information and explanation provided to us, the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- c) The Company has not applied/taken any term loan from banks or other lenders hence reporting under paragraph 3(ix)(c) and (d) of the Order is not applicable to the Company.
- d) According to the information and explanations given to us and on an overall examination of the Standalone Ind AS financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries except for note no. 8.3 of the standalone Ind AS financial statements regarding consideration for issue of shares which were paid by GOM to the subsidiaries.
- e) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year, hence reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.

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- b) The Company has made preferential allotment or private placement of shares during the year. The Company has not complied with the provisions of Section 42(6) of the Companies Act 2013 with respect to the allotment of shares to GOM. The amount raised has been used for the purpose for which funds were raised. The Company has not made preferential allotment or private placement of convertible debentures (fully, partially or optionally convertible) during the year.
- xi) a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) According to the information and explanation given us, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report by the statutory auditors.
- c) According to the information and explanation given us, the establishment of whistle blower mechanism is not mandatory to the Company under Companies Act, 2013, hence reporting under paragraph 3(xi)(c) of the Order is not applicable to the Company.
- xii) The Company is not a Nidhi Company, hence reporting under paragraph 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act and details of such transactions have been disclosed in the Standalone Ind AS financial statements, as required by the applicable Indian Accounting Standards.
- xiv) a) According to the information and explanations given to us and based on our audit procedures, in our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have taken into consideration the internal audit reports for the period under audit issued till the date while determining the nature, timing and extent of audit procedures.
- xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Thus, paragraph 3(xv) of the Order is not applicable to the Company.



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- xvi) a) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India (RBI) Act, 1934. Hence, reporting under paragraph 3(xvi)(a) and (b) of the Order is not applicable to the Company.
- b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under paragraph 3(xvi)(c) of the Order is not applicable.
- c) According to the information and explanations given to us, there is no CIC in the Group, hence reporting under paragraph 3(xvi)(d) of the Order is not applicable.
- xvii) Based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the Statutory Auditors of the Company during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the company as and when they fall due.
- xx) a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount on account of ongoing projects or other than ongoing projects for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act.



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b) According to the information and explanations given to us, no amount remains unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W



(A.V. Kamat)
Partner
M. No. 39585

Place: Mumbai

Date: 28.12.2024

UDIN - ~~258~~
25039585BMIVZY4195

Annexure B to the Independent Auditor's Report

Annexure referred to in para 8(b)(vii) under Report on Other Legal and Regulatory Requirements to the Independent Auditor's Report of even date to the members of M/s MSEB Holding Company Limited on the Standalone Ind AS financial statements for the year ended 31st March 2024:

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

Opinion

We have audited the internal financial controls over financial reporting of MSEB Holding Company Limited ("the Company") as at 31st March 2024 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, 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 31st 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 on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Companies Act, 2013.



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 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 Institute of Chartered Accountants of India. 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 Standalone Ind AS 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 Standalone Ind AS 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 the Standalone Ind AS 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 Standalone Ind AS financial statements.

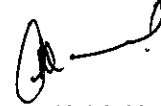
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Inherent Limitations of Internal Financial Controls Over Financial Reporting

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.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W



(A.V. Kamat)
Partner
M. No. 39585

Place: Mumbai

Date: 28.12.2024

UDIN - 25039585BM1VZY4J95

Annexure C to the Independent Auditor's Report

**CHARTERED
ACCOUNTANTS**

Annexure referred to in para 8(b)(x) under Report on Other Legal and Regulatory Requirements to the Independent Auditor's Report of even date to the members of M/s MSEB Holding Company Limited on the Standalone Ind AS financial statements for the year ended 31st March 2024:

In terms of Directions issued by the Comptroller and Auditor General of India under sub-section (5) of section 143 of the Act, and on the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanation given to us, we give a statement on the matters specified in the said Directions.

| Sr. No. | Directions under section 143(5) of Companies Act 2013 | Auditors Response |
|---------|--|--|
| 1. | Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated. | The Company has a system in place to process all the accounting transactions through IT systems, i.e. Tally. Further, certain working files are maintained by the Company in MS Excel. The accounting transactions based on workings outside the IT system, wherever observed, the same are carried out with a well-defined procedure by the company, no instances of lack of integrity of accounts and no financial implications have been noted or been reported with respect to this matter. |
| 2. | Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender of the company due to 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). | According to information and explanations given to us, there are no such cases of restructuring of Loans or cases of write off/waiver of debts/ loans/ interest by the lenders of the company. |




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ACCOUNTANTS**

| | | |
|----|--|--|
| 3. | Whether funds (grants/subsidy etc.) received/receivable for the specific schemes from Central/ State Government or its agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation. | According to information and explanations given to us, no funds (grants/subsidy etc.) are received/receivable for the specific schemes from Central/ State Government or its agencies. |
|----|--|--|

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W



(A.V. Kamat)

Partner

M. No. 39585

Place: Mumbai

Date: 28.12.2024

UDIN - 25039585 BMIVZY4195

Annexure D to the Independent Auditor's Report

Annexure referred to in para 8(b)(x) under Report on Other Legal and Regulatory Requirements to the Independent Auditor's Report of even date to the members of M/s MSEB Holding Company Limited on the Standalone Ind AS financial statements for the year ended 31st March 2024:

In terms of Sub-directions issued by the Comptroller and Auditor General of India under sub-section (5) of section 143 of the Act, and on the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanation given to us, we give a statement on the matters specified in the said Directions.

| Sr. No. | Directions under section 143(5) of Companies Act 2013 | Auditors Response |
|----------------|--|--|
| 1. | Whether Profit/Loss mentioned in Audit Report is per profit & Loss statements of the Company? | Amount of Profit / Loss is not required to be mentioned in the audit report. However, our qualified opinion in the Audit report has reference to the Profit as per the Statement of Profit and Loss forming part of the Standalone Ind AS Financial Statements. |
| 2. | Whether the Provision for doubtful debts has been shown under relevant heads separately as per Schedule III of the Companies Act 2013 and suitable provisions made for long outstanding debts? | According to the information and explanations given to us and based on our audit procedures, provisions for doubtful debts are shown separately under relevant heads. Further, the company has made suitable provisions for long outstanding debts as per the Expected Credit Loss policy of the Company which is mentioned in the Material Accounting Policy Information of the Standalone Ind AS Financial Statements of the Company. |
| 3. | Whether all expenditure on account of payment made to contractors for capital works which has been completed and put to use before 31 March has been capitalized in the books of accounts. | According to the information and explanations given to us and based on our audit procedures, we have not noticed any payments relating to capital works which have been completed, however not been capitalized in the books of accounts as on 31 st March 2024. |

2

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ACCOUNTANTS**

| | | |
|----|--|---|
| 4. | Comment on the confirmation of balances of Trade Receivable, Trade Payables, Term Deposits, Cash and Bank balances were obtained. | <p>Balance confirmation with respect to trade receivables from subsidiaries amounting to Rs. 48,13,831 Thousands, loans and advances given to subsidiaries amounting to Rs. 3,68,38,021 Thousands, payables to subsidiaries amounting to Rs. 29,81,153 Thousands, Term deposits amounting to Rs. 5,39,253 Thousands, Cash balance of Rs. Nil and Bank balances amounting to Rs. 357 Thousands (net) were obtained.</p> <p>Further, confirmations were sent to other receivables and payables accounts on sample basis, however no confirmations have been received from any of those parties.</p> |
| 5. | Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized? List the cases if deviation, if any. | According to information and explanations given to us, no funds are received/receivable for the specific schemes from Central/ State Government or its agencies. |
| 6. | Whether the system for monitoring the execution of works vis-a-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any? Revenues/Losses from contracts, etc. have been properly accounted for in the books? | <p>According to information and explanations given to us, the company has a proper system of monitoring the execution of works as per milestones completed. During the year, there were no contracts' wherein cost escalation was applicable.</p> <p>The Company has accounted for the contracts in the books of accounts as per Ind AS and the accounting policies followed by the Company.</p> |
| 7. | Whether the system in vogue for identification of projects to be taken up under Public Private Partnership is in line with guidelines/policies of the Government? Comment on deviation of any. | <p>The revenue of the Company includes rental incomes.</p> <p>There are no such projects of Company which are having Public Private Partnership.</p> |

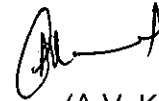
2

**MUKUND
M. CHITALE
& CO.**

**CHARTERED
ACCOUNTANTS**

| | | |
|----|---|---|
| 8. | Examine whether the provisions of the Companies Act were followed w.r.t to reporting and disclosures of CSR Activities. | The Company has made disclosures relating to Corporate Social Responsibility as per provisions of Section 135 of the Companies Act, 2013. |
|----|---|---|

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W



(A.V. Kamat)

Partner

M. No. 39585

UDIN - 2503958513M1V2Y4195

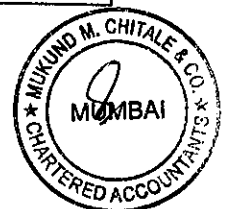
Place: Mumbai

Date: 28.12.2024

MSEB Holding Company Limited
(CIN:-U40100MH2005SGC153649)
Balance Sheet as at 31st March 2024

(Amount in Thousands)

| | Particulars | Note No. | As at 31st March 2024 | As at 31st March 2023 |
|-----|--|----------|-----------------------|-----------------------|
| | 1 | | 2 | 3 |
| | ASSETS | | | |
| (1) | Non Current Assets | | | |
| a | Property, Plant & Equipment | 6 | 23,93,575 | 24,03,962 |
| b | Capital Work in Progress | 6 | 5,717 | 74,394 |
| c | Investment Properties | 7 | 61,78,298 | 64,26,064 |
| d | Goodwill | | - | - |
| e | Other Intangible Assets | | - | - |
| f | Intangible Assets under Development | | - | - |
| g | Biological Assets other than bearer plants | | - | - |
| h | Financial Assets | | - | - |
| | (i) Investments | 8 | 85,03,18,159 | 83,26,85,969 |
| | (ii) Trade Receivables | | - | - |
| | (iii) Loans | | - | - |
| | (iv) Others | | - | - |
| i | Deferred Tax Assets (Net) | | - | - |
| j | Other Non Current Assets | 9 | 3,74,87,091 | 3,74,22,161 |
| (2) | Current Assets | | | |
| a | Inventories | | - | - |
| b | Financial Assets | | | |
| | (i) Investments | | - | - |
| | (ii) Trade Receivables | 10 | 45,27,939 | 46,54,901 |
| | (iii) Cash & cash Equivalents | 11 | 22,803 | 1,000 |
| | (iv) Bank Balances Other than (iii) above | 12 | 4,15,500 | 1,60,910 |
| | (v) Loans | | - | - |
| | (vi) Others | | - | - |
| c | Current Tax Assets (Net) | 13 | 15,70,664 | 14,83,664 |
| d | Other Current assets | 14 | 30,534 | 7,839 |
| | Assets held for sale | | - | - |
| | Total Assets | | 90,29,50,280 | 88,53,20,864 |
| | EQUITY AND LIABILITIES | | | |
| | EQUITY | | | |
| a | Equity Share capital | 15 | 90,98,05,725 | 90,23,42,615 |
| b | Other Equity | 16 | (1,00,83,930) | (2,01,98,503) |
| | LIABILITIES | | | |
| (1) | Non Current Liabilities | | | |
| a | Financial liabilities | | | |
| | (i) Borrowings | | - | - |
| | (ii) Trade Payables | | - | - |
| | (iii) Other financial Liabilities (other than those specified in item (b)) | | - | - |



(Amount in Thousands)

| Particulars | | Note No. | As at 31st March 2024 | As at 31st March 2023 |
|-------------------------------------|---|----------|-----------------------|-----------------------|
| b | Provisions | 17 | 71,966 | 61,991 |
| c | Deferred Tax Liabilities (Net) | 18 | - | - |
| d | Other Non Current Liabilities | | - | - |
| (2) | Current Liabilities | | | |
| a | Financial liabilities | | | |
| | (i) Borrowings | | - | - |
| | (ii) Trade Payables | 19 | - | - |
| | -Total outstanding dues of Micro Enterprises and Small Enterprises | | - | - |
| | - Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises | | 35,951 | 43,578 |
| | (iii) Other financial Liabilities (other than those specified in item (c)) | 20 | 18,772 | 21,702 |
| b | Other Current Liabilities | 21 | 30,46,531 | 30,26,784 |
| c | Provisions | 22 | 55,265 | 22,697 |
| d | Other Current Liabilities | | - | - |
| | Liabilities classified as held for sale/ Liabilities included in disposal group held-for sale | | - | - |
| Total Liabilities and Equity | | | 90,29,50,280 | 88,53,20,864 |

The accompanying notes form an integral part of the Ind AS financial statements.

Material Accounting Policy Information

1-5

Notes to accounts

6-49

As per our report of even date
For Mukund M Chitale & Co
Chartered Accountants
Firm Registration No.: 106655W

For and on behalf of Board of Directors of
MSEB Holding Company Limited

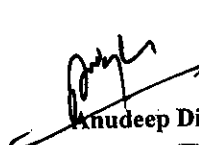


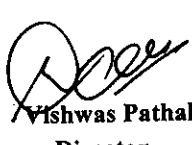
A. V. Kamat
(Partner)

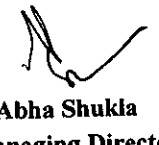
Membership No.: 39585


Place : Mumbai


Date : 28.12.2024



Anudeep Dighe
Director (F)(I/C)
(DIN 10042623)


Vishwas Pathak
Director
(DIN : 00093771)


Abha Shukla
Managing Director
(DIN : 09054999)


Anil Kalekar
CGM (F) (I/C)


Rupali Gole
CFO
M.N. 150823


Subodh Zare
Company Secretary
Mem. No. A22980

Place : Mumbai

Date : 28.12.2024

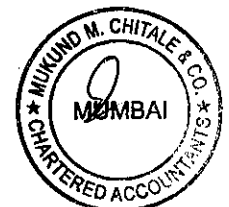
MSEB Holding Company Limited

(CIN:-U40100MH2005SGC153649)

Statement of Profit and Loss for the year ended 31st March 2024

(Amount in Thousands)

| | Particulars | Note No. | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|-------------|---|----------|------------------------------------|------------------------------------|
| (i) | Revenue from operations | 23 | 8,61,146 | 8,16,187 |
| (ii) | Other Income | 24 | 45,819 | 16,082 |
| I | Total Income (i)+(ii) | | 9,06,965 | 8,32,269 |
| | Expenses | | | |
| (i) | Cost of materials consumed | | - | - |
| (ii) | Purchase of Stock-in-Trade | | - | - |
| (iii) | Changes in Inventories of finished goods, Stock-in-trade and work-in-progress | | - | - |
| (iv) | Employee Benefits Expenses | 25 | 74,049 | 66,227 |
| (v) | Finance Costs | | - | - |
| (vi) | Depreciation and amortization expense | 26 | 4,16,077 | 4,14,048 |
| (vii) | Others expenses | 27 | 2,60,661 | 2,81,646 |
| II | Total Expenses ((i) to (vii)) | | 7,50,787 | 7,61,921 |
| III | Profit / (Loss) before exceptional items and tax (II-I) | | 1,56,178 | 70,348 |
| IV | Exceptional Items | | - | - |
| V | Profit / (Loss) before tax (III - IV) | | 1,56,178 | 70,348 |
| VI | Tax Expenses: | | | |
| | (1) Current Tax -MAT | | - | - |
| | (2) MAT Credit Entilement | | - | - |
| | (3) Deferred Tax | | - | - |
| | (4) Previous Year Taxes | | - | - |
| VII | Profit / (Loss) for the year from continuing operations (V-VI) | | 1,56,178 | 70,348 |
| VIII | Profit / (Loss) from discontinued operations before tax | | - | - |
| IX | Tax Expenses of discontinued operations | | - | - |
| X | Profit / (Loss) from discontinued operations (After tax) (VIII- IX) | | - | - |
| XI | Profit / (Loss) for the year (VII + X) | | 1,56,178 | 70,348 |
| XII | Other Comprehensive Income | | | |
| (A) | (i) Items that will not be reclassified to profit or loss | | (686) | (2,360) |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| | Subtotal (A) | | (686) | (2,360) |



(Amount in Thousands)

| | Particulars | Note No. | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|------|---|----------|------------------------------------|------------------------------------|
| (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 | | - | - |
| | Subtotal (B) | | - | - |
| XIII | Other Comprehensive Income(A+B) | | (686) | (2,360) |
| XIV | Total Comprehensive Income for the period (XI + XIII) | | 1,55,492 | 67,988 |
| XVII | Earnings per equity share (for continuing and discontinued | | | |
| | Basic (Rs.) | 34 | 0.002 | 0.001 |
| | Diluted (Rs.) | 34 | 0.002 | 0.001 |

The accompanying notes form an integral part of the Ind AS financial statements.

Material Accounting Policy Information

1-5

Notes to accounts

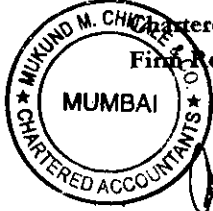
6-49

As per our report of even date

For Mukund M Chitale & Co

Chartered Accountants

Firm Registration No.: 106655W



A. V. Kamat


(Partner)


Membership No.: 39585

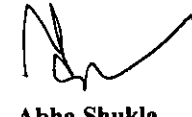
Place : Mumbai


Date : 28.12.2024


For and on behalf of Board of Directors of
MSEB Holding Company Limited

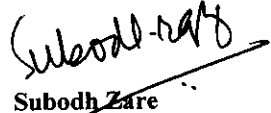
 Anudeep Dighe
Director (F)(I/C)
(DIN 10042623)

 Vishwas Pathak
Director
(DIN : 00093771)

 Abha Shukla
Managing Director
(DIN : 09054999)

 Anil Kalekar
CGM (F) (I/C)
M.N. 150823

 Rupali Gole
CFO
M.N. 150823

 Subodh Zare
Company Secretary
Mem. No. A22980

Place : Mumbai

Date : 28.12.2024

MSEB Holding Company Limited
(CIN:-U40100MH2005SGC153649)

Statement of Cash Flows for the year ended 31st March 2024

(Amount in Thousands)

| PARTICULARS | For the Year ended 31st March 2024 | | For the Year ended 31st March 2023 | |
|--|---------------------------------------|---------------|---------------------------------------|------------|
| | | | | |
| A. Cash flows from operating activities | | | | |
| Net profit before taxation | | 1,56,178 | | 70,348 |
| Adjustments for: | | | | |
| Depreciation | 4,16,077 | | 4,14,048 | |
| Interest income | (33,673) | | (12,078) | |
| Provision for Expected Credit Loss / (Reversal) | | | | |
| | (10,278) | | 21,659 | |
| Provision for Doubtful Advances | 2,000 | | 2,435 | |
| Profit on Sale of Property, Plant & Equipments | | | | |
| | (62) | | - | |
| Subtotal | | 3,74,064 | | 4,26,064 |
| Operating profit before working capital changes | | 5,30,242 | | 4,96,412 |
| Adjustments for: | | | | |
| Increase/(Decrease) in Trade Payables | (7,627) | | (16,676) | |
| Increase/(Decrease) in Long Term Provisions | 9,289 | | (151) | |
| Increase/(Decrease) in Other Current Liabilities | 19,747 | | (4,492) | |
| Increase/(Decrease) in Other Current Financial Liabilities | (2,929) | | 5,449 | |
| Increase/(Decrease) in Short Term Provisions | 32,568 | | 6,708 | |
| Increase/(Decrease) in Deferred Tax Liabilities | - | | - | |
| (Increase)/Decrease in Other Non Current Assets | (40,320) | | (46,196) | |
| (Increase)/Decrease in Other Current assets | (533) | | 674 | |
| (Increase)/Decrease in Trade Receivables | 1,37,239 | 1,47,434 | (3,33,192) | (3,87,876) |
| Cash generated from operations | | 6,77,676 | | 1,08,536 |
| Less: Taxes paid (net of refunds) | | (86,999) | | (82,855) |
| Cash flow before Extra-ordinary item | | 5,90,677 | | 25,681 |
| Add/ Less: Extra-ordinary items | | - | | - |
| Net cash from operating activities (A) | | 5,90,677 | | 25,681 |
| B. Cash flows from investing activities | | | | |
| Purchase of Property, Plant and Equipments, Investment Property (including Capital Work in Progress) | (89,300) | | (1,00,018) | |
| Sale of Property, Plant and Equipments | 116 | | - | |
| Purchase of Non Current Investments | (1,76,32,191) | | (9,11,410) | |
| Purchase/(Maturity) of Fixed Deposits | (2,81,201) | | 63,172 | |
| Interest received | 11,511 | | 12,101 | |
| Net cash flow from investing activities (B) | | (1,79,91,065) | | (9,36,155) |



(Amount in Thousands)

| PARTICULARS | For the Year ended 31st March 2024 | | For the Year ended 31st March 2023 | |
|--|---------------------------------------|--------------------|---------------------------------------|-----------------|
| C. Cash flows from financing activities | | | | |
| Proceeds from issuance of Share Application Money Pending allotment | 99,59,081 | | 9,11,410 | |
| Proceeds from issuance of Shares | 74,63,110 | | - | |
| Net cash flow from financing activities (C) | | 1,74,22,191 | | 9,11,410 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | | 21,803 | | 936 |
| Cash and cash equivalents at beginning of period | | 1,000 | | 64 |
| Cash and cash equivalents at end of period | | 22,803 | | 1,000 |

Foot Note:

1) Cash flow from operating activities is prepared under Indirect Method as prescribed in IND AS 7-Cash Flow Statements

2) Cash & Cash Equivalents included in the Financial Statements comprise the following:

(Amount in Thousands)

| Cash & Cash Equivalents | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Balance in Current accounts | 661 | 999 |
| Cash | - | 1 |
| Cheques on hand | - | - |
| Balance in Fixed Deposits (maturity less than 3 months) | 22,142 | - |
| Total | 22,803 | 1,000 |

The accompanying notes 1 to 49 form an integral part of the Ind AS financial statements.

As per our report of even date

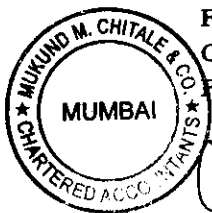
For Mukund M Chitale & Co

Chartered Accountants

Firm Registration No.: 106655W

For and on behalf of Board of Directors of


MSEB Holding Company Limited





A. V. Kamat

(Partner)

Membership No.: 39585


 Anil Dighe
Director (F)(I/C)
(DIN 10042623)


 Vishwas Pathak
Director
(DIN : 00093771)

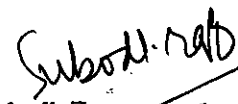
 Abha Shukla
Managing Director
(DIN : 09054999)

Place : Mumbai

Date : 28.12.2024

 Anil Kalekar
CGM (F) (I/C)
M.N. 150823

 Rupali Gole
CFO
M.N. 150823

 Subodh Zare
Company Secretary
Mem. No. A22980

Place : Mumbai

Date : 28.12.2024

MSEB Holding Company Limited
(CIN:-U40100MH2005SGC153649)

Statement of changes in Equity for the year ended 31st March 2024

| A. Equity Share Capital | | (Amount in Thousands) |
|--|--------------|-----------------------|
| Particulars | Amount | |
| As at 1st April 2022 | 89,26,62,115 | |
| Issue of share capital during the year (Refer Note 15) | 96,80,500 | |
| As at 31st March 2023 | 90,23,42,615 | |
| Issue of share capital during the year (Refer Note 15) | 74,63,110 | |
| As at 31st March 2024 | 90,98,05,725 | |

B: Other Equity

As at 31st March 2024

(Amount in Thousands)

| | Share application money pending allotment | Equity component of compound financial instruments | Reserves and Surplus | | | | Total |
|--|---|--|----------------------|----------------------------|---------------------------------|-------------------|---------------|
| | | | Capital reserves | Securities premium Reserve | Other reserves (Specify nature) | Retained Earnings | |
| Balance as on 1st April 2023 | 9,11,410 | - | - | - | - | (2,11,09,913) | (2,01,98,503) |
| Profit for the year | - | - | - | - | - | 1,56,178 | 1,56,178 |
| Other Comprehensive Expenditure for the year | - | - | - | - | - | (686) | (686) |
| Dividends | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - |
| Share Application Money received during the year | 1,74,22,191 | - | - | - | - | - | 1,74,22,191 |
| Shares issued during the year | (74,63,110) | - | - | - | - | - | (74,63,110) |
| Balance as on 31st March 2024 | 1,08,70,491 | - | - | - | - | (2,09,54,421) | (1,00,83,930) |

As at 31st March 2023

(Amount in Thousands)

| | Share application money pending allotment | Equity component of compound financial instruments | Reserves and Surplus | | | | Total |
|--|---|--|----------------------|----------------------------|---------------------------------|-------------------|---------------|
| | | | Capital reserves | Securities premium Reserve | Other reserves (Specify nature) | Retained Earnings | |
| Balance as on 1st April 2022 | 96,80,500 | - | - | - | - | (2,11,77,901) | (1,14,97,401) |
| Profit for the year | - | - | - | - | - | 70,348 | 70,348 |
| Other Comprehensive Expenditure for the year | - | - | - | - | - | (2,360) | (2,360) |
| Dividends | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - |
| Share Application Money received during the year | 9,11,410 | - | - | - | - | - | 9,11,410 |
| Shares issued during the year | (96,80,500) | - | - | - | - | - | (96,80,500) |
| Balance as on 31st March 2023 | 9,11,410 | - | - | - | - | (2,11,09,913) | (2,01,98,503) |

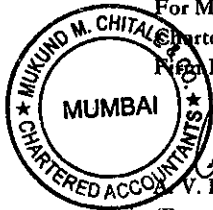
The accompanying notes 1 to 49 form an integral part of the Ind AS financial statements.

As per our report of even date

For Mukund M Chitale & Co

Chartered Accountants

Registration No.: 106655W



V. Kamat

(Partner)


Membership No.: 39585

Place : Mumbai


Date : 28.12.2024


For and on behalf of Board of Directors of

MSEB Holding Company Limited

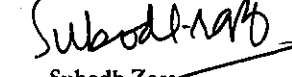

Anudeep Dighe
Director (F) (I/C)
(DIN 10042623)


Vishwas Pathak
Director
(DIN : 00093771)


Abha Shukla
Managing Director
(DIN : 09054999)


Anil Kalekar
CGM (F) (I/C)


Rupali Gole
CFO
M.N. 150823


Subodh Zare
Company Secretary
Mem. No. A22980

Place : Mumbai

Date : 28.12.2024

MSEB Holding Company Limited

Notes to the Ind AS financial statements

for the year ended 31st March 2024

Note 1: Corporate information:

MSEB Holding Company Limited. ('MSEBHCL' or 'the Company') was incorporated w.e.f. 31st May 2005 consequent upon the decision of the Government of Maharashtra (GOM) for reorganization of Maharashtra State Electricity Board (MSEB), pursuant to Chapter XIII of Electricity Act 2003. The Company started its operation from 6th June 2005 in accordance with the "Provisional Transfer Scheme" of the Government of Maharashtra. The "Provisional Transfer Scheme" was a scheme under which all three subsidiary Companies and this Company came into existence from the erstwhile MSEB Board. The said scheme has been finalised and the Financial Restructuring Plan (FRP) has been approved by the GOM on 31st March 2016 and has been notified vide GR No. Reform2010/Pr.Ka.117/Urja-3. The scheme has been implemented during the F.Y. 2015-16 with retrospective effect from 05th June 2005.

The Government of Maharashtra ("GoM") had formulated the Mukhyamantri Saur Krishi Vahini Yojana ("MSKVY") vide G.R. dated 14.6.2017 and 17.03.2018 to provide reliable electricity supply to farmers of the state during day-time. Accordingly, MSEB Solar Agro Power Limited has been incorporated on 31.05.2023 as a Special Purpose Vehicle, subsidiary of MSEB Holding Co. Ltd. for execution of "Mukhyamantri Saur Krushi Vahini Yojana 2.0 (MSKVY 2.0)". Further 21 SPV's has been formed under MSEBSAP region wise for execution of the project

MSEB Holding Company has four subsidiary companies viz Maharashtra State Electricity Distribution Company Ltd., Maharashtra State Electricity Transmission Company Ltd., Maharashtra State Power Generation Company Ltd. and MSEB Solar Agro Power Ltd.

Note 2: Basis of preparation:

The Ind AS financial statements have been prepared to comply, in all material aspects, in accordance with the Indian Accounting Standards (herein after referred to as 'IND AS') notified under Section 133 of the Companies Act, 2013 (the Act) [the Companies (Indian Accounting Standards) Rules, 2015] and the other relevant provisions of the Act.

The preparation of the Ind AS financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The revision in accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years, if the revision affects both current and future years (Refer Note No. 4 on significant accounting judgements, estimates and assumption).

The Ind AS financial statements have been prepared on a historical cost basis except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments.) at the end of each reporting period, as explained in the accounting policies below.

The financial statements are presented in Indian Rupees ('INR') a which is the Company's functional currency, and all values are rounded off to the nearest Thousands (INR 000), except when otherwise indicated.



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

Note 3: 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 be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after reporting period. Or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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. Or
- There is no unconditional right to defer the settlement of the liability for at twelve months after the reporting period. Terms of liability that could, at the option of the counterparty, result in its settlement by issue of equity instrument do not effect its classification.

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

All other liabilities are classified as non-current.

Note 4: Significant accounting judgements, estimates and assumptions:

The preparation of the Company's Ind AS 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.

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 bases its assumptions and estimates on parameters available when the Ind AS financial statements are 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. Revisions to the accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in the future periods affected and if material, their effects are disclosed in Notes to the Ind AS financial statements.

Information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Fair value measurements of financial instruments;
- Impairment of non-financial assets including measurement of recoverable amount of assets / cash generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies;
- Evaluation of recoverability of deferred tax assets;
- Revenue recognition

Note 5.1: Material Accounting Policy Information:

1. Property, Plant and Equipment (PPE):

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognises such parts as separate component of assets with specific useful lives and provides depreciation over their useful life. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the items can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in Statement of profit and loss, when expenses are incurred.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

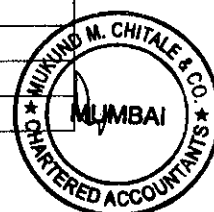
Gains and losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss on the date of retirement or disposal.

When the use of a property changes from owner-occupied to Investment property, the property is reclassified as Investment Property at its carrying amount on the date of reclassification.

2. Depreciation

Assets are depreciated to the residual values on a straight-line basis over the estimated useful lives as per the rates derived by management, which in management's opinion reflect the estimated useful lives of assets as specified in Schedule II to the Act. Estimated useful lives of the assets are as follows:

| Nature of Assets | Years |
|----------------------|----------|
| Leasehold Land | 01 to 90 |
| Buildings | 01 to 60 |
| Plant & Equipment | 01 to 15 |
| Furniture & Fixtures | 01 to 10 |
| Vehicles | 01 to 08 |
| Computers | 01 to 03 |



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

Depreciation is charged on additions / disposals on pro-rata basis i.e. the date on which asset is ready for use including the date of addition / disposals.

Assets individually costing Rupees five thousand or less are fully depreciated in the year of acquisition.

The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review and are adjusted prospectively.

Leased Assets

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

In other case, buildings constructed on leasehold lands are amortised over the primary lease of the lands. Freehold land is not depreciated.

3. Investment properties:

Investment properties comprise portions of freehold land and office buildings that held for long-term rentals yields and/or for capital appreciation. Investment properties are initially recognised at cost. Subsequently investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

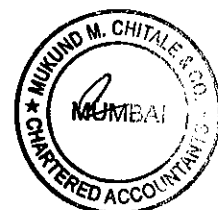
The cost includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their useful lives. All other repair and maintenance costs are recognised in profit and loss as incurred.

Depreciation on building is provided over the estimated useful lives as specified in schedule II to The Companies Act, 2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the change arises.

Though the Company measures investment property using cost-based measurement and considered the same amount as the fair value of all the investment properties for the disclosure requirements.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

4. Intangible assets:

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognised at cost. The cost of intangible assets that are acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised in Statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use. The amortisation period and the amortisation method for an intangible asset (except goodwill) is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

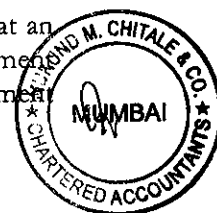
- a) Goodwill – Goodwill is initially recognised at cost and is subsequently measured at cost less any accumulated impairment losses.
- b) Software – Software is capitalised at the amounts paid to acquire the respective license for use and is amortised over the period of license, generally not exceeding three years.
- c) Licenses – Acquired licenses are initially recognised at cost. Subsequently, licenses are measured at cost less accumulated amortisation and accumulated impairment loss, if any. Amortisation is recognised in statement of profit and loss on a straight-line basis over the unexpired period of the license and is disclosed under ‘depreciation and amortisation’. The amortisation period relating to licenses acquired in a business combination is determined primarily by reference to the unexpired license period.
- d) Other acquired intangible assets – Other intangible assets are initially recognised at cost. Other intangible assets acquired in business combinations are amortised over the estimated useful lives from the date they are available for use.

Intangible assets that have an indefinite useful life, for example goodwill, and intangible assets not yet put to use are not subject to amortisation and are tested annually for impairment.

Assets that are subject to depreciation and amortisation are reviewed for impairment, whenever events or changes in circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

5. Impairment of non-financial assets:

At each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined at the higher of the 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairments losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss, except for properties previously re-valued with the revaluation taken to Other Comprehensive Income (the 'OCI'). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

6. Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and on hand and short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value. Outstanding bank overdrafts are shown within the borrowings in current liabilities in the statement of financial position when such overdrafts are repayable on demand and which are considered an integral part of the Company's cash management.

7. Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the amount that reflects consideration which the company expects to receive, excluding discounts, rebates, and GST and other taxes as applicable for the time being in force. The Company assesses its revenue arrangements against specific criteria i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or rendering of services, in order to determine if it is acting as a principal or as an agent.

a. Interest income –

For all the financial instruments measured at amortised cost and interest-bearing financial assets, classified as financial assets at fair value through profit or loss, interest income is recognised using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in 'Other income' in the statement of profit and loss.

b. Dividend income –

Dividend income is recognised when the Company's right to receive the payment is established.



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

c. Lease Income –

Lease agreements where the risks and rewards incidental to the ownership of an asset substantially vest with the company are recognised as operating lease. Lease rentals are recognised on straight line basis as per the terms of the agreements in the statement of profit and loss.

8. Prior period errors

Prior Period Items includes items of income or expenses which arise in the current period as a result of error or omission in the preparation of financial statements of one or more prior years. These are separately accounted for either by –

a) Restating the comparative amounts for the prior period(s) in which the error occurred, or

(b) When the error occurred before the earliest prior period(s) presented, restating the opening balances of assets, liabilities and equity for that period, so that the financial statements are presented as if the error had never occurred.

Only where it is impracticable to determine the cumulative effect of an error on prior periods, then such effect is corrected prospectively from the earliest date practicable.

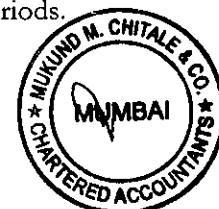
9. Employee benefits:

The Company's post-employment benefits include defined benefit plan and defined contribution plans. The Company also provides other benefits in the form of deferred compensation and compensated absences.

Under the defined benefit retirement plan, the Company provides retirement obligation in the form of Gratuity. Under the plan, a lump sum payment is made to eligible employees at retirement or termination of employment based on respective employee salary and years of experience with the Company.

For defined benefit retirement plans, the difference between the fair value of the plan assets and the present value of the plan liabilities is recognised as an asset or liability in the balance sheet. Scheme Liabilities are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies.

All the expenses excluding re-measurements of the net defined benefits liability (asset), in respect of defined benefit plans are recognised in the statement of profit and loss as incurred. Re-measurements, comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

Compensated Absence

The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income.

The amount charged to the statement of profit and loss in respect of these plans is included within operating costs.

The Company's contribution to defined contribution plans are recognised in Statement of profit and loss as they fall due. The Company has no further obligations under these plans beyond its periodic contributions.

10. Borrowing costs:

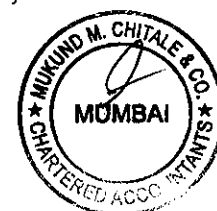
Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use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

11. Leases:

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Company as a Lessee:

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

determinable, using the incremental borrowing rates. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is re-measured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The re-measurement normally also adjusts the leased assets. Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing Cash Flows.

12. Earnings per share:

The Company's earnings per share (EPS) are determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options (using the treasury stock method for options), except where the result would be anti-dilutive.

13. Taxes on Income:

a. Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company periodically evaluates positions taken in the tax returns with respect to which applicable tax regulations are subject to interpretation and establishes provisions where applicable.

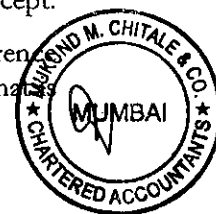
b. Deferred tax

Deferred tax liability/Asset is recognised on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary difference, except –

- When the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit/(tax loss).
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will be not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit/ (tax loss).

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available which the temporary differences can be utilised.

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 profit or loss is recognised outside profit or 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 incomes tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

14. Provisions, Contingent Liabilities, Contingent Assets and Commitments:

- a. **General** – Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of 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, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursements.

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

- b. **Contingent liabilities** – Contingent liabilities are possible obligations arising from past events and whose existence will only be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required to settle the obligation, or the amount of the obligation



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the Ind AS financial statements but information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent Liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable.

Contingent liabilities are recognised at their fair value, only if they were assumed as part of a business combination.

- c. **Contingent assets** - Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but reviewed at each balance sheet date and disclosure is made in the notes where inflow of economic benefit is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

15. Fair value measurement:

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

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

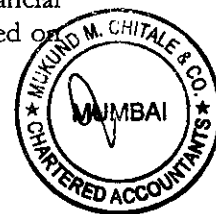
The principal or the most advantageous market must be accessible by the Company.

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:



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

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 level of the fair value hierarchy as explained above.

16. Financial Instruments:

(i) Financial assets:

Initial recognition and measurement:

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to /deducted from the fair value on initial recognition. Transaction costs related to the acquisition of financial assets and financial liabilities, that are fair valued through profit or loss, are recognized in Statement of Profit and Loss.

Subsequent measurement

For purpose of subsequent measurement financial assets are classified into two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit & loss) or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristic test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designed at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristic test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

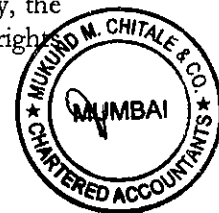
If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

De-recognition

A financial asset (or where applicable, a part of a financial asset or part of group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:
 - a) The Company has transferred substantially all the risks and rewards of the asset, or
 - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In case, the Company also recognises an associated liability, the transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in associates, joint venture and subsidiaries

The Company accounts for its investments in subsidiaries, associates and joint venture at cost less accumulated impairment, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in Subsidiaries, Joint ventures and Associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of profit and loss.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

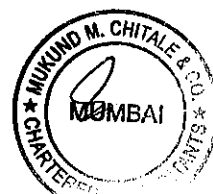
The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the history observed default rates are updated and changes in the forward-looking estimates are analysed.

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



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

For assessing increase credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Expected credit loss has been provided on the Long-Term Trade Receivables against rentals from property on the basis of the following slabs to arrive at the time value

| No of Days | ECL |
|------------------|-------|
| 0-90 Days | 1% |
| 91-180 Days | 3.25% |
| 181 Days & above | 6.5% |

(ii) Financial Liabilities:

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payable, maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

De-recognition

A financial liability is de-recognised 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 and loss.

(iii) Offsetting of financial instruments:

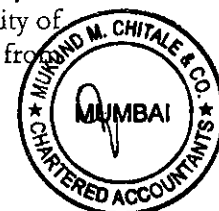
Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

17. Cash flow statement

Cash flow from operating activities is reported in accordance with the indirect method prescribed in Indian Accounting Standard (Ind AS) 7 on 'Statement of Cash Flow'. For the purpose of the Statement of Cash Flows, cash and cash equivalent, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Note 5.2 Recent pronouncements

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March 2024, there are no notification issued by the MCA with respect to applicability of any new standard or amendments to the existing standards, which would have been applicable from 1st April 2024.



MSEB Holding Company Limited

Note 6

PROPERTY, PLANT AND EQUIPMENT

(Amount in Thousands)

| Particulars | Leasehold Land | Freehold Land | Plant & Machinery | Vehicles | Furniture & Fixtures | Computers | Total | Capital Work in Progress |
|--|----------------|---------------|-------------------|----------|----------------------|-----------|-----------|--------------------------|
| Year ended 31st March 2023 | | | | | | | | |
| Gross Carrying Amount | | | | | | | | |
| Cost as at 1st April 2022 | 20,45,934 | 7,08,880 | 1,97,549 | 11,316 | 1,29,344 | 5,953 | 30,98,976 | 71,484 |
| Additions | - | - | 88,316 | - | 8,076 | 715 | 97,107 | 86,905 |
| Adjustments | - | - | - | - | - | - | - | - |
| Disposal/Transfers | - | - | - | - | - | - | - | 83,995 |
| Closing Gross Carrying Amount | 20,45,934 | 7,08,880 | 2,85,865 | 11,316 | 1,37,420 | 6,668 | 31,96,083 | 74,394 |
| Accumulated Depreciation and Impairment | | | | | | | | |
| Opening Accumulated Depreciation | 4,98,340 | - | 1,13,335 | 9,176 | 1,17,825 | 4,205 | 7,42,881 | - |
| Depreciation Charge during the year | 32,934 | - | 11,816 | 602 | 2,962 | 926 | 49,240 | - |
| Adjustments | - | - | - | - | - | - | - | - |
| Disposal/Transfers | - | - | - | - | - | - | - | - |
| Closing Accumulated Depreciation and Impairment | 5,31,274 | - | 1,25,151 | 9,778 | 1,20,787 | 5,131 | 7,92,121 | - |
| Net Carrying Amount as at 31st March 2023 | 15,14,660 | 7,08,880 | 1,60,714 | 1,538 | 16,633 | 1,537 | 24,03,962 | 74,394 |
| Year ended 31st March 2024 | | | | | | | | |
| Gross Carrying Amount | | | | | | | | |
| Opening Gross Carrying Amount | 20,45,934 | 7,08,880 | 2,85,865 | 11,316 | 1,37,420 | 6,668 | 31,96,083 | 74,394 |
| Additions | - | - | 34,496 | 3,865 | 981 | 399 | 39,741 | 70,939 |
| Adjustments | - | - | - | - | - | - | - | - |
| Disposal/Transfers | - | - | - | 1,079 | - | - | 1,079 | 1,39,616 |
| Closing Gross Carrying Amount | 20,45,934 | 7,08,880 | 3,20,361 | 14,102 | 1,38,401 | 7,067 | 32,34,745 | 5,717 |
| Accumulated Depreciation and Impairment | | | | | | | | |
| Opening Accumulated Depreciation | 5,31,274 | - | 1,25,151 | 9,778 | 1,20,787 | 5,131 | 7,92,121 | - |
| Depreciation Charge during the year | 32,935 | - | 12,985 | 634 | 2,751 | 769 | 50,074 | - |
| Adjustments | - | - | - | - | - | - | - | - |
| Disposal/Transfers | - | - | - | 1,025 | - | - | 1,025 | - |
| Closing Accumulated Depreciation and Impairment | 5,64,209 | - | 1,38,136 | 9,387 | 1,23,538 | 5,900 | 8,41,170 | - |
| Net Carrying Amount as at 31st March 2024 | 14,81,725 | 7,08,880 | 1,82,225 | 4,715 | 14,863 | 1,167 | 23,93,575 | 5,717 |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

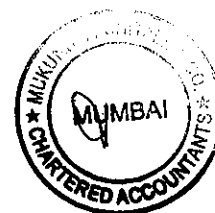
Note 7: Investment Property

(Amount in Thousands)

| Particulars | Freehold Buildings |
|--|--|
| Cost | |
| Cost as at 1st April 2022 | 1,18,15,293 |
| Additions | - |
| Adjustments | - |
| Disposal/Transfers | - |
| As at 31st March 2023 | 1,18,15,293 |
| Additions | 1,18,237 |
| Adjustments | - |
| Disposal/Transfers | - |
| As at 31st March 2024 | 1,19,33,530 |
| | |
| Accumulated Depreciation | |
| As at 1st April 2022 | 50,24,421 |
| Depreciation Charge during the year | 3,64,808 |
| Adjustments | - |
| Disposal/Transfers | - |
| As at 31st March 2023 | 53,89,229 |
| Depreciation Charge during the year | 3,66,003 |
| Adjustments | - |
| Disposal/Transfers | - |
| As at 31st March 2024 | 57,55,232 |
| | |
| Net Book Value | |
| As at 31st March 2023 | 64,26,064 |
| As at 31st March 2024 | 61,78,298 |
| | |
| Fair Value | |
| As at 31st March 2023 | 64,26,064 |
| As at 31st March 2024 | 61,78,298 |
| | |
| Particulars | For the Year ended 31st March 2024 |
| Rental Income derived from investment properties | 8,61,146 |
| Direct operating expenses (including repairs and maintenance) generating rental income | 93,683 |
| Profit arising from investment properties | 7,67,463 |

7.1) On transition to Ind AS, MSEBHCL has opted to continue with the carrying value of all Property, Plant and Equipment recognised as at 1st April 2015 measured as per previous Generally Accepted Accounting Principles (GAAP) specified in Companies (Accounting Standards) Rules 2006 notified by the Central Government and other provisions of the Companies Act 2013 and use that carrying value as the deemed cost of the property, plant and equipment.

7.2) The Property, Plant & Equipment's appearing in the books of the Company have been transferred from erstwhile MSEB as per the FRP but has not yet been transferred in the name of



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

MSEBHCL. However, the same are considered to be owned by the Company. Depreciation for the year, has been calculated and charged to statement of profit and loss on the basis of nomenclature of overall Gross Block for each type of asset available with the company.

7.3) The exact date of asset put to use could not be obtained from erstwhile MSEB/GOM, instead the year in which the asset has been put to use has been made available. The depreciation for the first year has been calculated as if the asset has been put to use on 1st April of the relevant financial year.

7.4) On Finalisation of FRP the value of Assets has been increased by Rs. 1,39,67,512 (Thousands) and Equity has been issued to the GOM against the same. The respective assets have been valued according to the valuation received from GOM and depreciation on the same has been calculated based on the remaining useful life of the assets.

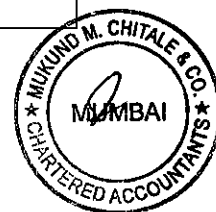
7.5) Physical Verification of Assets had been conducted by the Management during the financial year 2010-11. The Company has also compiled Fixed Asset Register from the date of restructuring i.e 06th June 2005 till the end of current financial year. All records relating to Opening Balances as appearing in the Asset Register to the extent received from erstwhile MSEB had been reconciled at the time of physical verification. The asset wise details of cost of assets, its valuation as on 05th June 2005 and written down values as per the asset register have also been reconciled with the opening balances incorporated in Accounts.

7.6) Sale deed specifying the cost of Land & Building at Dharavi purchased by erstwhile MSEB in May 1981 is yet to be registered. However, the Land & Building is in the possession of MSEBHCL and as per the BMC directives, interest @14% on balance amount of sale consideration Rs. 9,041,427/- towards cost of Dharavi Building being paid monthly basis. The interest paid of Rs. 1,266 Thousands (P.Y. 1,266 Thousands) have been show under note no. 27 - Other expenses. The matter is sub-judice at Bombay High Court and shown as contingent liabilities at Sr. no. 1 of note no. 28.5 - Contingent liabilities.

7.7) Title deeds of Immovable Property not in the name of the Company

LAND

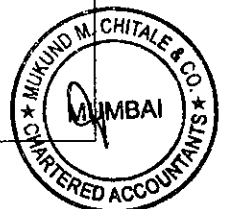
| Description of item of Property | Gross Carrying Value (in'000) | | Title Deeds held in the name of | Whether Title deed holder is a promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the Company |
|---|-------------------------------|-----------------|-------------------------------------|---|--------------------------------|--|
| | 31st March 2024 | 31st March 2023 | | | | |
| Freehold Land | | | | | | |
| Chunnabhatti 72 Flats Colony Quarters | 3,78,001 | 3,78,001 | Maharashtra State Electricity Board | No | 5th June 2005 | Freehold land acquired consequent to the "Provisional Transfer Scheme" of Govt of Maharashtra implemented on 31st March 2016 with retrospective effect from 5th June 2005 vide GR No. Reform 2010/Pr/Ka.11/Urja-3. |
| Santacruz P-68, 69; Vile Parle P-78, 79 Colony Qtrs | 3,30,879 | 3,30,879 | Maharashtra State Electricity Board | No | 5th June 2005 | |
| Total | 7,08,880 | 7,08,880 | | | | |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

7.8) Title deeds of Immovable Property not in the name of the Company
BUILDINGS

| Description of item of Property | Gross Carrying Value (in'000) | | Title Deeds held in the name of | Whether Title deed holder is a promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the Company |
|--|-------------------------------|-----------------|-------------------------------------|---|--------------------------------|---|
| | 31st March 2024 | 31st March 2023 | | | | |
| Prakashgad Bldg Bandra (E) - HO MSEBHCL | 2,80,570 | 1,71,893 | Maharashtra State Electricity Board | No | 5th June 2005 | Consequent to the "Provisional Transfer Scheme" of Govt of Maharashtra implemented on 31st March 2016 with retrospective effect from 5th June 2005 vide GR No. Reform2010/Pr/Ka.117/Urja-3. |
| Prakashganga Bldg, Bandra - Kurla Complex - HO MSEBHCL | 1,59,162 | 1,59,162 | Maharashtra State Electricity Board | No | 5th June 2005 | |
| Estrella Batteries Bldg, Dharavi Adm Off Bldg - HO MSEBHCL | 4,50,630 | 4,41,068 | Maharashtra State Electricity Board | No | 5th June 2005 | |
| Saudamini HajiAli (Total 21 flats) | 1,94,140 | 1,94,140 | Maharashtra State Electricity Board | No | 5th June 2005 | |
| Bandra Reclamation, Bldg -3,4& 19 Colony Quarters each of 28 flats | 7,96,035 | 7,96,035 | Maharashtra State Electricity Board | No | 5th June 2005 | |
| Bandra Kurla Complex P_R-10 Colony Quarters | 1,18,046 | 1,18,046 | Maharashtra State Electricity Board | No | 5th June 2005 | |
| Santacruz P-68, 69; Vile Parle P-78, 79 Colony Qtrs (Total 36 flats) | 36,509 | 36,509 | Maharashtra State Electricity Board | No | 5th June 2005 | |
| Borivali National Park S-148 of Magathane, S-428 of Poiser | 87,36,983 | 87,36,983 | Maharashtra State Electricity Board | No | 5th June 2005 | |
| Vaidya Nagar 60 Flats from MHADA colony Quarters | 2,08,251 | 2,08,251 | Maharashtra State Electricity Board | No | 5th June 2005 | |
| Chunnabhatti 72 Flats Colony Quarters | 51,924 | 51,924 | Maharashtra State Electricity Board | No | 5th June 2005 | |



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

| | | | | | |
|--|--------------------|--------------------|-------------------------------------|----|---------------|
| Anik Colony Quarters | 4,22,273 | 4,22,273 | Maharashtra State Electricity Board | No | 5th June 2005 |
| Swastik Mill Compound Colony Quarters (Total 52 Flats) | 4,45,710 | 4,45,710 | Maharashtra State Electricity Board | No | 5th June 2005 |
| Guest House Delhi (Total 4 flats) | 33,125 | 33,125 | Maharashtra State Electricity Board | No | 5th June 2005 |
| Dharavi - Stores | 63 | 63 | Maharashtra State Electricity Board | No | 5th June 2005 |
| Total | 1,19,33,419 | 1,18,15,181 | | | |

LEASE AGREEMENTS NOT RENEWED

| Description of item of Property | Title Deeds held in the name of | Whether Title deed holder is a promoter/director or employee of promoter/director | Lease agreement non-renewal |
|---------------------------------|---------------------------------|---|--------------------------------|
| Kalachowki - Stores | Mumbai Port Trust | No | On Rent from Mumbai Port Trust |
| Dadar - Guest House | Gurusingh Sabha | No | Under dispute |
| HSBC - Corp Office | HSBC Bank | No | Under dispute |

7.9) Capital work-in-progress (CWIP) Ageing schedule as on 31st March, 2024

(Amount in Thousands)

| CWIP | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in Progress | 2,037 | 3,679 | - | - | 5,717 |
| Projects temporarily suspended | - | - | - | - | - |

Capital work-in-progress (CWIP) Ageing schedule as on 31st March, 2023

(Amount in Thousands)

| CWIP | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in Progress | 49,553 | 24,841 | - | - | 74,394 |
| Projects temporarily suspended | - | - | - | - | - |

CWIP where completion is overdue or has exceeded its cost compared to its original plan is Nil (Previous year Nil).

7.10) There have been no proceedings initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

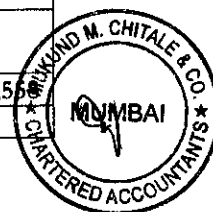
7.11) The Company has not revalued its property, plant and equipment during the current or previous year. No right-of-use assets or intangible assets are owned by the Company. Assets are recorded at cost.

7.12) The Company has considered the gross carrying value as on reporting date of the Investment Properties to be the fair value of the Investment properties for the purpose of disclosure under Ind AS-40 "Investment Property".

Note 8 : Non-Current Investments

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|---|----------------------------|----------------------------|
| Investment in Equity Instruments measured at Cost | | |
| -Subsidiary Companies (Unquoted) | | |
| 1.Maharashtra State Power Generation Co. Ltd. (MSPGCL) 50,000 Equity shares of Rs.10/- each. (P.Y. 50,000 Equity shares of Rs. 10 each) | 500 | 500 |
| 2.Maharashtra State Power Generation Co. Ltd. 26,115,347,226 Equity shares of Rs. 10 each (P.Y 25,918,446,226 Equity shares of Rs. 10 each) | 26,11,53,472 | 25,91,84,462 |
| 3.Maharashtra State Electricity Transmission Co. Ltd. (MSETCL) 50,000 Equity shares of Rs.10/- each. (P.Y. 50,000 Equity shares of Rs. 10 each) | 500 | 500 |
| 4.Maharashtra State Electricity Transmission Co. Ltd. 8,984,924,733 Equity shares of Rs. 10 each (P.Y 8,984,924,733 Equity shares of Rs. 10 each) | 8,98,49,247 | 8,98,49,247 |
| 5.Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) 50,000 Equity shares of Rs.10/- each. (P.Y. 50,000 Equity shares of Rs. 10 each) | 500 | 500 |
| 6.Maharashtra State Electricity Distribution Co. Ltd. 48,823,344,904 Equity shares of Rs. 10 each (P.Y 48,273,934,904 Equity shares of Rs. 10 each) | 48,82,33,449 | 48,27,39,349 |
| MSEB Solar Agro Power Ltd 21,000,000 Equity shares of Rs. 10 each (P.Y Nil Equity shares) | 2,10,000 | - |
| Investment in Equity Instruments | | |
| -Other Companies | | |
| Ratnagiri Gas & Power Pvt . Ltd 442,226,131 Equity shares of Rs.10/- each (P.Y. 442,226,131 Equity shares of Rs.10/- each) (Refer Note No. 8.4) | - | - |
| Kokan LNG Private Limited 74,053,869 Equity shares of Rs.10/- each (P.Y. 74,053,869 Equity shares of Rs.10/- each) (Refer Note No. 8.5) | - | - |
| Sub Total (a) | 83,94,47,668 | 83,17,74,568 |



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

| Share Application Money Pending Allotment | | |
|---|---------------------|---------------------|
| 1.Maharashtra State Power Generation Co. Ltd. | 18,87,891 | 9,11,411 |
| 2.Maharashtra State Electricity Distribution Co. Ltd. | 89,82,600 | - |
| Sub Total (b) | 1,08,70,491 | 9,11,411 |
| Total(a+b) | 85,03,18,159 | 83,26,85,969 |

(Amount in Thousands)

| Particulars | Amount | Amount |
|--|--------------|--------------|
| Aggregate amount of quoted investments | - | - |
| Aggregate amount of unquoted investments | 83,94,47,668 | 83,17,74,558 |

- 8.1) Investments include Rs. 1,500 Thousands paid to subsidiary companies Viz, MSPGCL, MSETCL & MSEDCL (Rs. 500 Thousands per company) as stated in Point No.1, 3 & 5 as a contribution towards the initial equity capital.
- 8.2) The investment of the company in MSEDCL of Rs. 48,82,33,949 Thousands has been getting diminished due to continuous losses incurred by MSEDCL. MSEDCL has incurred Loss in the F.Y 2023-24, Reserves/ Other Equity as on 31st March 2024 are negative.
- 8.3) Government of Maharashtra (GOM) issues GR for infusion of funds into the subsidiaries company. On receipt of GR containing details regarding infusion of funds, the concern subsidiary company account for the amount as share application money from MSEBHCL and allot its shares to the MSEBHCL after following procedures for allotment of shares.

On receipt of GR, MSEBHCL accounts for the amount as share application money pending allotment to GOM which are shown under note no. 16 - Other Equity and share application money with subsidiary under note no. 8 - Non-current Investments.

The shares are issued by the MSEBHCL to the GOM upon receipt of shares in the subsidiary. Entity wise details of share application money received from GOM, shares issued and share application money pending for allotment of shares are as following:

(Amount in Thousands)

| Particulars | MSEDCL | MSPGCL |
|---|-------------|-----------|
| Share application money outstanding as at 1st April 2023 | 0 | 9,11,411 |
| Share application money received from GOM during the year | 1,44,76,700 | 29,45,490 |
| Share issued by the subsidiary to MSEBHCL | 54,94,100 | 19,69,010 |
| Share application money outstanding as at 31st March 2024 | 89,82,600 | 18,87,891 |

- 8.4) Investment in Ratnagiri Gas & Power Pvt Ltd (RGPPL) Rs. 51,62,800 Thousand (P.Y 51,62,800 Thousand):RGPPL carried out an impairment study for Fixed Assets through KPMG. They submitted their final report on 13.05.2017, as follows:

Scenario 1 -

| | Amount in Thousands |
|----------------------------|----------------------|
| Equity Value | (3,35,50,000) |
| Impairment of Fixed Assets | (2,24,13,000) |
| Total | (5,59,63,000) |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

Scenario 2 - Considering potential loan restructuring

| | Amount in Thousands |
|----------------------------|----------------------|
| Equity Value | 75,01,000 |
| Impairment of Fixed Assets | (2,24,13,000) |
| Total | (1,49,12,000) |

As on 31.03.2017 details of equity holding is as under:

| Name of Shareholder | Amount in Thousands |
|------------------------------|---------------------|
| NTPC Limited | 97,43,083 |
| GAIL (India) Limited | 97,43,083 |
| MSEB Holding Company Limited | 51,62,800 |
| IDBI Bank Limited | 48,16,841 |
| State Bank of India | 38,33,600 |
| ICICI Bank Limited | 34,05,100 |
| Canara Bank | 8,22,100 |
| IFCI Limited | 6,76,117 |
| Total | 3,82,02,724 |

Indicators impacting RGPPL for Impairment assessment

External Indicator – asset's value has declined during the period significantly more than would be expected as a result of the passage of time or normal use. There is indication of decline in assets value as neither Power Plant nor LNG terminal are working at their installed capacity from last 10 years.

Significant decline in net worth of the company:

RGPPL has incurred losses during last few years which has resulted in erosion of net worth of the company. Net worth of the company has been reduced by Rs. 622 crores and Rs. 913 crores from March 15 to March 16 and March 16 to March 17 respectively.

| Particulars | Amount in Crores | |
|--------------------|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Share Capital | 38,203 | 38,203 |
| Reserves & Surplus | (44,816) | (35,680) |
| Total | (6,613) | 2,523 |

Also, as per their report the Fair Value of Equity is Rs 3,355 crores negative.

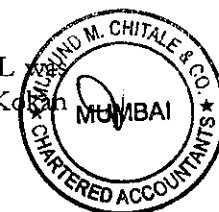
Based on above, the fair value of the investment as at 1st April 2015 was considered to be Nil.

8.5) The Demerger Scheme of Ratanagiri Gas and Power Private Limited (RGPPL) has been approved by NCLAT vide order dated 28th February, 2018 with Appointed Date as 1st January, 2016 thereby transferring the LNG undertaking from RGPPL to Konkan LNG Private Limited (KLPL).

Consequent on approval of the demerger by NCLAT and upon the Scheme becoming effective, existing issued/paid up equity share capital of MSEB Holding Company Ltd was reduced to Rs. 44,22,261 Thousand (consisting of 442,226,131 shares of Rs. 10/- each).

Accordingly, a sum of Rs. 7,40,538 Thousand (74,053,869 Equity shares of Rs. 10/-each) was transferred to investment in KPL.

In order to comply with provision of Ind AS 109, the fair value of investment in RGPPL was considered to be NIL on 1st April 2015. On same basis the fair value of investment in Konkan LNG Private Limited was considered to be NIL on 1st April 2015.



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

LNG Private Limited has also been taken to be Nil as on 31st March 2023 and as on 31st March 2024.

Note 9: Other Non-Current Assets

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|---|-------------------------|-------------------------|
| Loans and advances to Related Parties | | |
| Unsecured, Considered Good | | |
| MSEDCL | 3,67,96,463 | 3,67,95,308 |
| MSEB Solar Agro Power Ltd | 41,558 | - |
| Other loans and advances | | |
| Unsecured, Considered Good | | |
| Advances receivable in cash or in kind or for value to be received. | 10,688 | 8,780 |
| Less: Provision for Doubtful Advance | (10,435) | (8,435) |
| Net Advances receivable | 253 | 345 |
| (Loan & advances are granted for business purpose) | | |
| Other Deposits | 3,339 | 3,206 |
| Income Tax paid under protest | 5,41,701 | 5,41,701 |
| Fixed Deposit with Scheduled bank with original maturity greater than 12 months (Note 12) | 1,01,611 | 75,000 |
| Other Assets | 2,166 | 6,601 |
| Total | 3,74,87,091 | 3,74,22,161 |

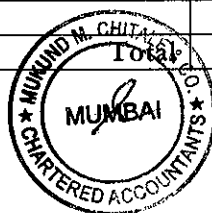
9.1) Loans and Advances to related parties– MSEDCL of Rs. 3,67,96,463 Thousands (P.Y. Rs. 3,67,95,308 Thousands) does not includes one major entry on account of Transfer of common and specific liabilities, assets and reserves amounting to net balance of Rs. 20,70,553 Thousand. Balances with MSEDCL are under reconciliation, discussions and deliberations.

9.2) Income tax Paid under Protest of Rs. 5,41,701 Thousand (P.Y Rs. 5,41,701 Thousand).and there is no such liability as per income tax records as cases are in appeal. The amount of provision made in the book's areas per Companies judgement only.

Note 10 : Trade Receivables

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|--|----------------------|----------------------|
| Trade Receivables | | |
| -against Rentals from Property | | |
| Considered Good | 48,15,866 | 49,53,121 |
| -Others | | |
| Considered Good | 72 | 56 |
| Less: Allowance for Expected Credit Loss | (2,87,999) | (2,98,276) |
| Total | 45,27,939 | 46,54,901 |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

Ageing schedule of Trade Receivables outstanding as at 31st March 2024:

(Amount in Thousands)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|--|---------|--|------------------|-----------------|-----------------|-------------------|------------------|
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables | | | | | | | |
| - Considered good | - | 4,53,145 | 4,53,073 | 7,93,471 | 6,73,363 | 24,42,886 | 48,15,938 |
| - Considered doubtful | - | - | - | - | - | - | - |
| (ii) Disputed Trade receivables - | | | | | | | |
| - Considered good | - | - | - | - | - | - | - |
| - Considered doubtful | - | - | - | - | - | - | - |
| Total | - | 4,53,145 | 4,53,073 | 7,93,471 | 6,73,363 | 24,42,886 | 48,15,938 |
| Less: Allowance for Expected Credit Loss | | | | | | | (2,87,999) |
| Total | - | 4,53,145 | 4,53,073 | 7,93,471 | 6,73,363 | 24,42,886 | 45,27,939 |

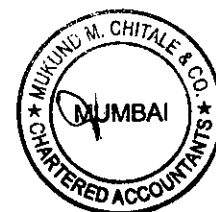
Ageing schedule of Trade Receivables outstanding as at 31st March 2023:

(Amount in Thousands)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|--|---------|--|------------------|-----------------|-----------------|-------------------|------------------|
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables | | | | | | | |
| - Considered good | - | 4,28,840 | 4,28,784 | 8,57,569 | 7,17,925 | 25,20,059 | 49,53,177 |
| - Considered doubtful | - | - | - | - | - | - | - |
| (ii) Disputed Trade receivables - | | | | | | | |
| - Considered good | - | - | - | - | - | - | - |
| - Considered doubtful | - | - | - | - | - | - | - |
| Total | - | 4,28,840 | 4,28,784 | 8,57,569 | 7,17,925 | 25,20,059 | 49,53,177 |
| Less: Allowance for Expected Credit Loss | | | | | | | (2,98,276) |
| Total | - | 4,28,840 | 4,28,784 | 8,57,569 | 7,17,925 | 25,20,059 | 46,54,901 |

10.1) The gross trade receivable against rental from property as above includes outstanding from subsidiaries amounting to Rs. 48,13,831 Thousand (P.Y. 49,51,404 Thousand) which have been long outstanding, against which ECL provision has been made up to 31st March 2024 amounting to Rs. 2,87,999 Thousand (P.Y. 2,98,276 Thousand)

10.2) There are no unbilled trade receivables as at 31st March 2024. (P.Y. - Nil)



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

Note 11: Cash And Cash Equivalent

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|---|-------------------------|-------------------------|
| Cash and Cash Equivalent | | |
| a. Balances with banks | | |
| In Current Accounts | 661 | 999 |
| In Deposit Accounts with original maturity less than 3 months | 22,142 | - |
| b. Cash on Hand | - | 1 |
| c. Cheques on hand | - | - |
| Total | 22,803 | 1,000 |

Note 12: Other Bank Balances

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|--|-------------------------|-------------------------|
| Bank Balance with Scheduled Bank in Fixed Deposit Accounts | 5,17,111 | 2,35,910 |
| Less: Fixed Deposits having maturity above one year transferred to Other Non-Current Assets (Note 9) | 1,01,611 | 75,000 |
| Total | 4,15,500 | 1,60,910 |

Note 13 : Current Tax Assets (Net)

(Amount in Thousands)

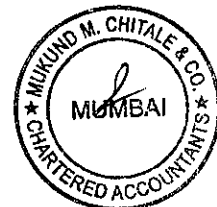
| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|---|-------------------------|-------------------------|
| Advance Tax and Tax Deducted at Source (Net of provision for tax) | 15,70,664 | 14,83,664 |
| Total | 15,70,664 | 14,83,664 |

13.1) The Company has shown advance tax of Rs. 15,70,664 Thousand (P.Y Rs.14,83,664 Thousands) net of the provision of tax in the books of accounts amounting to Rs. 4,00,728 Thousand (P.Y. 4,00,728 Thousand).

Note 14 : Other Current Assets

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|--------------------------------------|-------------------------|-------------------------|
| Prepaid Expenses | 737 | 203 |
| Income accrued and due on Investment | 29,797 | 7,636 |
| Total | 30,534 | 7,839 |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

Note 15: Share Capital

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | | As at 31 March, 2023 | |
|---|------------------------|---------------------|------------------------|---------------------|
| | Number of shares | Amount | Number of shares | Amount |
| A) Authorised Share Capital 99,000,000,000 (P.Y 99,000,000,000) Equity Shares (hereafter referred to as 'shares') of Rs. 10 each | 99,00,00,00,000 | 99,00,00,00,000 | 99,00,00,00,000 | 99,00,00,00,000 |
| B) Issued, Subscribed & Paid up Capital | | | | |
| 90,98,05,72,502 (P.Y 90,23,42,61,502) Equity Shares (hereafter referred to as 'shares') of Rs. 10 each fully paid up | 90,98,05,72,502 | 90,98,05,725 | 90,23,42,61,502 | 90,23,42,615 |
| Total | 90,98,05,72,502 | 90,98,05,725 | 90,23,42,61,502 | 90,23,42,615 |

a) Details of the shareholders holding more than 5% of the Capital

| Name of the Shareholder | As at 31 March, 2024 | | As at 31 March, 2023 | |
|---|------------------------|----------------------------|------------------------|----------------------------|
| | No. of shares held | % of Total Paid up Capital | No. of shares held | % of Total Paid up Capital |
| Government of Maharashtra and its nominees | 90,98,05,72,502 | 100% | 90,23,42,61,502 | 100% |
| | 90,98,05,72,502 | 100% | 90,23,42,61,502 | 100% |

b) Reconciliation of number of shares outstanding at the beginning and at the end of reporting year/period:

| Name of the Shareholder | As at 31 March 2024 | As at 31 March, 2023 |
|---|------------------------|------------------------|
| | No. of Shares | No. of Shares |
| Shares outstanding at the beginning of the year | 90,23,42,61,502 | 89,26,62,11,502 |
| Shares issued during the year | 74,63,11,000 | 96,80,50,000 |
| Shares bought back during the year | - | - |
| Shares outstanding at the end of the year | 90,98,05,72,502 | 90,23,42,61,502 |

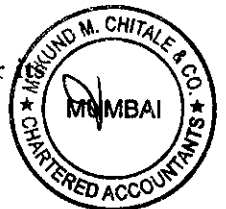
c) Details of Issued, Subscribed & paid up capital during the year.

- c1) 44,05,51,000 Equity shares of Rs. 10/- each were allotted on 11-07-2023. Consideration for issue of these shares amounting to Rs. 9,11,410 Thousands and Rs. 34,94,100 Thousands was directly paid by GOM to MSPGCL and MSEDCL respectively as per GR issued by GOM
- c2) 30,57,60,000 Equity shares of Rs. 10/- each were allotted on 08-11-2023. Consideration for issue of these shares amounting to Rs. 10,57,600 Thousands and Rs. 20,00,000 Thousands was directly paid by GOM to MSPGCL and MSEDCL respectively as per GR issued by GOM

d) Rights, Preferences and restrictions attaching to each class of shares

The Company has only one class of Equity Shares having par value of Rs. 10 per share.

- e) Shares in respect of each class in the Company held by its Holding Company or ultimate holding Company including shares:



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

Not applicable as the Company does not have the Holding Company.

f) Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts.

Not applicable.

g) Aggregate number of bonus shares issued, shares issued for consideration other cash and shares bought back during the period of five years immediately preceding reporting date.

| Particulars | F.Y. 2022-23 | F.Y. 2021-22 | F.Y. 2020-21 | F.Y. 2019-20 | F.Y. 2018-19 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| i) Equity Shares allotted as fully paid up Bonus Shares | NIL | NIL | NIL | NIL | NIL |
| ii) Equity Shares issued for consideration other than cash | NIL | NIL | NIL | NIL | NIL |

h) Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date.

Not Applicable

i) Calls unpaid (showing aggregate value of calls unpaid by directors and officers).

Not Applicable

j) Forfeited Shares (amount originally paid up)

Not Applicable

k) Disclosure of Shareholding of Promoters

Disclosure as per Note 6(A)(m) of Shareholding of Promoters as at 31st March 2024

| Promoter's Name | No. of shares | % of total shares | % of Change during the Year |
|--|-----------------|-------------------|-----------------------------|
| Government of Maharashtra and its nominees | 90,98,05,72,502 | 100% | - |

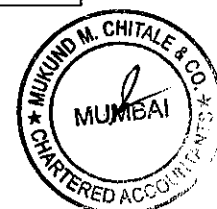
Disclosure as per Note 6(A)(m) of Shareholding of Promoters as at 31st March 2023

| Promoter's Name | No. of shares | % of total shares | % of Change during the Year |
|--|-----------------|-------------------|-----------------------------|
| Government of Maharashtra and its nominees | 90,23,42,61,502 | 100% | - |

Note 16 : Other Equity

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|---|-------------------------|-------------------------|
| (i) Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | (2,11,09,913) | (2,11,77,901) |
| Add: Total Comprehensive Income / (Loss) for the year | 1,55,492 | 67,988 |
| Closing balance | (2,09,54,421) | (2,11,09,913) |
| Total (A) | (2,09,54,421) | (2,11,09,913) |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

| | | |
|---|----------------------|----------------------|
| (ii) Share Application Money Pending Allotment | | |
| 100% pertaining to Government of Maharashtra | 1,08,70,491 | 9,11,410 |
| Total (B) | 1,08,70,491 | 9,11,410 |
| | | |
| Total (A+B) | (1,00,83,930) | (2,01,98,503) |

Note 17: Non Current Provisions

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|--|-------------------------|-------------------------|
| Provision for Employee Benefits | | |
| Provision for compensated absences (Note 30) | 22,886 | 21,587 |
| Provision for gratuity (Note 30) | 22,614 | 21,100 |
| | | |
| Other Provisions | 26,466 | 19,304 |
| | | |
| Total | 71,966 | 61,991 |

17.1) Provision for compensated absences and gratuity has been accounted for on the basis of Actuarial Valuation.

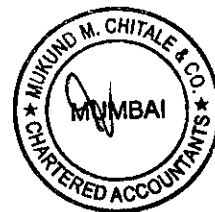
Note 18: Deferred Tax Liability/Asset (Net)

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|---|-------------------------|-------------------------|
| | | |
| Deferred Tax Liabilities (A) | | |
| Timing difference on account of WDV of Fixed Assets | 5,36,390 | 5,45,972 |
| Total (A) | 5,36,390 | 5,45,972 |
| | | |
| Deferred Tax Assets (B) | | |
| Employee Benefits | 17,832 | 15,075 |
| Unabsorbed Depreciation | 10,95,545 | 12,06,189 |
| Others - Expected Credit Loss | 83,865 | 82,981 |
| Total (B) | 11,97,242 | 13,04,245 |
| | | |
| Rate of Tax | 29.12% | 27.82% |
| | | |
| Deferred Tax Assets/(Liabilities) as at Year End | 6,60,852 | 7,58,273 |
| Deferred Tax Charged/ (Credit)to Profit and Loss | - | - |

18.1) During the year under review, the Company has made reassessment of historical pre-tax earnings, future probable taxable profits and came to the conclusion that no deferred tax assets need to be recognised, since there is reasonable uncertainty about the future taxable profits against which the carried forward unused tax losses and unused tax credits shall be adjusted.

Reconciliation of effective tax rate as a numerical reconciliation between tax expense and the product of account profit multiplied by the applicable tax rate :



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

| (Amount in Thousands) | | |
|--|------------|------------|
| Particulars | FY 2023-24 | FY 2022-23 |
| Profit / (Loss) before tax | 1,56,178 | 70,348 |
| Applicable tax rate | 29.12% | 27.82% |
| Tax using the applicable tax rate | | |
| Tax effect of: | | |
| Add: Nondeductible tax expenses | 4,26,384 | 4,60,476 |
| Less: Deductible tax expenses | (2,72,839) | (2,67,031) |
| Less: utilization of unabsorbed depreciation | (3,09,723) | (2,63,793) |
| Taxable Income | - | - |
| Current tax expense recognized in the Statement of Profit and Loss | - | - |
| Weighted average Tax rate | 0% | 0% |

Note 19: Trade Payable

| (Amount in Thousands) | | |
|--|------------------|------------------|
| Particulars | As at 31.03.2024 | As at 31.03.2023 |
| Trade Payable | | |
| - Due to Micro, Small and Medium Enterprises | - | - |
| - Others | 35,951 | 43,578 |
| Total | 35,951 | 43,578 |

19.1) Details of Dues to Micro and Small Enterprises

Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Act, 2006:

The Company has not received any intimation from “suppliers and service providers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid or payable as required under the said Act have reflected as Nil.

| (Amount in Thousands) | | |
|---|------------------|------------------|
| Particulars | As at 31.03.2024 | As at 31.03.2023 |
| a i) Principal amount remaining unpaid to supplier under the MSMED Act 2006 | Nil | Nil |
| a ii) Interest on a) (i) above | Nil | Nil |
| b i) Amount of Principal paid beyond the appointed Date | Nil | Nil |
| b ii) Amount of interest paid beyond the appointed date (as per Section 16 of the said Act) | Nil | Nil |
| c) Amount of Interest due and payable for the period of delay in making payment, but without adding the interest specified under section 16 of the said Act | Nil | Nil |
| d) Amount of Interest accrued and due | Nil | Nil |
| e) Amount of further interest remaining due and payable Even in succeeding years | Nil | Nil |

19.2) Balances as on 31st March 2024 of Trade Payables are subject to confirmations from the respective vendors.



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

19.3) Trade Payables ageing schedule

Ageing schedule of Trade Payables outstanding as at 31st March 2024:

(Amount in Thousands)

| 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) MSME | - | - | - | - | - | - |
| (ii) Others | - | 35,742 | 209 | - | - | 35,951 |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | - | 35,742 | 209 | - | - | 35,951 |

Ageing schedule of Trade Payables outstanding as at 31st March 2023:

(Amount in Thousands)

| 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) MSME | - | - | - | - | - | - |
| (ii) Others | - | 42,776 | 802 | - | - | 43,578 |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | - | 42,776 | 802 | - | - | 43,578 |

Note 20: Other Current Financial Liabilities

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|-----------------------|----------------------|----------------------|
| Earnest Money Deposit | 2,038 | 2,001 |
| Security Deposit | 16,075 | 15,727 |
| Retention Money | 659 | 3,974 |
| Total | 18,772 | 21,702 |

Note 21 : Other Current Liabilities

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|----------------------------|----------------------|----------------------|
| (a) Inter Company Payables | | |
| MSETCL | 7,47,933 | 7,29,904 |
| MSPGCL | 22,33,220 | 22,30,786 |
| MSEB Residual | 4,846 | 5,346 |
| MSEB CPF | 347 | 326 |
| (b) Other Payables | | |
| Statutory Dues Payable | 59,861 | 58,519 |
| Others | 324 | 1,903 |
| Total | 30,46,531 | 30,26,784 |

The Company has elected to continue with the carrying amount of Inter Company Payables and use that carrying amount as their fair value



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

21.1) Inter Company Payables:

i) Inter Company Payables: MSETCL of Rs. 7,47,933 Thousands (Rs. P.Y. 7,29,904 Thousands) does not includes transfer of common and specific liabilities, assets and reserves amounting to net balance of Rs. 5,17,638 Thousands. Balances with MSETCL are under reconciliation, discussions and deliberations.

ii) Inter Company Payables: MSPGCL of Rs. 22,33,220 Thousands (Rs. P.Y. 22,30,786 Thousands) does not includes transfer of common and specific liabilities, assets and reserves amounting to net balance of Rs. 31,62,786 Thousands. Balances with MSPGCL are under reconciliation, discussions and deliberations.

iii) Inter Company Payables: MSEB Residual of Rs. 4,846 Thousands (P.Y Rs. 5,346 Thousands) consists of amount payable to the bond holders who could not be identified / traced.

Note 22: Current Provisions

(Amount in Thousands)

| Particulars | As at 31 March, 2024 | As at 31 March, 2023 |
|--|-------------------------|-------------------------|
| Provision for Employee Benefits | | |
| Provision for compensated absences (Note 30) | 6,849 | 4,972 |
| Provision for gratuity (Note 30) | 8,886 | 6,528 |
| Audit Fees Payable | 894 | 894 |
| Other Provisions | 38,636 | 10,303 |
| | | - |
| Total | 55,265 | 22,697 |

Note 23: Revenue From Operation

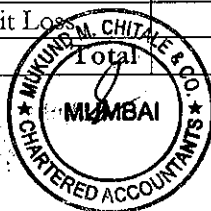
(Amount in Thousands)

| Particulars | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|---------------------|---------------------------------------|---------------------------------------|
| Income from Rentals | 8,61,146 | 8,16,187 |
| Total | 8,61,146 | 8,16,187 |

Note 24 : Other Income

(Amount in Thousands)

| Particulars | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Interest income | | |
| - on Fixed Deposits with bank | 33,673 | 12,078 |
| - on Other Deposits | 138 | 102 |
| Rent from Staff quarters | 566 | 317 |
| Other miscellaneous receipts | 549 | 593 |
| Sale of Scrap | 531 | 2,966 |
| Registration Fees | - | 26 |
| Profit on Sale of Property, Plant & Equipment's | 62 | - |
| Excess Provision Written Back | 22 | - |
| Reversal of Provision for Expected Credit Loss | 10,278 | - |
| Total | 45,819 | 16,082 |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

Note 25: Employee Benefits Expenses

(Amount in Thousands)

| Particulars | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|--------------------------------|---------------------------------------|---------------------------------------|
| Salary | 68,710 | 60,492 |
| Directors Remuneration | - | 838 |
| Contribution to Provident Fund | 5,339 | 4,897 |
| Total | 74,049 | 66,227 |

25.1) Salary includes payment made to employees of MSPGCL, MSEDCL and MSETCL working with the Company on deputation basis. Further gratuity and leave encashment in respect of these employees have been considered from date of their joining instead of the date when they were deputed in MSEBHCL.

25.2) Shri. S Jagannath, Director (Security & Enforcement) for the period April 2022 to May 2022. No whole-time director appointed since May 2022.

Note 26 : Depreciation And Amortisation Expenses

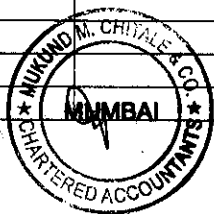
(Amount in Thousands)

| Particulars | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Depreciation and amortization expense on | | |
| Property, Plant & Equipment's (Note 6) | 50,074 | 49,240 |
| Investment Properties (Note 7) | 3,66,003 | 3,64,808 |
| Total | 4,16,077 | 4,14,048 |

Note 27 : Other Expenses

(Amount in Thousands)

| Particulars | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| ADMINISTRATION AND GENERAL EXPENSES | | |
| Rent, Rate & Taxes (Note 29) | 32,781 | 32,392 |
| Legal & Professional Fees | 10,172 | 16,205 |
| Audit Fees | | |
| - As an auditor | 750 | 750 |
| - other matters | - | - |
| Printing & Stationery | 458 | 658 |
| Conveyance Expenses | 62 | 31 |
| Fees and Subscriptions | 7,598 | 9,809 |
| Telephone Expenses | 158 | 159 |
| Insurance on fixed assets | 112 | 86 |
| Repairs and Maintenance | | |
| - Office Equipment's | 41,123 | 45,068 |
| - Vehicles | 548 | 775 |
| - Buildings | 34,364 | 34,584 |
| - Furniture | 2,466 | 3,734 |
| Meeting Expenses | 337 | 435 |
| Travelling Expenses | 385 | 603 |
| Foreign Travelling Expenses | - | 2,100 |
| Postage & Telegram | 6 | 6 |
| Bank Charges & Commission | 7 | 19 |
| Books & Periodicals | 3 | 9 |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

| | | |
|--|-----------------|-----------------|
| Advertisement | 826 | 3,176 |
| Director Sitting Fees | - | 2 |
| Commission on sale of Scarp | - | 73 |
| Vehicle Hiring Charges | 8,051 | 8,714 |
| Vehicle Running Expenses | 1,297 | 813 |
| Electricity Charges | 37,731 | 28,055 |
| Water Charges | 7,207 | 7,532 |
| Security Charges | 32,943 | 25,073 |
| Upkeep of Office Premises | 34,923 | 26,570 |
| Other Miscellaneous Expenses | 1,052 | 643 |
| Interest on Deposits as per BMC Directives | 1,266 | 1,266 |
| Profession Tax | 3 | 3 |
| Prior Period Expenses | 87 | 6,473 |
| Provision for Expected Credit Loss | - | 21,659 |
| Provision for Doubtful Advances | 2,000 | 2,435 |
| CSR Expenses (Note 33) | 1,945 | 1,736 |
| Total | 2,60,661 | 2,81,646 |

27.1) As per Memorandum of Understanding dated 25th May 2023, the expenditure amounting to Rs. 31,489 Thousands (P.Y. Rs 33,988 Thousands) on account of Electricity Charges, Water Charges, Housekeeping, Security Measures, Consultancy Charges, Legal Charges, Printing & Stationery, Expenditure on Civil and Electrical Maintenance work and salaries and allowances of employees of Civil Division Bandra, Chief Engg. (C) Corporate Office MSEDCL have been borne by MSEBHCL on the basis of advices received from MSEDCL Civil Circle Bandra.

Note 28: Contingent Liabilities and commitments

a) Contingent Liabilities

28.1) **Income Tax Dues:** The position of Income Tax Dues as on 31st March 2024 is as follows:
(Amount in Thousands)

| Nature of Dues | Gross Demand | Taxes Paid under protest | Refund Adjusted | Balance Liabilities |
|---------------------------------|------------------|--------------------------|-----------------|---------------------|
| (1) | (2) | (3) | (4) | (5) = (2-3-4) |
| A.Y. 2007-08 - Penalty | 1,371,737 | 250,000 | - | 1,121,737 |
| A.Y. 2009-10- Penalty | 1,134,815 | 100,000 | - | 1,034,815 |
| A.Y. 2012-13- Tax and Interest | 158,289 | 75,802 | 82,487* | - |
| A.Y. 2013-14 - Tax and Interest | 115,899 | 115,899 | - | - |
| A.Y. 2018-19 - Tax and Interest | 1,229 | - | - | 1,229 |
| Total | 2,781,969 | 541,701 | 83,736 | 2,157,781 |

* excluding interest adjustment of Rs. 1,249 thousands

The position of Income Tax Dues as on 31st March 2023 is as follows:

(Amount in Thousands)

| Nature of Dues | Gross Demand | Taxes Paid under protest | Refund Adjusted | Balance Liabilities |
|---------------------------------|------------------|--------------------------|-----------------|---------------------|
| (1) | (2) | (3) | (4) | (5) = (2-3-4) |
| A.Y. 2007-08 - Penalty | 1,371,737 | 250,000 | - | 1,121,737 |
| A.Y. 2009-10- Penalty | 1,134,815 | 100,000 | - | 1,034,815 |
| A.Y. 2012-13- Tax and Interest | 158,289 | 75,802 | 82,487* | - |
| A.Y. 2013-14 - Tax and Interest | 115,899 | 115,899 | - | - |
| A.Y. 2018-19 - Tax and Interest | 1,229 | - | - | 1,229 |
| Total | 2,781,969 | 541,701 | 83,736 | 2,157,781 |

* excluding interest adjustment of Rs. 1,249 thousands



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

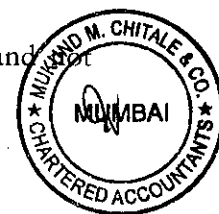
- 28.2) The Company has given Corporate Guarantee in favour of REC Ltd. amounting to Rs. 8,400 crores and to Central Bank of India amounting to Rs. 1,000 crores plus Interest, Liquidated damages as may be levied by Central Bank of India in case of any default, on behalf of MSEDCL for grant of loan.
- 28.3) The Company has given Corporate Guarantee of amounting Rs 2,160 crores in favour of Power Finance Corporation (PFC) and Rs. 2,160 crores in favour of REC and Rs. 1,000 crores plus Interest, Liquidated damages as may be levied by Bank of Baroda on behalf of MSPGCL for grant of loan.
- 28.4) The Company has given corporate guarantee to REC Ltd. and Central Bank in favour of its wholly owned Subsidiary i.e. MSEDCL. The Company has also given guarantee to PFC Ltd, REC Ltd and Bank of Baroda in favour of another wholly owned subsidiary i.e. MSPGCL. The Company has neither given so far nor intend to give such guarantee to any entity in the open market. There is no intention of the Company, of whatsoever nature, to gain commercial benefits out of such Guarantees. Furthermore, a charge has already been created on assets of the subsidiaries companies for the loans availed by them. Corporate guarantee provided by the Company is an 'additional cover' to secure the liability. Hence, there is very little risk to the Company as result, of which company has not charged any guarantee fees being no business expediency. Therefore, no commission on corporate guarantee is charged by the Company on Corporate Guarantee given on behalf of its subsidiary and therefore no fair value of such Corporate Guarantee given by the Company has been recognised and incorporated in the Ind AS financial statements.
- 28.5) Following Legal Cases are outstanding as on 31-03-2024

| Sr. | Details of Case | Petitioner | Respondent |
|-----|--|-----------------------|----------------------------|
| 1 | Sub-Division of Plot of Dharavi Office Building at Estrella Batteries compound. Case No. 1663/2004. | MSEB Holding Co. Ltd. | Estrella Batteries Ltd |
| 2 | Regarding vacation of 2nd floor in possession of Central Excise Dept in Dharavi Office Building at Estrella Batteries compound. Case No. RAE 533/801/2009. | MSEB Holding Co. Ltd. | Union Of India |
| 3 | Regarding vacation of 3rd & 4th floor portion in possession of MSEBHCL at HSBC, Fort. Case No. Appeal 213/18 TER 346/366/2001. | MSEB Holding Co. Ltd. | The Hongkong Shanghai Bank |
| 4 | Regarding vacation of the Dadar Guest House premises from Gurusingh Sabha Gurudwara bldg. Dadar, Case no RAD/533/2022 | MSEB Holding Co. Ltd. | Gurusingh Sabha |

Amount of liability that may arrive out of the above legal cases is not quantified hence no contingent liability has been disclosed.

b) Commitments:

The estimated amount of contracts remaining to be executed on capital account and provided for is Rs. Nil (P.Y. Rs. Nil/-)



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

The Company has plan for redevelopment of Saudamini building located at Haji Ali, Mahalaxmi, Mumbai, the cost for which is estimated to be Rs. 185.62 crores which has not been included in the commitments as work orders have not been awarded/issued for the same.

Note 29: Leases (IND AS 116)

Currently most of the lease arrangements entered into by the Company are short term leases. Further there are leases wherein litigations are ongoing with the lessors, due to which there is reasonable uncertainty about the lease period as well as the future lease payments etc. of these leasehold land / premises. Due to these reasons, there are no right-of-use assets and corresponding lease liabilities recognised in the Ind AS financial statements of the Company to provide lease disclosures in accordance with Ind AS-116 including of maturity analysis of lease liabilities, movement with respect to Right to Use (ROU) and lease liabilities etc.

There are no future cash outflows relating to leases that have not yet commenced.

Note 30: Employee Benefit (IND AS 19)

During the year the Company has carried out Actuarial Valuation of Gratuity and Leave Encashment. Short/Excess provision arising out of the same is charged/credited to Statement of Profit and Loss Account and Other Comprehensive Income. Disclosures as per IND AS 19 has been given to the extent available in the Report of Actuary.

| Particulars | Gratuity | | Leave Encashment | |
|----------------------|------------|-----------|------------------|-----------|
| | (Unfunded) | | (Unfunded) | |
| | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| Discount | 7.23% | 7.52% | 7.23% | 7.52% |
| Salary Increase Rate | 6.00% | 6.00% | 6.00% | 6.00% |
| Withdrawal Rate | 2.00% | 2.00% | 2.00% | 2.00% |
| Retirement Age | 58 yrs | 58 yrs | 58 yrs | 58 yrs |

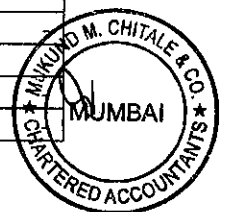
(Amount in Thousands)

| Particulars | Gratuity | | Leave Encashment | |
|---|--------------|--------------|------------------|--------------|
| | (Unfunded) | | (Unfunded) | |
| | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| Table 1. Total Expenses Recognised in the Statement of Profit & Loss Account | | | | |
| Service cost | | | | |
| a. Current Service cost | 1,354 | 1,319 | 1,530 | 1,403 |
| b. Past Service Cost | - | - | - | - |
| c. (Gain)/Loss on settlements | - | - | - | - |
| d. Total Service cost | 1,354 | 1,319 | 1,530 | 1,403 |
| Net Interest Cost | | | | |
| a. Interest expense on DBO | 1,832 | 1,790 | 1,810 | 1,673 |
| b. Interest (income) on plan assets | - | - | - | - |
| c. Interest expense on effect of (asset ceiling) | - | - | - | - |
| e. Total net interest cost | 1,832 | 1,790 | 1,810 | 1,673 |
| Immediate Recognition of (Gains)/Losses- Other Long-Term Benefits | - | - | (164) | 1,417 |
| Other expenses/adjustments | - | - | - | - |
| Defined Benefit cost included in P & L | 3,186 | 3,109 | 3,176 | 4,493 |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

| Particulars | Gratuity | | Leave Encashment | |
|--|---------------|---------------|------------------|---------------|
| | (Unfunded) | | (Unfunded) | |
| | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| Table 2: Remeasurement Effects Recognized in other Comprehensive Income (OCI) | | | | |
| a. Actuarial (Gain)/Loss due to Demographic Assumption changes in DBO | - | - | - | - |
| b. Actuarial (Gain)/Loss due to Financial Assumption changes in DBO | 468 | (439) | - | - |
| c. Actuarial (Gain)/Loss due to Experience on DBO | 218 | 2,799 | - | - |
| d. Return on Plan Assets (Greater)/Less than Discount rate | - | - | - | - |
| e. Changes in asset ceiling / onerous liability (excluding interest income) | - | - | - | - |
| Total Actuarial (Gain)/ Loss included in OCI | 686 | 2,360 | - | - |
| Table 3: Total Cost Recognised in Comprehensive Income | | | | |
| Cost Recognised in P&L | 3,186 | 3,109 | 3,176 | 4,493 |
| Amounts Recognised in OCI | 686 | 2,360 | - | - |
| Total cost Recognised in Comprehensive Income | 3,872 | 5,469 | 3,176 | 4,493 |
| Table 4: Change in Defined Benefit Obligation | | | | |
| Defined Benefit Obligation as of Prior Year End | 27,628 | 26,603 | 26,559 | 24,670 |
| Service Cost | | | | |
| a. Current Service cost | 1,354 | 1,319 | 1,530 | 1,403 |
| b. Past service cost | - | - | - | - |
| c. (Gain)/Loss on settlements | - | - | - | - |
| Interest Cost | 1,832 | 1,790 | 1,810 | 1,673 |
| Benefit payments from plan assets | - | - | - | - |
| Benefit payments directly by employer | - | (4,444) | - | (2,604) |
| Settlements | - | - | - | - |
| Participant contribution | - | - | - | - |
| Acquisition/ Divestiture | - | - | - | - |
| Actuarial (Gain)/ Loss –Demographic Assumptions | - | - | - | - |
| Actuarial (Gain)/ Loss –Financial Assumption | 468 | (439) | 521 | (520) |
| Actuarial (Gain)/ Loss –Experience | 218 | 2,799 | (685) | 1,937 |
| Other Expenses/adjustments | - | - | - | - |
| Defined Benefit Obligation as of Current Year End | 31,500 | 27,628 | 29,735 | 26,559 |
| Table 5: Change in Fair Value of Plan Assets | | | | |
| Fair value of plan assets at end of prior year | - | - | - | - |
| Expected Return on Plan Assets | - | - | - | - |
| Employer contributions | - | - | - | - |
| Participant contributions | - | - | - | - |
| Benefit payments from plan assets | - | - | - | - |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

| Particulars | Gratuity | | Leave Encashment | |
|--|------------|-----------|------------------|-----------|
| | (Unfunded) | | (Unfunded) | |
| | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| Settlements | - | - | - | - |
| Acquisition/ Divestiture | - | - | - | - |
| Actuarial (Gain)/ Loss on Plan Assets | - | - | - | - |
| Fair value of plan assets at end of year | - | - | - | - |

Table 6: Net Defined Benefit Asset/ (Liability)

| | | | | |
|---|---------------|---------------|---------------|---------------|
| Defined Benefit Obligation | 31,500 | 27,628 | 29,735 | 26,559 |
| Fair Value of Plan Assets | - | - | - | - |
| (Surplus)/ Deficit | 31,500 | 27,628 | 29,735 | 26,559 |
| Effect of Asset Ceiling | - | - | - | - |
| Net Defined Benefit Liability/ (Asset) | 31,500 | 27,628 | 29,735 | 26,559 |

Table 7: Reconciliation of Amounts in Balance Sheet

| | | | | |
|--|---------------|---------------|---------------|---------------|
| Net defined benefit liability (asset) at prior year end | 27,628 | 26,603 | 26,559 | 24,670 |
| Defined benefit cost included in P&L | 3,186 | 3,109 | 3,176 | 4,493 |
| Total remeasurements included in OCI | 686 | 2,360 | - | - |
| Other significant events/ One-time Ind AS 19 Adjustment | - | - | - | - |
| Acquisition/ Divestiture | - | - | - | - |
| Amounts recognized due to plan combinations | - | - | - | - |
| Employer contributions | - | - | - | - |
| Direct benefit payments by Employer | - | (4,444) | - | (2,604) |
| Effect of changes in foreign exchange rates | - | - | - | - |
| Net defined benefit liability (asset) - end of period | 31,500 | 27,628 | 29,735 | 26,559 |

Table 8: Reconciliation of Statement of Other Comprehensive Income

| | | | | |
|---|---------|---------|---|---|
| Cumulative OCI- (Income) /Loss, Beginning of Period | (2,548) | (4,907) | - | - |
| Total remeasurements included in OCI | 686 | 2,360 | - | - |
| Cumulative OCI - (Income)/ Expenses, End of Period | (1,862) | (2,548) | - | - |

Table 9: Current / Non-Current Liability

| | | | | |
|-----------------------|---------------|---------------|---------------|---------------|
| Current Liability | 8,886 | 6,528 | 6,849 | 4,972 |
| Non-Current Liability | 22,614 | 21,100 | 22,886 | 21,587 |
| Non-Current asset | - | - | - | - |
| Total | 31,500 | 27,628 | 29,735 | 26,559 |

Table 10: Expected Future Cashflows

| Particulars | Gratuity | | Leave Encashment | |
|-------------|-----------|-----------|------------------|-----------|
| | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| Year 1 | 8,886 | 6,528 | 6,849 | 4,972 |
| Year 2 | 7,448 | 4,916 | 6,428 | 4,146 |
| Year 3 | 2,484 | 6,749 | 2,286 | 6,150 |
| Year 4 | 510 | 2,155 | 525 | 2,060 |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

| Particulars | Gratuity | | Leave Encashment | |
|--|-----------|-----------|------------------|-----------|
| | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| Year 5 | 4,519 | 383 | 4,379 | 424 |
| Year 6 to 10 | 6,860 | 5,978 | 7,336 | 6,226 |
| Above 10 Years | 22,871 | 23,047 | 27,299 | 29,934 |
| Average Expected Future Working life (Years) | 12.52 | 12.97 | 12.52 | 12.97 |

Table 11: Components of Defined Benefit Cost for Next Year

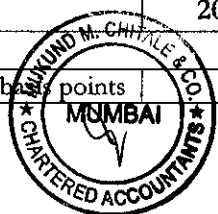
| Particulars | Gratuity | | Leave Encashment | |
|--|------------|--------------|------------------|--------------|
| | (Unfunded) | | (Unfunded) | |
| | 2024-2025 | | 2024-2025 | |
| Service Cost | | | | |
| a. Current Service Cost | | 1,491 | | 1,670 |
| b. Past service cost | | -- | | -- |
| c. (Gain)/ loss on settlements | | -- | | -- |
| d. Total Service Cost | | 1,491 | | 1,670 |
| Net interest cost | | | | |
| a. Interest expense on DBO | | 1,956 | | 1,902 |
| b. Interest (income) on plan assets | | - | | - |
| c. Interest expense on effect of (asset ceiling) | | - | | - |
| d. Total net interest cost | | 1,956 | | 1,902 |
| Other Adjustments | | - | | - |
| Defined benefit cost included in P&L | | 3,447 | | 3,572 |

Plan Assets - The weighted- average asset allocations at the year-end were as follows:

| Particulars | Gratuity | | Leave Encashment | |
|---|------------|-----------|------------------|-----------|
| | (Unfunded) | | (Unfunded) | |
| | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| Equities | 0.00 % | 0.00 % | 0.00 % | 0.00 % |
| Bonds | 0.00 % | 0.00 % | 0.00 % | 0.00 % |
| Gilts | 0.00 % | 0.00 % | 0.00 % | 0.00 % |
| Pooled assets with an insurance company | 0.00 % | 0.00 % | 0.00 % | 0.00 % |
| Other | 0.00 % | 0.00 % | 0.00 % | 0.00 % |
| Total | 0.00 % | 0.00 % | 0.00 % | 0.00 % |
| Actual return on plan assets | - | - | - | - |

Sensitivity Analysis

| Defined Benefit Obligation | Gratuity | | Leave Encashment | |
|-------------------------------------|------------|-----------|------------------|-----------|
| | (Unfunded) | | (Unfunded) | |
| | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| Discount rate | | | | |
| a. Discount rate - 100 basis points | 33,268 | 29,227 | 31,713 | 28,459 |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

| Defined Benefit Obligation | Gratuity | | Leave Encashment | |
|--|------------|-----------|------------------|-----------|
| | (Unfunded) | | (Unfunded) | |
| | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| a. Discount rate - 100 basis points impact (%) | 5.61% | 5.79% | 6.65% | 7.15% |
| b. Discount rate + 100 basis points | 29,960 | 26,244 | 28,025 | 24,933 |
| b. Discount rate + 100 basis points impact (%) | -4.89% | -5.01% | -5.75% | -6.12% |
| Salary increase rate | | | | |
| a. Rate – 100 basis points | 29,939 | 26,213 | 27,992 | 24,897 |
| a. Rate - 100 basis points impact (%) | -4.96% | -5.12% | -5.86% | -6.26% |
| b. Rate+ 100 basis points | 33,262 | 29,235 | 31,717 | 28,469 |
| b. Rate + 100 basis points impact (%) | 5.60% | 5.82% | 6.67% | 7.19% |

Valuation done by the actuary is relied upon.

Note 31: Segment Reporting (IND AS 108)

The company is a single-segment company with the object of holding shares in the subsidiaries on behalf of GOM. Hence disclosure under Indian Accounting Standard 108 is not required.

Further, following are the details of revenue from transaction with external customers amounting to 10% or more of the Company's revenue are as following:

(Amount in Thousands)

| Particulars | FY 2023-24 | FY 2022-23 |
|--|--------------------------------|--------------------------------|
| Revenue from Operations with single external customer amounting to 10% of the Company's revenue: | 860,528 (Total 3 customers) | 815,569 (Total 3 customers) |

Note 32: Related Party Disclosure (IND AS 24)

a) Subsidiary Companies

| Sr No. | List of related parties over which control exists | Relationship |
|--------|---|-------------------------|
| 1 | Maharashtra State Electricity Distribution Co. Ltd. | Wholly owned subsidiary |
| 2 | Maharashtra State Electricity Transmission Co. Ltd. | Wholly owned subsidiary |
| 3 | Maharashtra State Power Generation Co. Ltd. | Wholly owned subsidiary |
| 4 | MSEB Solar Agro Power Ltd * | Wholly owned subsidiary |
| 5 | Aurangabad Power Company Ltd | Subsidiary of MSEDCL |
| 6 | Mahagenco Renewable Energy Ltd. | Subsidiary of MSPGCL |
| 7 | Mahaguj Collieries Ltd | Subsidiary of MSPGCL |
| 8 | Dhopave Coastal Power Ltd | Subsidiary of MSPGCL |
| 9 | MSKVY First Solar Spv Ltd. | Subsidiary of MSAPL |
| 10 | MSKVY Second Solar Spv Ltd. | Subsidiary of MSAPL |
| 11 | MSKVY Third Solar Spv Ltd. | Subsidiary of MSAPL |
| 12 | MSKVY Fourth Solar Spv Ltd. | Subsidiary of MSAPL |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

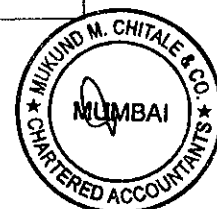
| | | |
|----|-----------------------------------|---------------------|
| 13 | MSKVY Fifth Solar Spv Ltd. | Subsidiary of MSAPL |
| 14 | MSKVY Sixth Solar Spv Ltd. | Subsidiary of MSAPL |
| 15 | MSKVY Saptam Saur Spv Ltd. | Subsidiary of MSAPL |
| 16 | MSKVY Eighth Solar Spv Ltd. | Subsidiary of MSAPL |
| 17 | MSKVY Ninth Solar Spv Ltd. | Subsidiary of MSAPL |
| 18 | MSKVY Tenth Solar Spv Ltd. | Subsidiary of MSAPL |
| 19 | MSKVY Eleventh Solar Spv Ltd.. | Subsidiary of MSAPL |
| 20 | MSKVY Twelfth Solar Spv Ltd. | Subsidiary of MSAPL |
| 21 | MSKVY Thirteenth Solar Spv Ltd. | Subsidiary of MSAPL |
| 22 | MSKVY Chaturdash Saur Spv Ltd. | Subsidiary of MSAPL |
| 23 | MSKVY Fifteenth Solar Spv Ltd. | Subsidiary of MSAPL |
| 24 | MSKVY Sixteenth Solar Spv Ltd. | Subsidiary of MSAPL |
| 25 | MSKVY Seventeenth Solar Spv Ltd. | Subsidiary of MSAPL |
| 26 | MSKVY Eighteenth Solar Spv Ltd. | Subsidiary of MSAPL |
| 27 | MSKVY Nineteenth Solar Spv Ltd. | Subsidiary of MSAPL |
| 28 | MSKVY Twentieth Solar Spv Ltd. | Subsidiary of MSAPL |
| 29 | MSKVY Twenty First Solar Spv Ltd. | Subsidiary of MSAPL |

* Company incorporated wef 31st May 2023.

The above disclosure is based on representation received from the Company. In view of the exemption given in Para 25 of the Indian Accounting Standard – 25, the company is not required to disclose transactions with its subsidiaries since they are state-controlled enterprises.

| Name of related party | Relationship |
|---|---|
| Ratnagiri Gas and Power Private Limited | Enterprise over which Key Management Personnel, Relatives of Key Management Personnel etc are able to exercise significant influence. |
| Konkan LNG Limited | Enterprise over which Key Management Personnel, Relatives of Key Management Personnel etc are able to exercise significant influence. |

| Name of related party | Nature of Transaction | Amount in Thousands |
|---|---------------------------------|---|
| Ratnagiri Gas and Power Private Limited | Dividend Received | Nil |
| | Investment made during the year | Nil |
| | Closing Balance of Investment | 442,226,131 shares of Rs. 10/- each and net realisable value is Nil |
| Kokan LNG Limited | Dividend Received | Nil |
| | Investment made during the year | Nil |
| | Closing Balance of Investment | 74,053,869 shares of Rs. 10/- each and net realisable value is Nil |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

b) Key Management Personnel:

| | |
|-----------------------------|--|
| Mr. Dinesh Waghmare | Managing Director (Upto 29/11/2022) |
| Mrs. Abha Shukla | Managing Director (from 29/11/2022) |
| Mr. Ravindra Sawant | Director (Finance) (Additional Charge) (Upto 31/01/2023) |
| Mr. Balasaheb Thite | Director (Finance) (Additional Charge) (from 03/02/2023 to 21/06/2023) |
| Mr. Ashok Ananda Phalnikar | Director (Finance) (Additional Charge) (from 21.06.2023 to 31.01.2024) |
| Mr. Anudeep Dighe | Director (Finance) (Additional Charge) (from 21.02.2024) |
| Mr. Jaganathan Saravanasamy | Director (Security & Enforcement) (Upto 31/05/2022) |
| Mr. Rajiv Malewar | Director (I/C) (Security & Enforcement) (from 31/05/2022) |
| Mrs. Rupali Bhaskar Gole | Chief Financial Officer (From 09/11/2023) |
| Mr Subodh Rameshravji Zare | Company Secretary |

- I. Whole Time Director *(S&E) Mr. Jaganathan Saravanasamy has drawn remuneration of Rs. Nil (P.Y. Rs. 838 Thousands)
- II. Whole time Company Secretary has drawn salary of Rs. 2,872 Thousands (P.Y. Rs. 2,483 Thousands) was paid to him during the year.

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the Company level at the end of each year and accordingly, have not been considered in the above information. Further, the provision towards pay fixation for current year have also not been considered in the above information.

Note 33: Corporate Social Responsibility (CSR)

The Provisions of Section 135 regarding CSR are applicable to the Company. The details of expenditure incurred are as under

(Amount in Thousands)

| Particulars | Year Ended 31 st March 2024 | Year Ended 31 st March 2023 |
|--|---|---|
| Average net profits over the last three years | 97,246 | 86,795 |
| 2% of average net profits over the last three years | 1,945 | 1,736 |
| Amount expended on CSR activity for the year | 1,945 | - |
| Pending obligations towards expenditure on CSR at year End | - | 1,736 |
| Amount expended in next year | - | 1,736 |

Disclosure with regards to CSR activities

(Amount in Thousands)

| Particulars | F.Y.2023-2024 | F.Y.2022-2023 |
|--|---|---|
| (a) Amount required to be spent by the company during the year | 1,945 | 1,736 |
| (b) Amount of expenditure incurred | 1,945 | --- |
| (c) Shortfall/ (Excess) at the end of the year | 0 | 1,736 |
| (d) Total of previous years shortfall | 0 | 0 |
| (e) Reason for shortfall | -- | -- |
| (f) Nature of CSR activities | The amount was spent through Sanjeevan Socio Medical Foundation for | The amount was transferred to Prime Minister National |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

| Particulars | F.Y.2023-2024 | F.Y.2022-2023 |
|--|---|---|
| | carrying activities specified under Schedule VII to the Companies Act 2013. | Relief Fund under Schedule VII to the Companies Act 2013 on 22nd Sept 2023. |
| (g) Details of related party transactions | Not Applicable | Not Applicable |
| (h) Provision made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year. | - | 1,736 |

Note 34: Earnings per share as per (IND AS 33)

| Particulars | As at 31 st March 2023 | As at 31 st March 2023 |
|--|-----------------------------------|-----------------------------------|
| Profit/(Loss) after taxes (amount in thousand) | 155,492 | 67,988 |
| Weighted Average Number of equity shares outstanding | 90,674,374,111 | 90,162,652,324 |
| Face Value of Equity Shares Rs/share | 10 | 10 |
| Earnings per share (basic) (Rs.) | 0.002 | 0.001 |
| Earnings per share (diluted) (Rs.) | 0.002 | 0.001 |

Note 35: Financial Instruments – Accounting, Classification and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

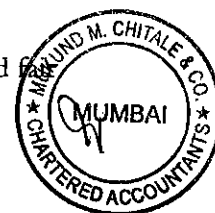
The following methods and assumptions were used to estimate the fair value.

- 1) Fair value of cash and short-term deposits, trade and other short-term receivables, trade receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-terms maturities of these instruments.
- 2) Financial instruments with fixed and variables interest rates are evaluated by the Company based on parameters such as interest and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

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

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded value are observable, either directly or indirectly.



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in Thousands)

| Particulars | As at 31 st March 2024 | | | As at 31 st March 2023 | | |
|------------------------------|-----------------------------------|------------------------|---------|-----------------------------------|------------------------|---------|
| | Carrying Amount | Level of input used in | | Carrying Amount | Level of input used in | |
| | | Level 1 | Level 2 | | Level 1 | Level 2 |
| Financial Assets | | | | | | |
| At Amortised Cost | | | | | | |
| Trade Receivables | 4,527,939 | - | - | 4,654,901 | - | - |
| Cash & cash Equivalents | 22,803 | - | - | 1,000 | - | - |
| Other Bank Balances | 415,500 | - | - | 160,910 | - | - |
| At Amortised Cost | | | | | | |
| Investments | 850,318,159 | - | - | 832,685,969 | - | - |
| Financial Liabilities | | | | | | |
| At Amortised Cost | | | | | | |
| Trade Payables | 35,951 | - | - | 43,578 | - | - |
| Other financial Liabilities | 18,772 | - | - | 21,702 | - | - |

Note 36: Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, receivables, payables and loans and borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rates.

The Company is not exposed to significant interest rate risk as the respective reporting dates.

Foreign currency risk

The Company is not exposed to foreign currency risk at the respective reporting dates.



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

Credit risk

Credit risk arises from the possibility that customer or counter party may not be able to settle their contractual obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as the date of initial recognition. It consists reasonable and supportive forwarding looking information such as:

- 1) Actual or expected significant adverse changes in business.
- 2) Actual or expected significant changes in the operating results of the counterparty.
- 3) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.
- 4) Significant increases in credit risk on other financial instruments of the same counterparty.
- 5) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt the recovery of dues. When recoveries are made, these are recognised in the statement of profit and loss.

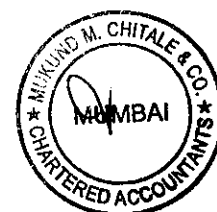
No significant changes in estimation techniques or assumptions were made during the year.

Information about the exposure to credit risk relating to trade receivables and measurement of loss allowances using the life-time expected credit loss is provided in Note no. 10 of the Ind AS financial statements.

The Company is not exposed to credit risk relating to cash and cash equivalents and other bank balances which are shown in the Ind AS financial statements as the balances are held with reputed banks.

Liquidity risk

Liquid risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the reporting date:

(Amount in Thousands)

| Particulars | Carrying amount | Contractual cash flows | | | | |
|--------------------------------------|-----------------|------------------------|-----------|-----------|-------------------|--------|
| | | Up to 1 year | 1-2 years | 2-5 years | More than 5 years | Total |
| As at 31st March 2024 | | | | | | |
| Non-derivative financial liabilities | | | | | | |
| Trade payables | 35,951 | 35,951 | - | - | - | 35,951 |
| Other financial liabilities | 18,772 | 18,772 | - | - | - | 18,772 |
| As at 31st March 2023 | | | | | | |
| Non-derivative financial liabilities | | | | | | |
| Trade payables | 43,578 | 43,578 | - | - | - | 43,578 |
| Others | 21,702 | 21,702 | - | - | - | 21,702 |

The Company is not exposed to liquidity risk at the respective reporting dates.

Note 37: Financial Derivative Instruments

- There are no derivative contracts entered into by the Company and outstanding as on 31st March 2024 (P.Y. - Nil) for Hedging currency and interest related risks.
- There are no foreign currency receivables and payables as on 31st March 2024 (P.Y. - Nil) that are not hedged by derivative instruments.
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Note 38: Disclosure of Fully depreciated Assets as on 31st March 2024 as per paragraph 79 of Ind As 16

(Amount in Thousands)

| Category | Gross Block | Residual value 5% | Accum. Depreciation | WDV as on 31st March 2023 | Depreciation for FY 23-24 | WDV as on 31st March 2024 |
|---------------------|----------------|-------------------|---------------------|---------------------------|---------------------------|---------------------------|
| Furniture & Fixture | 110,980 | 5,549 | 108,736 | 2,244 | 237 | 2,007 |
| Computers | 5,392 | 270 | 4,812 | 580 | 311 | 269 |
| Plant & Machinery | 93,529 | 4,676 | 88,853 | 4,676 | - | 4,676 |
| Vehicles | 5,169 | 258 | 4,931 | 238 | - | 238 |
| Total | 215,070 | 10,753 | 207,332 | 7,738 | 548 | 7,190 |



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

Note 39: - Additional Regulatory Information- Ratios

| <u>Particulars</u> | Numerator | Denominator | 2023-2024 | 2022-2023 | Variation | Reasons for huge Variation (more than 25% as compared to the preceding year.) |
|---|--|---|-----------|-----------|-----------|---|
| (a) Current Ratio (in times) | Total Current Assets | Total Current Liabilities | 2.08 | 2.03 | 2.73 | |
| (b) Return on Equity Ratio (in Times) | Profit/(Loss) for the year less Preference dividend (if any) | Average Equity (Shareholder's Funds) | * | * | * | |
| (c) Trade Receivables turnover ratio (in times) | Net Credit Sales | Average Accounts Receivable | 0.18 | 0.17 | 3.39 | |
| (d) Net capital turnover ratio | Net Sales | Average Working capital | 0.26 | 0.27 | -3.40 | |
| (e) Net profit ratio | Net Profit After Tax | Net Sales | 0.18 | 0.09 | 110.42 | There is Increase in Net Profit ratio due to Increase in Income |
| (f) Return on Capital employed | EBIT | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | * | * | * | |
| (g) Return on investment (Measured in terms of Returns on Total Assets of the Company) | Net Profit after Taxes | Avg. Total Assets | * | * | * | |

* Insignificant value.

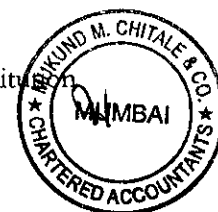
Debt-Equity Ratio, Debt Service Coverage Ratio, Inventory Turnover Ratio and Trade Payables Turnover Ratio are not applicable, hence not provided.

Note 40: Relationship with struck off companies

The Company has not undertaken any transactions with companies struck off under section 248 of the Companies Act 2013 or Section 560 of the Companies Act 1956.

Note 41: Borrowings and wilful defaulter

- a) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



MSEB Holding Company Limited

Notes to the Ind AS financial statements (Cont)

for the year ended 31st March 2024

- b) The Company has not borrowed any funds including borrowing on the basis of security of current assets; hence the disclosure pertaining to borrowings are not applicable.

Note 42: Registration of charges or satisfaction with Registrar of Companies

There is no charge form filed beyond the statutory period for registration of charges or satisfaction with Registrar of Companies.

Note 43: Utilisation of Borrowed funds and share premium

- a. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- b. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries for the year ended 31st March 2023.

Note 44: Loans to related parties

The Company has not granted any loans or advances in the nature of loans to its promoters, directors, Key Managerial Personnel and the related parties, either severally or jointly with any other person, that are repayable on demand and/or without specifying any terms or period of repayment.

Note 45: Undisclosed income

There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note 46: Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

Note 47: Code on Social Security, 2020

The Code on Social Security 2020 ("the Code") relating to employee benefits, during the employment and postemployment, received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate



MSEB Holding Company Limited
Notes to the Ind AS financial statements (Cont)
for the year ended 31st March 2024

impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

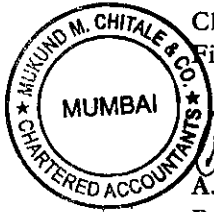
Note 48: Events after reporting date


There have been no significant events after the reporting date that requires disclosure in these Ind AS financial statements.

Note 49: Figures for the previous year have been regrouped / reclassified wherever necessary to confirm to current year classification.

Signature on notes to accounts


For Mukund M Chitale & Co.
Chartered Accountants
Firm Registration No.: 106655W






A. V. Kamat
Partner
Membership Number: 39585

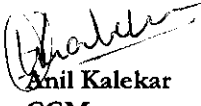
Place: Mumbai
Date: 28.12.2024


For and on behalf of Board of Directors of
MSEB Holding Company Limited



Anudeep Dighe
Director(F)(I/C)
(DIN: 10042623)


Vishwas Pathak
Director
(DIN: 00093771)


Abha Shukla
Managing Director
(DIN:09054999)


Anil Kalekar
CGM
(Finance)(I/C)


Rupali Gole
CFO
Mem. No. 150823


Subodh Zare
Company Secretary
Mem. No. A22980

Place: Mumbai
Date: 28.12.2024