

Report of Independent Auditor on the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Restated Consolidated Statement of Changes in Equity, Restated Consolidated Statement of Cash flows, Other Explanatory Information for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, Summary Statement of Material Accounting Policies for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 of SEPC Limited and its Subsidiary (collectively, the "Restated Consolidated Financial Information")

The Board of Directors

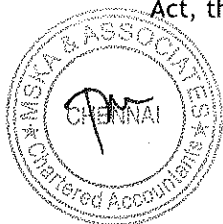
SEPC Limited

Old No. 56/ L, New No. 10/1, 4th Floor,
Bascon Futura Sv it Park,
Venkatnarayana Road, Parthasarathy puram,
T.Nagar, Chennai - 600017

Dear Sirs,

1. We, M S K A & Associates, Chartered Accountants ("we" or "us" or "our" or "firm"), have examined the Restated Consolidated Financial Information of SEPC Limited (the "Company" or " Holding Company" or the "Issuer") and its subsidiary (the Holding Company and its subsidiary together referred to as the "Group"), as at March 31, 2024, March 31, 2023 and March 31, 2022, annexed to this report for the purpose of inclusion in the Letter of Offer (the 'LOF'), prepared by the Company in connection with its Rights issue of its equity shares of face value of Rs. 10 each aggregating to Rs.20,000 lakhs ("Rights Issue"). These Restated Consolidated Financial Information have been approved by the Board of Directors of the Company at their meeting held on June 19, 2024 and have been prepared by the Company in accordance with the requirements of:
 - a) the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
 - b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors are responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the LOF to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") in connection with the Rights Issue. The Restated Consolidated Financial Information have been prepared by the management of the Company in accordance with the basis of preparation stated in Note 2 to the Restated Consolidated Financial Information. The Board of Directors of the Company are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors of the Company are responsible for identifying and ensuring that the Group complies with the Act, SEBI ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
 - a) the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated May 30, 2024, in connection with the Rights Issue of the Company;
 - b) The Guidance Note also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;
 - c) Concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d) The requirements of Section 26 of the Act and the SEBI ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Rights Issue.



4. These Restated Consolidated Financial Information have been compiled by the management from:
- Audited Consolidated Ind AS financial statements of the Group as at and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 28, 2024, May 25, 2023 and June 24, 2022 respectively.
 - The audited consolidated Ind AS financial statements of the Group for the year ended March 31, 2024 is yet to be adopted by the shareholders in the Annual general meeting.

5. For the purpose of our examination, we have relied on:

Auditor's report issued by us dated May 28, 2024, May 25, 2023 and June 24, 2022 on the consolidated Ind AS financial statements of the Group as at and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022 as referred in Paragraph 4 above.

- A. The audit report for the year ended March 31, 2024 included the below paragraphs:

(i) **Other Matters**

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 15,851.44 Lakhs as at March 31, 2024, total revenues of Rs. Nil Lakhs and net cash flows amounting to Rs. 1.90 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors. The subsidiary is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditors under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India.

We have audited these conversion adjustments made by the Holding Company's management.

Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements after conversion adjustments certified by the Management and audited by us.

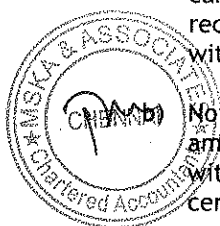
- B. The audit report for the year ended March 31, 2023 included the below paragraphs:

(i) **Emphasis of Matter:**

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

- Note 42.1(i) of the consolidated financial statements, which describes the implementation of Resolution Plan entered into with the lenders dated June 22, 2022, wherein interest waiver, and the difference between the carrying amounts of the facilities before restructuring and the fair values of the new facilities has been recognized as income and disclosed under Exceptional items in the statement of profit and loss in accordance with INDAS 109 - Financial Instruments.

Note 42.1(ii) to the consolidated financial statements, which states that the management written off an amount of Rs. 5,819.69 Lakhs towards amounts due on account of work performed on a contract entered into with a customer which was subsequently wrongfully terminated before the completion of the contract due to certain issues at the contract site. Legal disputes / arbitration proceedings have been initiated during the period in respect of projects with the customers.



Our opinion is not modified in respect of these matters.

(ii) Other Matters:

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 15,623.16 Lakhs as at March 31, 2023, total revenues of Rs. 793.85 Lakhs and net cash flows amounting to Rs. 15.13 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor. The subsidiary is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditor under generally accepted auditing standards applicable in its country.

The Holding Company's management has converted the financial statements of the subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management.

Our opinion in so far as it relates to the balances and affairs of the subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements certified by the Management.

C. The audit report for the year ended March 31, 2022 included the below paragraphs:

(i) Material Uncertainty Related to Going Concern:

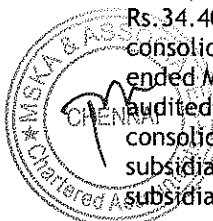
We draw attention to Note 4 (e) to the consolidated financial statements, which states that the Company has incurred a net loss of Rs. 26,370.37 Lakhs during the year ended March 31, 2022 and as of that date has accumulated losses aggregating to Rs. 2,15,105.50 Lakhs which has resulted in substantial erosion of its net worth. Further, the COVID-19 pandemic has also impacted the operations resulting in delay of collection relating to project dues. These events or conditions indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, as stated in the note, considering the restructuring plan for the borrowings, infusion of additional equity subsequent to the year end by the investor and Management's plans to meet financial obligations in foreseeable future out of the cash flows from execution of the pipeline of orders in hand, future business plans, non-fund based facilities, and realisation of trade receivables, the consolidated financial statements of the Company for the year ended March 31, 2022 have been prepared on a going concern basis. Our opinion is not modified in respect of this matter.

(ii) Emphasis of Matter:

We draw attention to Note 43 to the Consolidated financial statements which states that the Management has made an assessment of the impact of Covid-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2022 and accordingly recognised an impairment loss of Rs. 6,361.26 Lakhs (March 31, 2021: Rs. 1,149.11 Lakhs) on financial assets and contract assets to reflect the business impact arising from the COVID 19 pandemic. Our opinion is not modified in respect of this matter.

(iii) Other Matters:

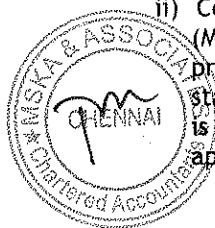
We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs.15,356.23 Lakhs as at March 31, 2022, total revenues of Rs.2,885.01 Lakhs and net cash flows amounting to Rs.34.40 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 1,469.36 Lakhs for the year ended March 31, 2022, as considered in the consolidated financial statements. The financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.



6. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
- a) have been prepared after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively in the financial years ended March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024;
 - b) does not contain any qualifications requiring adjustments except for the matters mentioned in para 7 below. Moreover, with respect to the matters mentioned in paragraph 5A, 5B and 5C above, those qualifications/ observations in the Companies (Auditor's Report) Order, 2020 for the years ended March 31, 2024, March 31, 2023, March 31, 2022 and the qualifications in the report on the internal financial controls with reference to the consolidated financial statements for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 under clause (i) of sub section 3 of Section 143 of the Companies Act 2013, which do not require any adjustments in the Restated Consolidated Financial Information have been disclosed in Note 59 to the Restated Consolidated Financial Information and;
 - c) have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note.

7. Basis for Qualified Opinion

- A) The audit report on the consolidated financial statements for the year ended March 31, 2024 issued by us, included the below qualifications which have not been adjusted in the Restated Consolidated Financial Information :
- i.) The carrying value of the Deferred Tax Asset (DTA) balance includes an amount of Rs. 30,870.91 Lakhs as on March 31, 2024 which was recognized in regard to the unabsorbed business losses of Rs. 88,343.94 lakhs. Due to the non-availability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such unabsorbed business losses can be utilised as required by Ind AS 12: Income taxes, we are unable to comment on any adjustments that may be required to the carrying value of the aforesaid DTA on the Statement for the quarter and year ended March 31, 2024. (Refer Note 41(B) of the consolidated financial statements).
 - ii.) Non-Current Contract Assets include overdue balances of Rs. 6,959.44 lakhs (net of provisions amounting to Rs. 926.98 lakhs) and Non-Current Trade Receivables include Rs. 575.21 lakhs (net of provisions amounting to Rs. 82.99 lakhs) as on March 31, 2024, relating to dues on projects which have been stalled due to delays in obtaining approvals from the regulatory authorities. Due to the non-availability of sufficient appropriate audit evidence to corroborate management's assessment of the recoverability of the said balances, we are unable to comment on the carrying value of these non-current Contract Assets and Trade Receivables, and the consequential impact if any, on the Statement for the quarter and year ended March 31, 2024. (Refer Note 8.1 and Note 11.1 of the consolidated financial statements).
- B) The audit report on the consolidated financial statements for the year ended March 31, 2023 issued by us, included the below qualifications which have not been adjusted in the Restated Consolidated Financial Information :
- i) The carrying value of Deferred Tax Asset (DTA) include an amount of Rs. 33,289.92 Lakhs (March 31, 2022: Rs. 39,645 Lakhs) which is recognized on unabsorbed business losses. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such unabsorbed business losses can be utilised as required by Ind AS 12 on Income taxes, we are unable to ascertain the extent to which the deferred tax asset can be utilized. (Refer Note 43B of the consolidated financial statements).
 - ii) Contract Assets (Non-Current) include Rs. 7,351.90 Lakhs (Net of provisions amounting to Rs. 926.98 Lakhs) (March 31, 2022: Rs. 3,956.02 Lakhs) and Trade Receivables (Non-Current) include Rs. 575.21 Lakhs (Net of provisions amounting to Rs. 82.99 Lakhs) relating to dues on projects which are not progressing on account of statutory delays faced by the customer. In the absence of positive development in this matter till date, there is uncertainty on the amount that would be recoverable by the Company. Further, we do not have sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the said amounts.



MSKA & Associates

Chartered Accountants

Accordingly, we are unable to comment on the carrying value of above-mentioned Contract Asset (Non-Current) and Trade Receivables (Non-Current) and the impact if any, on account of non-provisioning of the said balances on the consolidated financial statements. (Refer to Note 8.1 and Note 11.1 of the Consolidated Financial Statements)

C) The audit report on the consolidated financial statements for the year ended March 31, 2022 issued by us, included the below qualifications which have not been adjusted in the Restated Consolidated Financial Information :

- i) The carrying value of Deferred Tax Asset (DTA) include an amount of Rs. 39,645.00 Lakhs (March 31, 2021: Rs. 43,889.00 Lakhs) which is recognized on unabsorbed business losses. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment on reasonable certainty of future taxable profits, as required by Ind AS 12- Income taxes and considering the current pandemic situation, we are unable to ascertain the extent to which the deferred tax asset can be utilized. (Refer Note 44 of the Consolidated financial statements)
- ii) Contract Asset (Non-Current) include Rs. 3,956.02 Lakhs (Net of provisions amounting to Rs. 926.98 Lakhs) relating to project dues which is not progressing on account of Statutory delays faced by the Customer. In the absence of positive development in this matter till date, there is uncertainty on the amount that would be recoverable by the Company. Further, sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the above said amount is not available. Accordingly, we are unable to comment on the carrying value of above-mentioned Contract Asset (Non-Current) and the impact if any, on account of non-provisioning of the said balance on the Consolidated financial statements. (Refer to Note 08 of the Consolidated Financial Statements)

8. Qualified Opinion

In our opinion and to the best of our information and according to the explanation given to us and after considering auditors' reports issued by other auditors, except for the effect of the matter described in Basis for Qualified Opinion paragraph above, the Restated Consolidated Financial Information of the Group as at and for the years ended March 31, 2024, March 31, 2023 and 31 March 2022, read with basis of preparation and summary of material accounting policies disclosed in Note 2.1, have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, the SEBI ICDR Regulations and the Guidance Note.

9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated Ind AS financial statements mentioned in paragraph 4 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous auditor's reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of this report.
12. Our report is intended solely for use of the Board of Directors and for inclusion in the Letter of Offer to be filed with the SEBI and the stock exchanges, as applicable in connection with the Rights Issue. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care towards any other person relying on the report.

For M S K A & Associates

Chartered Accountants

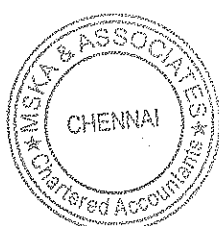
Firm Registration Number: 105047W

T.V Ganesh

Partner

Membership Number: 203370

UDIN: 24203370BKBTVV6320



Place: Chennai

Date: June 19, 2024

SEPC Limited
Restated Consolidated Balance Sheet
(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
ASSETS				
Non-current assets				
Property, plant and equipment	6A	2,830.84	3,272.98	3,842.03
Right of Use Assets	6B	241.61	322.39	233.09
Intangible assets	7	23.92	27.96	32.00
Contract assets	8	10,300.45	7,351.90	3,956.02
Financial assets				
Investments	9	77.81	40.93	52.72
Loans	10	696.17	697.48	8,131.35
Trade Receivables	11	16,605.49	18,206.25	18,768.50
Other Financial Assets	12	1,030.47	1,041.14	1,091.57
Deferred Tax Assets (Net)	43	40,323.55	40,323.55	43,345.50
Income Tax Assets (Net)	14	1,710.37	1,549.40	1,412.42
Total Non-Current Assets		73,840.68	72,833.98	80,865.20
Current assets				
Contract Assets	15	91,975.82	73,246.59	79,708.74
Financial assets				
Trade receivables	16	30,002.26	29,206.01	37,250.48
Cash and cash equivalents	17	1,834.96	3,307.04	582.67
Other bank balances	18	4,257.69	1,730.33	2,387.49
Other Financial Assets	19	234.18	166.00	679.25
Other Current assets	20	18,784.54	19,692.41	20,052.12
Assets classified as held for sale	21	-	-	596.06
Total Current Assets		1,47,089.45	1,27,348.38	1,41,456.81
Total Assets		2,20,930.13	2,00,182.36	2,22,322.01
EQUITY AND LIABILITIES				
Equity				
Equity share capital	22	1,40,981.36	1,32,152.90	97,152.90
Other equity	23	(19,954.90)	(23,503.32)	(23,352.89)
Non Controlling Interest		162.43	159.58	146.61
Total Equity		1,21,188.89	1,08,809.16	73,946.62
Liabilities				
Non-Current Liabilities				
Financial liabilities				
Lease Liabilities	6B	179.49	252.04	201.93
Borrowings	24	29,840.24	26,616.64	15,364.47
Other financial liabilities	25	3,847.21	4,024.26	4,465.38
Provisions	26	734.15	590.32	540.50
Contract Liabilities	27	4,552.49	2,078.30	2,202.91
Total Non-Current Liabilities		39,153.58	33,561.56	22,775.19
Current liabilities				
Financial liabilities				
Lease Liabilities	6B	101.20	98.45	36.60
Borrowings	28	15,373.66	13,966.58	82,462.97
Trade payables	29	-	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		30,420.97	37,957.02	33,968.22
Other financial liabilities	30	10,165.00	1,625.07	1,875.25
Other current liabilities	31	191.92	445.95	689.94
Contract Liabilities	32	4,280.94	3,432.75	5,934.03
Provisions	33	53.97	285.82	633.19
Total Current Liabilities		60,587.66	57,811.64	1,25,600.20
Total Liabilities		99,741.24	91,373.20	1,48,375.39
Total Equity and Liabilities		2,20,930.13	2,00,182.36	2,22,322.01

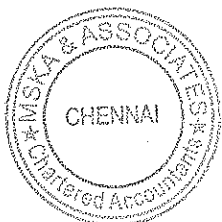
Summary of material accounting policies.

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The accompanying notes are an integral part of the Restated Consolidated financial statements

As per our report of even date
For MSA & Associates
Chartered Accountants
Firm Registration No. 105047W

T.V. Ganesh
Partner
Membership No: 203370



For and on behalf of the Board of Directors of
SEPC Limited
CIN - L72201TN2000PLC045167

N K Suryanarayana
Managing Director & CEO
DIN: 01714066

T. Sriraman
Company Secretary
Membership No: A68102

R Ravichandran
Director
DIN: 01920603

R S Chandrasekharan
Chief Financial Officer

Place: Chennai
Date: June 19, 2024

Place: Chennai
Date: June 19, 2024

SEPC Limited
Restated Consolidated Statement of changes in equity
(Amount in ₹ lakhs, unless otherwise stated)

(A) Equity share capital	As at 31-03-2024		As at 31-03-2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid:				
Outstanding at the beginning of the year	1,32,132.90	97,45,20,048	97,452.80	97,15,29,016
Add: Shares issued during the year	37.00	27,10,000	37.00	27,10,000
Outstanding at the end of the year	1,40,864.36	1,24,15,20,048	97,452.80	97,15,29,016

(B) Other equity	Reserve & Surplus					Components of Other Comprehensive Income		
	Share option outstanding account	Securities premium account	General reserve	Capital reserve	Retained earnings	Share of reserve from an associate	Foreign currency monetary item translation difference account	Non controlling interest
Particulars								
Balance as at April 01, 2022	-	1,91,235.43	561.93	13.92	(2,15,995.48)	-	(919.84)	146.61
Loss for the year	-	-	-	-	(486.38)	-	486.12	12.97
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-
Balance as at April 01, 2023	-	1,91,235.43	561.93	13.92	(2,15,995.48)	-	582.36	159.58
Issue of Shares	-	-	-	-	-	-	-	-
Profit / Loss for the year	-	-	-	-	2,278.26	-	-	2.85
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	-	1,91,235.43	561.93	13.92	(2,13,717.22)	-	30.74	162.43

Particulars	Reserve and Surplus					Components of Other Comprehensive Income		
	Share options outstanding account	Securities premium account	General reserve	Capital reserve	Retained earnings	Share of reserve from an associate	Foreign currency monetary item translation difference account	Non controlling interest
Balance as at April 01, 2021	-	1,91,235.43	561.93	13.92	(1,93,438.12)	-	37.46	142.73
Profit / (Loss) for the year	-	-	-	-	(486.38)	-	(486.12)	3.88
Transfer	-	-	-	-	4,700.99	(4,700.99)	-	-
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-
Balance as at April 01, 2022	-	1,91,235.43	561.93	13.92	(2,15,195.30)	-	405.12	146.61
Profit / (Loss) for the year	-	-	-	-	(486.38)	-	-	12.97
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	-	1,91,235.43	561.93	13.92	(2,15,995.48)	-	582.36	159.58

Particulars	Reserve and Surplus					Components of Other Comprehensive Income		
	Share options outstanding account	Securities premium account	General reserve	Capital reserve	Retained earnings	Share of reserve from an associate	Foreign currency monetary item translation difference account	Non controlling interest
Balance as at April 01, 2020	0.17	1,91,235.43	561.93	13.92	(1,75,488.82)	-	37.46	142.73
Profit / (Loss) for the year	(0.17)	-	-	-	(17,547.31)	-	(94.75)	(4.03)
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-
Balance as at 1 April 2021	-	1,91,235.43	561.93	13.92	(1,93,438.12)	-	405.12	146.61
Profit / (Loss) for the year	-	-	-	-	(486.38)	-	-	3.88
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	-	1,91,235.43	561.93	13.92	(2,15,995.48)	-	582.36	159.58

The accompanying notes are an integral part of the Restated Consolidated Financial statements

As per our report of even date
At Chennai, this 15th day of June 2024
T. J. Ganesh
Partner
Membership No: 203570



Place: Chennai
Date: June 15, 2024

For and on behalf of the Share of Directors of
SEPC Limited
CHN: 071406

N. K. Suryanarayana
Managing Director & CEO
DIN: 071406

S. Sridhar
Company Secretary
Membership No: 68108

Place: Chennai
Date: June 15, 2024

R. Ravichandran
Director
DIN: 0169003
R. J. Chandrasekhar
Chief Financial Officer

SEPC Limited
Restated Consolidated Statement of Profit and Loss Account
(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31,2024	For the year ended March 31,2023	For the year ended March 31,2022
Income				
Revenue from operations	34	56,098.28	37,884.66	32,945.65
Other income	35	4,623.20	2,003.15	1,113.42
Total income		60,721.48	39,887.81	34,059.07
Expenses				
Erection, Construction & Operation Expenses	36	46,671.76	31,905.03	29,002.23
Changes in inventories of finished goods, stock-in-trade and work-in-progress	37	-	-	248.20
Employee benefits expense	38	3,224.98	3,340.15	3,699.44
Finance costs	39	4,438.55	6,039.75	11,568.38
Depreciation and amortization expense	40	531.92	614.73	582.66
Other expenses	41	3,575.91	9,271.71	4,689.28
Total expenses		58,443.12	51,171.37	49,790.19
Profit /(Loss) before exceptional items and tax		2,278.36	(11,283.56)	(15,731.12)
Exceptional items- (income)	42	-	(13,815.13)	(6,361.26)
Profit /(Loss) before tax		2,278.36	2,531.57	(22,092.38)
Income tax expense				
Current tax		-	-	-
Deferred tax		-	3,021.95	4,278.00
Total income tax expense		-	3,021.95	4,278.00
Profit /(Loss) for the year		2,278.36	(490.38)	(26,370.38)
Other Comprehensive Income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods				
Re-measurement gains/ (loss) on defined benefit plans (Net of Taxes)		50.90	(56.38)	15.61
Fair Value of Equity Instruments through OCI		36.88	(11.79)	39.01
Other Comprehensive Income / (Loss) for the year		87.78	(68.17)	54.62
Total Comprehensive Income / (Loss) for the year		2,366.14	(558.55)	(26,315.75)
Earnings / (Loss) per share	44			
Basic earnings / (loss) per share (₹)		0.17	(0.04)	(2.71)
Diluted earnings / (loss) per share (₹)		0.17	(0.04)	(2.71)
Face value per equity share (₹)		10.00	10.00	10.00

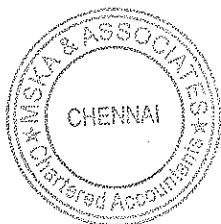
Summary of material accounting policies

2

The accompanying notes are an integral part of the Restated Consolidated financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No. 105047W

T.V.Ganesh
Partner
Membership No: 203370



For and on behalf of the Board of Directors of
SEPC Limited
CIN - L114210TN2000PLC045167

N K Suryanarayanan
Managing Director & CEO
DIN: 01714066

T.Sriraman
Company Secretary
Membership No:A68102

R Ravichandran
Director
DIN: 01920603

R S Chandrasekharan
Chief Financial Officer

Place: Chennai
Date: June 19, 2024

Place: Chennai
Date: June 19, 2024

SEPC Limited

Restated Consolidated Statement of cash flows

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Cash flow from operating activities			
Profit before tax and after exceptional items	2,278.36	2,531.57	(22,092.38)
Adjustments for:			
Depreciation and amortization expenses	531.92	614.73	582.66
Provision for Gratuity	79.45	76.34	124.63
Provision for Compensated Absences	191.82	(158.54)	156.81
Provision for Doubtful Trade Receivable & Contract Assets	816.55	5,690.78	1,831.49
Contract Assets & bad debts written off	2,420.95	4,453.20	103.35
Finance cost	4,438.55	6,039.75	12,534.31
Gain on Initial recognition of unsecured loan	(2,607.07)	(613.58)	-
Interest income	(202.33)	(312.72)	(1,074.50)
Liabilities written back	(1,500.28)	(911.59)	(38.92)
(Profit) / Loss on sale of property, plant and equipment	(4.66)	336.27	99.18
Gain on debt restructuring	-	(19,634.82)	-
Impairment loss allowance on Contract assets and receivables	-	5,819.69	6,361.26
Operating Profit before working capital changes	6,443.26	3,931.08	(1,418.11)
Changes in working capital			
(Decrease) / Increase in trade payables	(6,035.77)	4,459.27	4.54
Decrease in inventories	-	-	248.20
Decrease in trade receivables	804.52	8,291.04	3,237.95
Decrease in loans and advances	1.31	-	2,781.95
Decrease in other Current liabilities	(431.09)	(243.98)	(2,757.25)
Increase / (Decrease) in contract liabilities	3,322.38	(2,625.88)	(4,821.51)
Decrease in Short Term provisions	(423.67)	(134.64)	(52.92)
Increase / (Decrease) in Long Term provisions	115.28	(137.07)	(169.82)
Increase / (Decrease) in other financial liabilities	8,362.88	(250.18)	314.00
(Increase) / Decrease in other financial assets	(73.64)	794.34	59.53
Decrease in other current assets	907.88	317.06	675.43
Increase in Contract Assets	(24,915.30)	(12,173.61)	(3,386.25)
Cash (used in) / generated from operations	(11,921.96)	2,227.43	(5,284.25)
Income tax paid	(160.97)	(136.97)	(1,915.15)
Net cash (used in) / generated from operating activities (A)	(12,082.93)	2,090.46	(7,199.41)
Cash flow from Investing activities			
Purchase of property, plant and equipment and intangible assets	(5.38)	(13.91)	(1.10)
Movement in Bank balances not considered as Cash and cash equivalents (Net)	(2,527.36)	657.16	(479.39)
Proceeds from sale/ disposal of property, plant and equipment	4.66	292.15	4.49
Interest received	137.16	312.71	578.52
Net cash flow (used in) / generated from investing activities (B)	(2,390.92)	1,248.11	102.52
Cash flow from Financing activities			
Proceeds from issue of share capital	9,980.00	35,000.00	-
Proceeds from Short term borrowings (net)	1,407.09	359.20	6,875.29
Proceeds from Long Term Borrowings	4,000.00	16,488.78	-
Repayment of Long term borrowings	(424.54)	(48,247.99)	-
Interest and Finance Charges Paid	(1,862.32)	(4,156.00)	-
Repayment of finance lease obligation	(98.46)	(58.19)	(36.60)
Net cash flow generated from / (used in) financing activities (C)	13,001.76	(614.20)	6,838.69
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(1,472.08)	2,724.37	(258.19)
Cash and cash equivalents at the beginning of the year	3,307.04	582.67	840.86
Cash and cash equivalents at the end of the year	1,834.96	3,307.04	582.67
Cash and cash equivalents comprise			
Cash and cash equivalents as per Balance Sheet	6,092.65	5,037.37	2,970.16
Less: Bank balances not considered as Cash and cash equivalents as defined in Ind-AS 7 Cash Flow Statements	4,257.69	1,730.33	2,387.49
	1,834.96	3,307.04	582.67

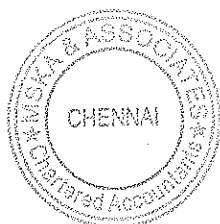
Summary of material accounting policies

2

The accompanying notes are an integral part of the Restated Consolidated financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No. 105047W

T.V. Ganesh
Partner
Membership No: 203370



For and on behalf of the Board of Directors of
SEPC Limited
CIN - L74219TN2000PLC045167

N K Suryanarayana
Managing Director & CEO
DIN: 01714066

T. Sriraman
Company Secretary
Membership No: A68102

R Ravichandran
Director
DIN: 01920603

R S Chandrasekharan
Chief Financial Officer

Place: Chennai
Date: June 19, 2024

Place: Chennai
Date: June 19, 2024

SEPC Limited**Notes forming part of the Restated Consolidated Financial Statements**

(Amount in ₹ lakhs, unless otherwise stated)

1 General Information

SEPC Limited (the "Company" or "SEPC") has diverse interests across Project Engineering & Construction. The company provides end-to-end solutions to engineering challenges, offering multi disciplinary design, engineering, procurement, construction and project management services. SEPC is focused on providing turnkey solutions for ferrous & non ferrous, cement, aluminum, copper and thermal power plants, water treatment & transmission, renewable energy, cooling towers & material handling.

The Company along with the Joint operators enters into contracts with the customers for execution of the projects. The Company's share as per such contracts is listed below. However, the Company as a Joint operator, recognises assets, liabilities, income and expenditure held/incurred jointly with other partners in proportion to its interest in such joint arrangements in compliance with applicable accounting standards taking into account the related rights and obligations applicable in the respective jointly controlled operations.

Joint operators	% of SEPC's Share
Larsen & Toubro limited shriram EPC JV	10%
Shriram EPC Eurotech Environment Pvt Ltd - JV*	100%
SEPC DRS ITPL JV*	100%
Mokul Shriram EPC JV*	50%

*Unincorporated Joint Ventures

Subsidiary Company which are consolidated			% of holding and voting power		
Name of entity	Relationship	Country of incorporation	31-Mar-24	31-Mar-23	31-Mar-22
Shriram EPC (FZE)	Subsidiary	United Arab Emirates	100%	100%	100%
Shriram EPC Arkan LLC	Subsidiary of Subsidiary	Muscat, Oman	70%	70%	70%

2 Material accounting policies

Material accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared using material accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements

The Restated Consolidated Financial Information relates to SEPC Limited (Formerly known as Shriram EPC Limited) (the "Company" or the "Issuer") and its subsidiary (the Company and its subsidiaries together referred to as the "Group") and has been specifically prepared for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), BSE Limited and Registrar of Companies, Chennai in connection with the proposed Right issue of equity shares of the Company (referred to as the "Issue"). The Restated Consolidated Financial Information comprise of the Restated Consolidated statement of assets and Liabilities as at 31 March 2024, 31 March 2023 and 31 March 2022, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Cash Flow Statement, the Restated Consolidated Statement of Changes in Equity and Statement of Significant Accounting Policies and other explanatory information for the year ended 31 March 2024, 31 March 2023 and 31 March 2022 (hereinafter collectively referred to as "Restated Consolidated Financial Information") as approved by the Board of Directors at their meeting held on June 19, 2024.

The Restated Consolidated Financial Information has been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act") read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"), and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Restated Consolidated Financial Information has been compiled by the Management from:

The audited consolidated IND AS financial statements as at and for the year ended 31 March 2024, 31 March 2023 & 31 March 2022 prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act.

(a) Statement of Compliance with Ind AS

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

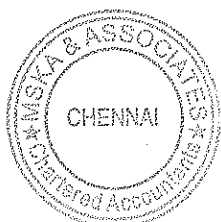
(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value (Refer Accounting Policy No. 2.9 on financial instruments).

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The normal operating cycle of the entity for Construction contracts is the duration of 2 to 3 years depending on each contract.

(c) Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Amounts in the financial statements are presented in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per



share data are presented in Indian Rupees to two decimal places.

(d) **Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, fair value measurement, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known. Refer Note 3 for detailed discussion on estimates and judgments.

(e) **Interests in Joint Operations**

When the Company has joint control of the arrangement based on contractually determined right to the assets and obligations for liabilities, it recognises such interests as joint operations. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. In respect of its interests in joint operations, the Company recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement which then becomes part of the consolidated financial statements of the Group when the financial statements of the Holding Company and its subsidiaries are combined for consolidation.

2.2 Fair value measurement

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS. The carrying value of all the items of property, plant and equipment as on date of transition is considered as the deemed cost.

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 accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement.

Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- ▶ Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;
- ▶ Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- ▶ Level 3 inputs are unobservable inputs for the valuation of assets/liabilities

2.3 Revenue Recognition

A. The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance.

Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price. Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Statement of Profit and Loss immediately in the period in which such costs are incurred.

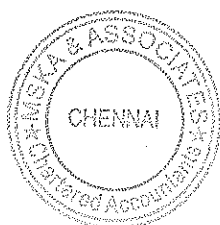
Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Significant judgments are used in:

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

B. Revenue from construction contracts/project related activity and contracts for supply/commissioning of complex plant and equipment is recognised as follows:

Fixed price contracts: Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to



condition that it is probable the such cost will be recoverable . When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to date , to the total estimated contracts cost.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

- (i) The amount of revenue can be measured reliably;
- (ii) It is probable that the economic benefits associated with the contract will flow to the company;
- (iii) The stage of completion of the contract at the end of the reporting period can be measured reliably; and
- (iv) The costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

For contracts where progress billing exceeds the aggregate of contract costs incurred to-date and recognised profits (or recognised losses, as the case may be), the surplus is shown as the amount due to customers. Amounts received before the related work is performed are disclosed in the Balance sheet as a liability towards advance received. Amounts billed for work performed but yet to be paid by the customer are disclosed in the Balance sheet as trade receivables. The amount of retention money due from customers within the next twelve months are classified under other current assets as Trade Receivable.

Revenue from contracts from rendering engineering design services and other services which are directly related to construction of an asset is recognised on the same basis as stated in (B) above.

Other Operational Revenue

Other Operational Revenue represents income earned from activities incidental to the business and is recognized when the right to receive income is established as per the terms of contract.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend income is accounted in the period in which the right to receive the same is established.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

2.4 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The company has not opted to exercise the option under section 115BAA of the income tax 1961, as introduced by the taxation laws (Amendment) ordinance, 2019 and decided to continue with the existing rate of tax for the purpose of deferred tax computation.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

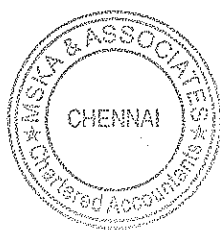
Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.5 Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.



2.6 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.7 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

2.8 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on shares and other investments partly paid;
- funding related commitment to subsidiary, associate and joint venture companies; and
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

2.9 Financial instruments

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

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(ii) Subsequent measurement

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

- at amortized cost; or
- at fair value through other comprehensive income; or
- at fair value through profit or loss.

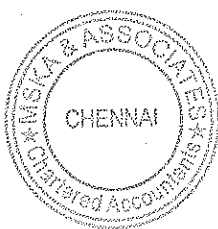
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

The company has currently exercised the irrevocable option to present in Other comprehensive income, subsequent changes in the Fair value of Equity Instruments. Such an election has been made on instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.



(iii) **Impairment of financial assets**

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

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

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet, ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) **Derecognition of financial assets**

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
 - b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.
- Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) **Financial liabilities**

(i) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

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

(ii) **Subsequent measurement**

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) **Derecognition**

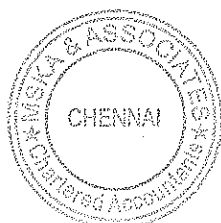
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such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

(c) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, 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 years.



4 Estimates and assumptions

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

(a) Taxes

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carryforwards can be utilized. In addition, significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(b) Construction Contracts

Recognizing construction contract revenue requires significant judgement in determining actual work performed and the estimated costs to complete the work, provision for rectification costs, variation claims etc

(c) Going Concern:

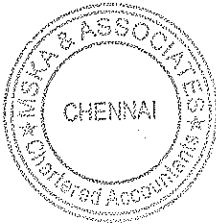
As on March 31, 2022:

The Company has incurred net loss of ₹. 26,370.37 Lakhs during the year ended March 31, 2022 and as of that date has accumulated losses aggregating ₹. 2,15,105.5 Lakhs which has resulted in substantial erosion of its net worth. The company is in default to its lenders and the lenders have categorised the Company's account as Non-Performing Asset and one of the financial creditor filed an NCLT case against the company. Resolution Plan submitted in accordance with the requirement set out in the circular issued by the Reserve Bank of India No RBI/20119/203DBR.No>BP.BC.45/21.04.048./2018-19 dated June 07, 2019 has been approved by the lenders with super majority on March 25, 2022. Subsequent to year end on June 22, 2022, the Company has entered into Master Restructuring Agreement (MRA) to give effect to the resolution plan. Based on the MRA all over dues are scheduled to be paid. With these positive developments by implementing the resolution plan, underlying strength of the Company's business plans and future growth outlook as assessed with existing order book, the credit profile of the Company, would improve resulting in it being able to meet its obligations in due course of time. Accordingly, these financial statement are prepared on a going concern basis.

5 Standards (including amendments) issued but not yet effective

Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements

(Amount in ₹ lakhs, unless otherwise stated)

6A Property, plant and equipment - 2023-24

Block of Assets	Gross block				Depreciation		Net block	
	As at	Additions/	Deductions/	As at	For the year	Deductions/	As at	As at
	April 01, 2023	Adjustments	Adjustments	March 31, 2024	April 01, 2023	Adjustments	March 31, 2024	March 31, 2023
Owned assets								
Freehold land	241.50	-	-	241.50	-	-	241.50	241.50
Leasehold Improvements	350.15	-	-	350.15	-	-	25.99	134.30
Buildings	146.86	-	-	146.86	14.78	-93.53	63.60	55.79
Plant and Machinery	5,216.77	-	-	5,216.77	4.95	12.76	2,446.64	2,783.23
Furniture and Fixtures	68.03	-	-	68.03	409.44	72.85	17.07	11.82
Office Equipment	12.17	0.37	0.21	12.33	4.55	9.80	0.02	1.13
Computers	93.74	5.01	-	98.75	11.98	0.80	30.93	36.57
Vehicle	11.79	-	1.00	10.79	57.17	(0.08)	3.98	9.58
Total	6,141.01	5.38	1.21	6,145.18	447.10	0.79	2,830.84	3,272.98

Property, plant and equipment - 2022-23

Block of Assets	Gross block				Depreciation		Net block	
	As at	Additions/	Deductions/	As at	For the year	Deductions/	As at	As at
	April 01, 2022	Adjustments	Adjustments	March 31, 2023	April 01, 2022	Adjustments	March 31, 2023	March 31, 2022
Owned assets								
Freehold land	241.50	-	-	241.50	-	-	241.50	241.50
Leasehold Improvements	350.15	-	-	350.15	18.56	-	134.30	152.86
Buildings	146.86	-	-	146.86	20.46	-	55.79	76.25
Plant and Machinery	5,577.72	8.12	369.07	5,216.77	482.42	332.86	2,783.23	3,293.74
Furniture and Fixtures	68.03	-	-	68.03	51.02	-	11.82	17.01
Office Equipment	12.17	-	-	12.17	5.19	-	0.19	0.84
Computers	90.93	5.79	2.98	93.74	45.79	2.98	36.57	45.14
Vehicle	51.75	-	39.96	11.79	37.06	40.13	9.58	14.69
Total	6,539.11	13.91	412.01	6,141.01	546.92	375.97	3,272.98	3,842.03

Property, plant and equipment - 2021-22

Block of Assets	Gross block				Depreciation		Net block	
	As at	Additions/	Deductions/	As at	For the year	Deductions/	As at	As at
	1 April 2021	Adjustments	Adjustments	31 March 2022	1 April 2021	Adjustments	31 March 2022	31 March 2021
Owned assets								
Freehold land	241.50	-	-	241.50	-	-	241.50	241.50
Leasehold Improvements	350.15	-	-	350.15	7.28	-	152.86	160.14
Buildings	147.76	-	0.90	146.86	28.48	2.57	76.25	119.28
Plant and Machinery	5,836.45	-	258.73	5,577.72	1,998.08	175.32	3,793.75	3,838.37
Furniture and Fixtures	90.92	-	22.89	68.03	43.85	2.21	16.99	47.07
Office Equipment	13.17	-	1.00	12.17	11.71	2.63	0.83	1.46
Computers	177.37	14.97	101.41	90.93	127.14	99.79	45.22	50.23
Vehicle	51.75	-	-	51.75	33.45	2.07	14.63	18.30
Total	6,909.06	14.97	384.93	6,539.11	2,432.72	284.59	3,842.03	4,476.34

The Company has not revalued any Property, Plant and equipment during the year

The immovable properties are held in the name of the Company as at March 31, 2024, March 31, 2023 and March 31, 2022

Refer Note no 24 for property, plant and equipment pledged as security in respect of borrowings.

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

The aggregate depreciation expense for the year is included under 'Depreciation and Amortisation' expense in the Statement of Profit and Loss. Refer Note 40



SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements

(Amount in ₹ lakhs, unless otherwise stated)

6B The details of the right-of-use asset held by the Company is as follows:

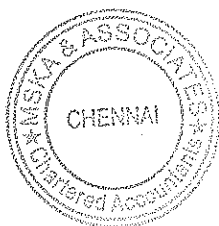
Particulars	Building	Total
Balance as at April 01, 2021	-	-
Additions	262.85	262.85
Deletion	-	-
Depreciation	(29.76)	(29.76)
Balance as at April 01, 2022	233.09	233.09
Additions	153.07	153.07
Deletion	-	-
Depreciation	(63.77)	(63.77)
Balance as at March 31, 2023	322.39	322.39
Additions	-	-
Deletion	-	-
Depreciation	(80.78)	(80.78)
Balance as at March 31, 2024	241.61	241.61

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	Building	Total
Balance as at 31 March 2021		
Additions	252.00	252.00
Interest expense	23.13	23.13
Lease Payments	(36.60)	(36.60)
Balance as at 31 March 2022	238.53	238.53
Additions	141.09	141.09
Interest on lease liabilities	29.06	29.06
Payments	(58.19)	(58.19)
As at March 31, 2023	350.49	350.49
Additions	-	-
Interest on lease liabilities	28.66	28.66
Payments	(98.46)	(98.46)
As at March 31, 2024	280.69	280.70

Breakup of current and non-current lease liabilities

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
Current lease liabilities	101.20	98.45	36.60
Non-current lease liabilities	179.49	252.04	201.93



SEPC Limited
Notes forming part of the Restated Consolidated Financial Statements
(Amount in ₹ lakhs, unless otherwise stated)

7 Intangible assets - 2023-24

Block of Assets	Gross block			Depreciation			Net block	
	As at April 01, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	For the year	Deductions/ Adjustments	As at March 31, 2024	As at 31 March 2023
Computer Software	43.12	-	-	43.12	1.79	-	26.91	18.00
Technical Knowhow	54.22	-	-	54.22	2.25	-	46.51	9.96
Total	97.34	-	-	97.34	4.04	-	73.42	27.96

Intangible assets - 2022-23

Block of Assets	Gross block			Depreciation			Net block	
	As at 1 April 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31 Mar 2023	For the year	Deductions/ Adjustments	As at 31 March 2023	As at 31 March 2022
Computer Software	43.12	-	-	43.12	1.79	-	25.12	19.79
Technical Knowhow	54.22	-	-	54.22	2.25	-	44.26	12.21
Total	97.34	-	-	97.34	4.04	-	69.38	32.00

Intangible assets - 2021-22

Block of Assets	Gross block			Depreciation			Net block	
	As at 1 April 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2022	For the year	Deductions/ Adjustments	As at 31 March 2022	As at 31 March 2021
Computer Software	43.12	-	-	43.12	1.79	-	23.33	21.58
Technical Knowhow	54.22	-	-	54.22	2.25	-	42.01	14.46
Total	97.34	-	-	97.34	4.04	-	65.34	36.04



SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements

(Amount in ₹ lakhs, unless otherwise stated)

8	Contract Assets (Non current)	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
	Contract Assets	16,713.70	8,278.88	4,883.00
	Less: Provision for Expected Credit Loss	(6,413.25)	(926.98)	(926.98)
	Total	10,300.45	7,351.90	3,956.02

8.1 Non-Current Contract Assets include overdue balances of Rs. 6,959.44 lakhs as at March 31, 2024 (March 31, 2023 Rs. 7,351.90 lakhs), (March 31, 2022 Rs 3,956.02 Lakhs) which are net of provisions of Rs. 926.98 lakhs as at March 31, 2024 (March 31, 2023: Rs 926.98 lakhs), (March 31, 2022 Rs 926 .98 Lakhs).The above amount pertain to projects which have been stalled due to delays in obtaining approvals from the regulatory authorities. One of the customers in the said projects is undergoing liquidation process, in respect of which the Company is confident of recovering the dues based on the realisability of the assets available with the said customer. Further, considering the ongoing negotiations with the customers, the management of the Company is confident of recovering both these dues in full.



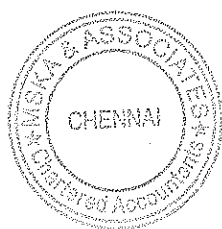
SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements

(Amount in ₹ lakhs, unless otherwise stated)

9 Financial Assets- Investments (Non Current)	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Investment in equity instruments (fully paid-up)			
(A) Investment in wholly owned Subsidiary carried at cost			
1 Equity share (Previous year: 1 Equity share) of 150,000 AED in Shriram EPC (FZE)			
(B) Investment in Others - Equity investments at fair value through other comprehensive income (FVOCI)			
<u>Quoted</u>			
386,526 Equity Shares (Previous year: 386,526 Equity Shares) of ₹ 10/- each fully paid up in Orient Green Power Company Limited	77.81	40.93	52.72
<u>Unquoted</u>			
Nil Equity shares (31 March 2023 : Nil ,31 March 2022 : Nil in Hexa Wind Farm Private Limited (Refer Note 9.1 & 49)	-	-	-
4,076,474 Equity shares (Previous year: 4,076,474 Equity Shares) of ₹ 10/- each fully paid up in Leitwind Shriram Manufacturing Private Limited	407.56	407.56	407.56
Less: Provision for Diminution in value of Investments	(407.56)	(407.56)	(407.56)
	77.81	40.93	52.72
Total (A+B)	77.81	40.93	52.72
Aggregate book value of:			
Quoted investments	77.81	40.93	52.72
Unquoted investments	-	-	-
Aggregate Market value of:			
Quoted investments	77.81	40.93	52.72
Unquoted investments	-	-	-
Aggregate amount of impairment in value of Investments	407.56	407.56	407.56

9.1 Based upon agreement with SVL Limited (Company's Entity exercising significant influence over the Company) dt March 14, 2022, 661,300 Equity shares of Hexa Wind Farm Private Limited has been sold @ Rs.10 per share (Cost).



SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements
(Amount in ₹ Lakhs, unless otherwise stated)

10 Financial assets - Loans (Non current) (at amortised cost)	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022
<u>Unsecured</u>			
Considered Good	752.35	10,968.55	18,402.47
Significant increase in credit risk	306.10	306.10	306.10
Less: Provision for Expected Credit Loss	(306.10)	(306.10)	(306.10)
Net amount	752.35	10,968.55	18,402.47
Less: Provision for Expected Credit Loss	(156.18)	(110,271.07)	(10,271.07)
Total	696.17	697.48	8,131.35

10.1 Loans includes due from:

Particulars	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022
1) Related Parties:			
Leitwind Shriram Manufacturing Private Limited- Rs. Nil, Previous year: March 31, 2023 Rs. Nil (Net of provision of expected credit loss Rs. 9,141.70 Lakhs), March 31, 2022 -Rs.477.77 Lakhs (Net of provision of Rs 9,141.70 Lakhs) Refer 10.2 below			477.77
Bharathi Wind Farm Pvt Ltd (Refer Note 48)			

10.2 Financial Assets Loans (Non Current) include Rs. Nil (March 31, 2023)- Rs. Nil, March 31, 2022- Rs. 477.77 Lakhs) due from Leitwind Shriram Manufacturing Pvt Limited (LSML) (a related party):

10.3 During the year ended March 31, 2023 loans amounting to Rs. 7,433.87 Lakhs has been taken over by SVL Limited (Erstwhile entity exercising significant influence over the Company). Also refer to Note 48.

11 Trade Receivables - (Non current) (Unsecured)	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022
Trade Receivables - Retention Money			
Considered Good	16,486.00	18,086.76	18,768.50
Significant increase in credit risk	2,680.19	2,680.19	2,267.44
Less: Provision for Expected Credit Loss	(2,680.19)	(2,680.19)	(2,267.44)
	16,486.00	18,086.76	18,768.50
Trade Receivables			
Considered Good (refer note 11.1 below)	119.49	119.49	-
Significant increase in credit risk	322.16	322.16	301.79
Less: Provision for Expected Credit Loss	(322.16)	(322.16)	(301.79)
	119.49	119.49	-
Total	16,605.49	18,206.25	18,768.50

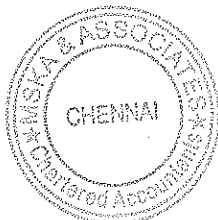
11.1 Trade receivable (Non - Current) includes an amount of Rs 575.21 lakh, net of Provisions amounting to Rs 82.99 lakhs as at March 31, 2024 (March 31, 2023 Rs 575.21 lakhs, net of Provisions amounting to Rs 82.99 lakhs) from projects which are stalled due to delays in statutory approvals faced by the customer. Considering the ongoing negotiations with the customers' ,Management is confident of recovering the dues in full.

11A Trade receivables -Non Current-aging schedule
31-03-2024

Particulars	Outstanding for following periods from due date of payments						Total
	Not Due	Upto 6 months	6 months to 1 year	1- 2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	16,486.00	-	-	-	-	2,011.45	16,486.00
- Significant increase in credit risk	-	-	-	-	-	-	2,011.45
Less: Provision for Expected Credit Loss	16,486.00	-	-	-	-	2,011.45	18,497.45
Sub total (a)							(2,011.45)
Disputed							16,486.00
- Considered good	-	-	-	-	-	119.49	119.49
- Significant increase in credit risk	-	-	-	-	-	990.90	990.90
Less: Provision for Expected Credit Loss	-	-	-	-	-	1,110.39	1,110.39
Sub total (b)	-	-	-	-	-	1,110.39	(990.90)
Total (a) + (b)							119.49
							16,605.49

Particulars	Outstanding for following periods from due date of payments						Total
	Not Due	Upto 6 months	6 months to 1 year	1- 2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	16,386.51	-	-	-	-	-	16,386.51
- Significant increase in credit risk	-	-	-	-	-	2,011.45	2,011.45
Less: Provision for Expected Credit Loss	16,386.51	-	-	-	-	2,011.45	18,397.96
Sub total (a)							(2,011.45)
Disputed							16,386.51
- Considered good	1,700.25	-	-	-	-	119.49	1,819.74
- Significant increase in credit risk	-	-	-	-	-	990.90	990.90
Less: Provision for Expected Credit Loss	1,700.25	-	-	-	-	1,110.39	2,810.64
Sub total (b)	1,700.25	-	-	-	-	1,110.39	(990.90)
Total (a) + (b)							1,819.74
							18,206.25

Particulars	Outstanding for following periods from due date of payments						Total
	Not Due	Upto 6 months	6 months to 1 year	1- 2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	16,810.77	-	-	-	-	-	16,810.77
- Significant increase in credit risk	-	-	283.83	-	-	1,294.49	1,578.32
Less: Provision for Expected Credit Loss	16,810.77	-	283.83	-	-	1,294.49	18,389.09
Sub total (a)							(1,578.32)
Disputed							16,810.77
- Considered good	1,957.73	-	-	-	-	990.90	1,957.73
- Significant increase in credit risk	-	-	-	-	-	990.90	990.90
Less: Provision for Expected Credit Loss	1,957.73	-	-	-	-	990.90	2,948.63
Sub total (b)							(990.90)
Total (a) + (b)							1,957.73
							18,768.50



12 Other financial assets (Non current) (at amortised cost)

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Deposits	1,163.33	1,174.00	1,181.04
Less: Provision for Expected Credit Loss	(132.86)	(132.86)	(132.86)
Deposits: accounts with maturity for more than twelve months from the balance sheet date	-	-	41.39
	<u>1,030.47</u>	<u>1,041.14</u>	<u>1,091.57</u>

13 Deferred Tax Assets (Net)

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Deferred Tax Assets (Net)	40,323.50	40,323.50	43,345.50
	<u>40,323.50</u>	<u>40,323.50</u>	<u>43,345.50</u>

14 Income Tax Assets (Net)

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Advance Tax & Tax deducted at source (Net of Provision for Tax (March 31, 2024 ₹ 5,540.74 lakhs (March 31, 2023 ₹ 5,540.74 lakhs)(March 31, 2022 ₹ 5,540.74 lakhs))	1,710.37	1,549.39	1,412.42
Total	<u>1,710.37</u>	<u>1,549.40</u>	<u>1,412.42</u>

15 Contract assets

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Contract Assets (Refer Note 15.1 & Note 42)	91,975.82	76,215.17	83,029.75
Less: Provision for Expected Credit Loss	-	(4,968.58)	(3,321.01)
Total	<u>91,975.82</u>	<u>71,246.59</u>	<u>79,708.74</u>

15.1 The above Contract Assets includes materials at project site amounting to Rs 24,610.00 lakhs (Previous year March 31, 2023 Rs 22,651.00 lakhs, March 31, 2022 Rs 25,512.38 lakhs)

15.2 Movement in loss allowance is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Opening balance (Current & Non Current)	5,895.56	4,247.99	1,837.93
Additions / Transfer	-	4,968.58	2,410.06
Utilizations / Reversals	517.69	(3,321.01)	-
Closing balance (Current & Non Current)	<u>6,413.25</u>	<u>5,895.56</u>	<u>4,247.99</u>

16 Trade receivables

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Unsecured			
- Considered good	20,910.48	21,992.31	29,567.80
- Significant increase in credit risk	9,600.46	9,301.61	9,075.87
Less: Provision for Expected Credit Loss	(9,600.46)	(9,301.61)	(9,075.87)
Trade Receivable - Retention monies			
- Considered good	9,091.78	7,253.70	7,682.68
- Significant increase in credit risk	63.33	63.33	-
Less: Provision for Expected Credit Loss	(63.33)	(63.33)	-
Net	<u>30,002.26</u>	<u>29,206.01</u>	<u>37,250.48</u>

16.1 The average credit period allowed to customers is between 30 days to 60 days. The credit period is considered from the date of invoice. Further, a specified amount of bill is held back by the customer as retention money, which is payable as per the credit period, from the date such retention becomes due. The retention monies held by customers become payable on completion of a specified milestone or after the Defect Liability Period of the project, which is normally 1 year after the completion of the project, as per terms of respective contract. No interest is payable by the customers for the delay in payments of the amounts over due. The Company evaluates, the financial health, market reputation, credit rating of the customer, before entering into the contract. The company's customers comprise of public sector undertakings as well as private entities.

16.2 Trade receivable include due from related parties amounting to Rs 1,675.67 Lakhs (March 31, 2023- 3,635.66 Lakhs, March 31, 2022- Rs 3,635.66 Lakhs) Refer Note 46 C)

Trade receivables ageing schedule

31-03-2024

Particulars	Outstanding for following periods from due date of payments						Total
	Not Due	Upto 6 months	6 months to 1 year	1- 2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	12,896.55	2,314.59	1,250.01	2,175.21	1,948.87	7,958.14	28,543.37
- Significant increase in credit risk	-	-	-	-	-	8,957.44	8,957.44
Less: Provision for Expected Credit Loss	12,896.55	2,314.59	1,250.01	2,175.21	1,948.87	16,915.58	37,500.81
Sub total (a)							(8,957.44)
Disputed							
- Considered good	-	-	-	1,434.63	-	24.24	1,458.87
- Significant increase in credit risk	-	-	-	-	-	344.60	344.60
Less: Provision for Expected Credit Loss	-	-	-	1,434.63	-	368.84	1,803.47
Sub total (b)							(344.60)
Total (a) + (b)							<u>30,002.24</u>

31-03-2023

Particulars	Outstanding for following periods from due date of payments						Total
	Not Due	Upto 6 months	6 months to 1 year	1- 2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	4,590.99	2,361.98	261.66	3,105.67	5,047.25	7,410.01	22,777.56
- Significant increase in credit risk	-	-	-	1,837.12	-	7,120.32	8,957.44
Less: Provision for Expected Credit Loss	4,590.99	2,361.98	261.66	4,942.79	5,047.25	14,530.33	31,735.00
Sub total (a)							(8,957.44)
Disputed							
- Considered good	-	-	1,396.44	-	3.36	63.74	1,463.54
- Significant increase in credit risk	-	-	267.29	-	-	140.21	407.50
Less: Provision for Expected Credit Loss	-	-	1,663.73	-	3.36	203.95	1,871.04
Sub total (b)							(407.50)
Total (a) + (b)							<u>24,241.10</u>



31-03-2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Upto 6 months	6 months to 1 year	1- 2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	5,139.54	2,464.46	2,588.29	10,973.19	5,178.63	8,339.63	34,683.74
- Significant increase in credit risk	-	-	1,837.11	-	-	6,894.15	8,731.26
	5,139.54	2,464.46	4,425.40	10,973.19	5,178.63	15,233.78	43,415.00
Less: Provision for Expected Credit Loss							(8,731.27)
Sub total (a)							34,683.73
Disputed							
- Considered good	-	1,396.44	-	1,038.05	-	132.26	2,566.75
- Significant increase in credit risk	-	267.29	-	-	-	77.32	344.61
	-	1,663.73	-	1,038.05	-	209.58	2,911.36
Less: Provision for Expected Credit Loss							(344.61)
Sub total (b)							2,566.75
Total (a) + (b)							37,250.48

Notes:

Movement in loss allowance is as follows: (Trade receivables- current and non current)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Opening balance	12,367.29	11,645.10	8,492.95
Additions / Transfer	298.85	722.19	3,152.15
Utilisations / Reversals	-	-	-
Closing balance	12,666.14	12,367.29	11,645.10

17 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balances with banks			
In current accounts	1,614.44	2,381.74	506.33
Margin Money (Original Maturity of less than 3 Months)	219.56	920.40	75.75
Cash on hand	0.96	2.90	6.59
Total	1,834.96	3,307.04	582.67

18 Other Bank Balances

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Deposit Account (Original Maturity of 3 Months to 12 Months)	1,224.82	223.71	224.88
Margin Money (Original Maturity of 3 Months to 12 Months)	3,032.87	1,506.62	2,162.62
Total	4,257.69	1,730.33	2,387.50

19 Other Current Financial assets

(at amortised cost)	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Security deposit	125.58	100.55	59.17
Advances to Employees	69.65	42.63	-
Interest Receivable	38.95	21.82	820.07
Total	234.18	166.00	879.24

20 Other current assets

(unsecured, considered good unless otherwise stated)	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balance with Government Authorities	5,178.91	4,794.70	4,305.93
Prepaid Expenses	380.59	35.84	21.28
Other Advances	0.29	11.24	2,310.06
Advances to Employees	-	-	62.75
Advances to Suppliers	-	-	-
- Considered good	13,224.75	14,850.63	13,352.10
- Significant increase in credit risk	1,640.30	1,640.30	1,640.30
Less: Provision for Expected Credit Loss	(1,640.30)	(1,640.30)	(1,640.30)
	13,224.75	14,850.63	13,352.10
Total	18,784.54	19,692.41	20,052.12

21 Assets classified as held for sale

Asset held for Sale	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
	-	-	596.06
Total	-	-	596.06

Assets held for sale represents the assets taken over from Atcons Infrastructure Limited (AIL) pursuant to a mutual agreement between AIL, Valecha Engineering Limited (VEL) and the Company in settlement of dues receivable from VEL Ltd.

Disclosure pursuant to Ind AS 105 - Major classes of assets and liabilities classified as held for sale:

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Property, Plant and Equipment	-	-	596.06



SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements
(Amount in ₹ lakhs, unless otherwise stated)

22 A. Equity Share capital

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Authorized			
1,750,000,000 (31 March 2023: 1,400,000,000; 31 March 2022: 1,400,000,000) Equity Shares of ₹ 10 each (Refer note a below)	1,75,000.00	1,40,000.00	1,40,000.00
	1,75,000.00	1,40,000.00	1,40,000.00
Issued, subscribed and paid up			
1,409,813,633 (31 March 2023: 1,321,529,018) (31st March 2022: 97,15,290,250) Equity shares of ₹ 10 each fully paid	1,40,981.36	1,32,152.90	97,152.90
	1,40,981.36	1,32,152.90	97,152.90

B. Preference Share capital

The Company has preference share capital having a par value of ₹ 100 per share, referred to herein as preference share capital

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Authorized			
30,000,000 (31 March 2023: 30,000,000; 31 March 2022: 30,000,000) Convertible Preference Shares of ₹ 100 each	30,000.00	30,000.00	30,000.00
Total	30,000.00	30,000.00	30,000.00

(a) Pursuant to the resolution of the members passed at the Extraordinary General Meeting held on March 08, 2024, the Authorised Share capital of the company has been increased from Rs. 1,40,000 lakhs (1,400,000,000 Equity Shares of Rs. 10/- each) to Rs. 1,75,000 lakhs (1,750,000,000 Equity Shares of Rs. 10/- each).

(b) Reconciliation of Equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2024 No of shares	As at 31 March 2023 No of shares	As at 31 March 2022 No of shares
Outstanding at the beginning of the year	1,32,15,29,018	97,15,29,018	97,15,29,018
Add: issued during the year (refer note g & h)	8,82,84,615	35,00,00,000	-
Outstanding at the end of the year	1,40,98,13,633	1,32,15,29,018	97,15,29,018

(c) Details of shareholders holding more than 5% shares

Name of Shareholder	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
Equity Shares						
Mark AB Capital Investments LLC (Refer Note d Below)	35,00,00,000	24.82	35,00,00,000	26.48	-	-
SVL Limited	11,24,89,592	7.98	21,35,41,894	16.16	27,93,91,356	28.76%
State Bank of India	-	-	12,56,34,843	9.51	12,56,34,843	12.93%
Punjab National Bank	10,15,86,630	7.20	10,18,10,880	7.70	10,22,35,172	10.52%
Central Bank of India	9,35,70,276	6.64	9,35,70,276	7.08	9,35,70,276	9.63%
IDBI Bank Limited	-	-	-	-	3,29,90,947	3.40%

(d) Details of shares held by Promoters

Name of Shareholder	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
Mark AB Capital Investments LLC	35,00,00,000	24.82	35,00,00,000	26.48	-	-
Mark AB Welfare Trust	3,01,46,361	2.14	6,07,49,462	4.60	-	-
SVL Limited*	-	-	-	-	27,93,91,356	28.76%

*The stock exchanges vide their letters dated February 02, 2023 has approved Mark AB Capital Investment LLC, Dubai as promoters and SVL Limited has been reclassified under Public holding with effect from February 03, 2023.



(e) Terms/rights attached to the shares

The Company has issued equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting rights.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has only one class of share capital, i.e., equity shares having face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

(f) Preferential issue of equity shares during past five years:

Particulars	2016-17				2017-18			
	No.shares	Face value of Rs.10/-	Premium	Total	No.shares	Face value of Rs.10/-	Premium	Total
Promoters - SVL Limited	11,39,78,495	11,398	15102.15	26,500	-	-	-	-
KPR Investment private limited	-	-	-	-	1,29,19,896	1,292	2,208.01	3,500.00
Lender Bank- Conversion of funded interest term Loan (FITL)	73,34,961	734	1685.57	2,419	10,193	1	2.34	3.36
Lender bank - Conversion of Interest sacrifice	4,06,991	41	122.3	63	24,03,425	240	722.23	962.57
Lender Bank- Conversion of Working capital term Loan (WCTL)	48,46,21,073	48,462	64212.3	1,12,674	1,92,27,563	1,923	2,547.65	4,470.41

There is no Preferential issue of Equity during the year ended March 31, 2019, March 31, 2020, March 31, 2021 & March 31, 2022

Preferential issue of equity shares during the year 2022-23:

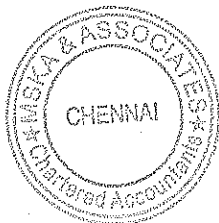
Particulars	2022-23
	No.shares
Mark AB Capital Investments LLC	35,00,00,000

- g) The Resolution Plan (RP) was implemented by the Company and Lenders, upon completion of compliance of all conditions precedent to the satisfaction of the consortium lenders and RP was effective from September 30, 2022, with change in Management as per the RP formulated under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 vide its circular dated June 07, 2019 ('the RBI Circular' / 'Regulatory Framework'). Consequent to the implementation of resolution plan, Mark AB Capital Investment LLC, Dubai acquired 26.48% in equity of the Company.

During the year ended March 31, 2023, pursuant to the Resolution Plan, Company has received Rs 35,000 Lakhs of equity and has allotted 35,00,00,000 equity shares of Rs. 10 each on preferential basis to Mark AB Capital Investment LLC, Dubai and shall be subject to lock-in for such period as may be prescribed under the ICDR Regulations. As at September 30, 2022 the Company has utilized the entire proceeds towards the intended purpose.

During the Year ended March 31, 2023, pursuant to the Resolution Plan, Company has issued 1,75,00,000 Compulsorily Convertible Debentures(CCD) of Rs 100/- each and 1,75,00,000 Non-Convertible Debenture(NCD) of Rs 100/- each aggregating to Rs. 35,000 Lakhs by way of conversion of existing loans of lenders. (Refer Note no 24.2)

- h) During the year ended March 31, 2024, pursuant to the approval of the Board of Directors, the Company has made a rights issue of 8,82,84,615 Equity Shares. Out of this 4,99,00,000 Equity shares were issued at a par value of Rs 10 per share and 3,83,84,615 Equity shares were issued at a premium of Rs 3 per Share.



SEPC Limited
Notes forming part of the Restated Consolidated Financial Statements
(Amount in ₹ lakhs, unless otherwise stated)

23 Other equity

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(A) Other equity			
Securities premium reserve (Refer Note (i) below)	1,92,376.97	1,91,225.43	1,91,225.43
General reserve (Refer Note (ii) below)	561.93	561.93	561.93
Capital Reserve (Refer Note (iii) below)	12.92	12.92	12.92
Deficit in the Statement of Profit and Loss (Refer Note (iv) below)	(2,13,317.53)	(2,15,595.88)	(2,15,105.50)
Re-measurement gains on defined benefit plans (Net of Tax)	158.20	107.30	163.68
Investments FVTOCI Reserve on equity instruments	33.60	(3.28)	8.51
Foreign currency monetary item translation difference account	219.00	188.26	(219.86)
Non Controlling Interest	162.43	159.58	146.61
Total	(19,792.47)	(23,343.74)	(23,206.28)
(i) Securities premium reserve			
Opening balance	1,91,225.43	1,91,225.43	1,91,225.43
Add : Securities premium credited on issue of shares	1,151.54	-	-
Closing balance	1,92,376.97	1,91,225.43	1,91,225.43
(ii) General reserve			
Opening balance	561.93	561.93	561.93
Additions/(Transfers)	-	-	-
Closing balance	561.93	561.93	561.93
(iii) Capital Reserve			
Opening balance	12.92	12.92	12.92
Additions/(Transfers)	-	-	-
Closing balance	12.92	12.92	12.92
(iv) Deficit in the Statement of Profit and Loss			
Opening balance	(2,15,595.88)	(2,15,105.50)	(1,93,436.12)
Add: Net Profit/ (loss) for the year	2,278.36	(490.38)	(26,370.37)
Transfer	-	-	4,700.99
Closing balance	(2,13,317.53)	(2,15,595.88)	(2,15,105.50)
(v) Investments FVTOCI Reserve on equity instruments			
Opening balance	(3.28)	8.51	(30.50)
-Fair valuation changes for the year (net of tax)##	36.88	(11.79)	39.01
Closing balance	33.60	(3.28)	8.51
## Includes cumulative fair valuation changes in equity shares (net of Tax)			
(vi) Re-measurement gain on post employment benefit obligation (net of tax)			
Opening Balance	107.30	163.68	148.07
Additions	50.90	(56.38)	15.61
Closing Balance	158.20	107.30	163.68
(vii) Foreign currency monetary item translation difference account			
Opening Balance	188.26	(219.86)	32.46
Additions	30.74	408.12	(252.32)
Closing Balance	219.00	188.26	-219.86

Nature and Purpose of Reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

General Reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per the Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

Capital reserve

Capital reserve was created under the previous GAAP out of the profit earned from a specific transaction of capital nature. Capital reserve is not available for the distribution to the shareholders.



SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements
(Amount in ₹ lakhs, unless otherwise stated)

24 Borrowings - Non-current (Secured, unless otherwise stated)	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<u>Secured - At Amortized Cost</u>			
From Banks			
Term Loans	1,078.26	1,397.99	6,291.99
Non Convertible debentures (NCD)	10,081.83	9,288.02	-
Compulsorily Convertible Debentures (CCD)	10,001.42	9,178.93	-
From Others			
Term Loans	755.10	799.98	8,512.45
Working Capital Term Loans			560.03
Non Convertible debentures (NCD)	3,084.76	2,846.72	-
Compulsorily Convertible Debentures (CCD)	3,067.54	2,805.80	-
Unsecured Loan (Refer note 24.3 and 48)	1,771.33	299.20	-
Total	29,840.24	26,616.64	15,364.47

24.1 Terms of Repayment and Security details

S.No	31-Mar-24	31-Mar-23	Terms of Repayment
Term Loans from Banks**	1,078.26	1,397.99	67 Structured Monthly repayment commencing from Sept 2021 to March 2027
Non Convertible debentures (NCD) from Banks**	10,081.83	9,288.02	26 Structured Halfyearly repayment commencing from October 2022 to March 2035
Compulsorily Convertible Debentures(CCD) from Banks**	10,001.42	9,178.93	Fully Convertible on 31st March 2035
Term Loans from Others**	95.19	140.00	48 Structured Monthly repayment commencing from April 2023 till March 2027
Term Loans from Others**	659.91	659.98	4 Equal Half yearly repayment commencing from September 2027 to March 2029
Non Convertible debentures(NCD) from Others**	3,084.76	2,846.72	26 Structured Halfyearly repayment commencing from October 2022 to March 2035
Compulsorily Convertible Debentures(CCD) from Others**	3,067.54	2,805.80	Fully Convertible on 31st March 2035
Unsecured loan	1,771.33	299.20	Bullet repayment on 31-Dec-2035. The loan carries interest rate at 0.10% p.a payable half yearly from March 2023 till December 2035
Total	29,840.24	26,616.64	

Security

(**) Primarily Secured by First Paripassu charge on Pooled Assets i.e., all movable and immovable assets (fixed, current and non-current) of the company and Collaterally secured by Equitable Mortgage of Land and Buildings, Pledge of Equity Shares of the Company and Corporate Guarantee of MARK AB LLC Dubai, Mark AB Capital Investments India Private Limited, The Corporate Guarantees of SVL Ltd and SVL Trust gets released on March 31, 2024 upon completion of 18 months from the date of Resolution Plan, as there was no default for a consecutive period of 12 months as defined in RBI Circular dated 7th June 2019.

Rate of Interest- The interest rate is charged @ 9.00% p.a. w.e.f 1st October 2020

S.No	31-Mar-22	Terms of Repayment
Term Loans from Banks*	1,198.00	4 Structured yearly payments commencing from April 2023 to March 2027
Term Loans from Banks**	5,093.99	27 Structured Quarterly repayment commencing from Jun 2018 to September 2025
Term Loans from Others**	3,214.61	48 Structured Monthly repayment commencing from April 2023 till March 2027
Term Loans from Others**	5,857.87	4 Equal yearly repayment commencing from September 2027 to March 2029
Total	15,364.47	

Security

*Primary Exclusive charge on 5 Wind Electric Generator of 1.5 MW

**First Paripassu charge on Pooled Assets i.e., all movable (both fixed, current and non-current) Immovable assets of the company and Corporate Guarantee of SVL Ltd and SVL Trust.



24.2 Implementation of Resolution Plan

The Resolution Plan (RP) for restructuring of the debt, submitted to the lenders, under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 issued by Reserve Bank of India vide its circular dated June 7, 2019 (the "RBI Circular"), was approved by the consortium lenders and implemented on 30th September 2022.

The key features of the Resolution Plan are as follows:

1. Equity infusion by Prospective Investor Minimum of Rs. 35,000 Lakhs. Preferential issue of Equity Shares subject to the pricing as per the SEBI (ICDR) Regulations 2015 to the Investor for 26.4% stake in the Company.
2. Conversion of a part of the existing bank debts into Rs. 17,500 Lakhs of Non-Convertible Debentures (NCD) and Rs. 17,500 Lakhs of Compulsory Convertible Debenture (CCD).
3. Charging rate of interest @ 9.00% p.a. w.e.f 1st October 2020.
4. Banks to allow utilization of vacancy in Non-Fund Based Facilities and fund based limits already sanctioned and available to the Company, post implementation of the plan.
5. Prospective Investor to provide Corporate Guarantee to lenders for entire facilities in lieu of Corporate Guarantees of SVL Ltd and SVL Trust. However, the Corporate Guarantees of SVL Ltd and SVL Trust shall be released on March 31, 2024 on compliance of the stipulation that after 18 months from the date of RP, if there are no default for a consecutive period of 12 months as defined in RBI Circular dated 7th June 2019.
6. Continuation of Margin of 15% on stock and book debts and cover period of 270 days for receivable.

The Company has accounted for the CCD and NCD as per IND AS 109- Financial Instruments

The CCD and NCD have been classified as financial liability as there is contractual obligation to deliver cash over a period of 14 years in terms of repayment of principal and interest. CCD and NCD are initially recognised at amortised cost using the effective interest method at 9.00%. The resultant gain or loss at initial recognition is recognised as exceptional gain in the statement of profit and loss. (Also refer Note no 42)

24.3 During the year ended March 31, 2024, the Company has obtained unsecured loan from a related party amounting to Rs.4,000 Lakhs(March 31, 2023 Rs 900 lakhs)

The terms of repayment is bullet repayment of principal on 31-December-2035. The loan carries interest rate at 0.10% per annum payable half yearly from March 2024 till December 2035. The said loan has been recognised at amortised cost and the resultant gain on initial recognition is credited to other income in the statement of profit and loss under INDAS 109-Financial Instruments. (Also refer Note 35)

24.4 Classification of borrowings

During the year ended and as at March 31, 2022, the Company has made defaults in repayment of term loans. As at March 31, 2022, the Company has obtained balance confirmation and repayment schedule of outstanding Term Loans as of March 31, 2022 from the Lenders. Based on the maturity of the term loan instalments payables as per the balance confirmation, the Company has classified the borrowings under current and non-current and for the purpose of classification of term loans as at March 31, 2022, the impact as per Resolution Plan has not been considered as the condition precedents need to be complied with for effecting the adjustments. Further all defaulted loans have also been classified as Current maturities.

The Company has defaulted in repayment of interest in respect to the following loans prior to the implementation of RP during the year ended March 31 2023.

Particulars	Principal/ Interest	Period of Delay	Amount of default	Remarks
Central Bank	Interest	1 - 61 days	24.00	Interest has been paid subsequently in FY 2022-23
IFCI WCTL		1 - 61 days	12.56	
IFCI FTIL		1 - 61 days	1.88	
BOM - Covid Loan		1 - 82 days	4.00	

The Company has defaulted in repayment of loans and interest during year ended March 31, 2022 in respect the following

Particulars	Principal/ Interest	Period of Delay	During the year ended 31st March, 2022 (Rs. in Lakhs)
Central Bank	Principal pending to be repaid	547-365 days	1,470.13
	Principal pending to be repaid	365-1 days	2,630.75
	Interest pending to be repaid	547-365 days	719.13
	Interest pending to be repaid	365-1 days	1,627.10
IFCI WCTL	Principal pending to be repaid	547-365 days	63.75
	Principal pending to be repaid	365-1 days	114.07
	Interest pending to be repaid	547-365 days	46.55
	Interest pending to be repaid	365-1 days	74.55
IFCI FTIL	Principal pending to be repaid	547-365 days	44.17
	Principal pending to be repaid	365-1 days	31.71
	Interest pending to be repaid	547-365 days	6.18
	Interest pending to be repaid	365-1 days	10.10
ACRE	Principal pending to be repaid	547-365 days	1,000.00
	Principal pending to be repaid	365-1 days	1,900.00
BOM - Covid Loan	Principal pending to be repaid	547-365 days	32.00
	Principal pending to be repaid	365-1 days	128.00

24.5 The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.

24.6 The Company has utilised the funds as per the terms of the Borrowings.



SEPC Limited
Notes forming part of the Restated Consolidated Financial Statements
(Amount in ₹ lakhs, unless otherwise stated)

25 Other financial liabilities (at amortised cost)	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2022
Sundry Creditors- Retention	3,847.21	4,024.26	4,465.38
Total	3,847.21	4,024.26	4,465.38

Sundry Creditors - Retention

As on 31-03-2024

Particulars	Outstanding for following periods from due date of payments					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than three year	
(i) MSME	-	-	-	-	-	-
(ii) Others	3,847.21	-	-	-	-	3,847.21
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	3,847.21	-	-	-	-	3,847.21

As on 31-03-2023

Particulars	Outstanding for following periods from due date of payments					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than three year	
(i) MSME	-	-	-	-	-	-
(ii) Others	4,024.26	-	-	-	-	4,024.26
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	4,024.26	-	-	-	-	4,024.26

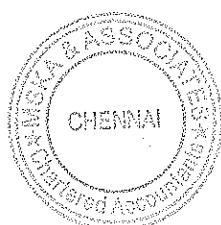
As on 31-03-2022

Particulars	Outstanding for following periods from due date of payments					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than three year	
(i) MSME	-	-	-	-	-	-
(ii) Others	4,465.38	-	-	-	-	4,465.38
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	4,465.38	-	-	-	-	4,465.38

26 Long Term Provisions	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2022
Provision for gratuity (Refer Note 46)	431.78	479.77	540.50
Provision for Compensated Absences (Refer Note 46)	302.37	110.55	-
Total	734.15	590.32	540.50

27 Other non-current liabilities	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2022
Contract Liabilities			
Advance from Customers	4,552.49	2,078.30	2,202.91
Total	4,552.49	2,078.30	2,202.91

28 Short-term borrowings (Secured unless otherwise stated)	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2022
From bank			
- Cash Credit and Overdraft facilities	6,538.43	7,952.75	42,731.21
- Working Capital Demand Loans	8,363.99	5,129.28	17,014.48
- Demand Loan - Covid Emergency loan	-	-	191.95
- Current Maturities	312.00	156.00	7,465.00
- Non Convertible debentures(NCD)	67.02	83.37	-
- FITL- Moratorium interest	-	-	1,272.62
- Interest accrued and due	-	-	7,405.38
From Financial Institutions			
-Cash Credit and Overdraft facilities	-	264.78	582.33
- Current Maturities	28.01	-	5,724.00
- Non Convertible debentures(NCD)	20.48	21.20	-
From others (Unsecured)	43.73	359.20	-
-Funded Interest Term Loans	-	-	76.00
Total	15,373.66	13,966.58	82,462.97



28.1 Security details for 2023-24

Primarily Secured by First Paripassu charge on Pooled Assets ie., all movable and immovable assets (fixed, current and non-current) of the company and Collaterally secured by Equitable Mortgage of Land and Buildings, Pledge of Equity Shares of the Company and Corporate Guarantee of MARK AB LLC Dubai, Mark AB Capital Investments India Private Limited. The Corporate Guarantees of SVL Ltd and SVL Trust gets released on March 31, 2024 upon completion of 18 months from the date of Resolution plan, as there was no default for a consecutive period of 12 months as defined in RBI Circular dated 7th June 2019.

The Company has defaulted in repayment of interest in respect to the following ,prior to the implementation of RP

Bank / Financial institution name	Cash credit	WCDL	FITL	Period of Delay	Remarks
Punjab National Bank	0.21	0.31	-	1- 214 days	Interest has been paid subsequently in FY 2022-23
State Bank Of India	0.95	-	-		
Union Bank	0.09	-	-		
Yes Bank	0.02	0.04	-		
Axis Bank	0.05	0.07	-		
Bank of Baroda	0.06	0.09	-		
Bank Of India	0.04	0.07	-		
Bank Of Maharashtra	0.10	-	-		
Central Bank Of India	0.17	0.26	-		
DBS Bank	0.22	-	-		
Federal Bank Limited	0.04	0.07	-		
ICICI Bank Limited	0.01	0.01	-		
IDBI Bank Limited	0.48	-	-		
IFCI Factors	0.04	-	4.69		
Indian Bank	0.12	-	-		
Indusind bank	0.07	0.11	-		
ARCIL	0.25	-	-		

First Paripassu Charge on Pooled Assets is all movable (both fixed, current and non current assets) immovable assets of the company and corporate guarantee of SVL and SVL
The Company has defaulted in repayment of loans and interest in respect the following

Bank	Cash Credit		WCDL		FITL	
	Date of default	Amount (In Lakhs)	Date of default	Amount (In Lakhs)	Date of default	Amount (In L.
Punjab National Bank (eOBC)	26-Mar-20	5,679	30-Sep-20	255	-	-
Punjab National Bank	2-Mar-20	3,159	30-Sep-20	852	-	-
Bank of India	14-Feb-20	1,158	30-Sep-20	101	-	-
Yes Bank	31-Dec-20	258	-	-	31-Oct-20	103
State Bank Of India	21-Sep-20	1,190	-	-	31-Oct-20	721
Indian Bank	25-Apr-20	3,682	30-Sep-20	235	-	-
Indusind Bank	23-Nov-20	165	30-Sep-20	351	31-Dec-20	187
IDBI Bank	31-Oct-20	298	30-Sep-20	576	30-Sep-20	368
ICICI Bank	30-May-20	100	-	-	-	-
Federal Bank	5-Mar-20	720	-	-	-	-
DBS Bank India Ltd	30-Sep-20	692	-	-	31-Dec-20	221
Central Bank of India	26-Feb-20	1,982	31-Dec-20	278	31-Oct-20	338
Bank Of Baroda	30-Nov-20	202	30-Nov-20	262	31-Dec-20	146
Asset Reconstruction Company (India) Limited (ARCIL)	31-Dec-20	528	-	-	-	-
Union Bank	31-Mar-21	206	-	-	31-Dec-20	40
IFCI Factors	30-Sep-20	131	-	-	30-Sep-20	9
Axis Bank	30-Nov-21	1,635	31-Jan-21	24	-	-
Bank of Maharashtra	30-Apr-21	329	-	-	-	-
Total		22,114		2,934		2,133

28.2 The quarterly statements filed by the Company with the banks and financial institutions are in agreement with the books of accounts

28.3 The Company has utilised the funds as per the terms of the Borrowings. Also, the Company has not used funds raised on short term basis for long term purpose.

28.4 Rate of Interest- The interest rate is charged @ 9.00% p.a. w.e.f 1st October 2020



Net Debt Reconciliation

Particulars	As at	As at	As at
	31 Mar 2024	31 Mar 2023	31 Mar 2022
Cash & Cash equivalents	1,834.96	3,307.04	582.67
Non Current Borrowings	(29,840.24)	(26,616.64)	(15,364.47)
Current Borrowings	(15,373.66)	(13,966.58)	(82,462.97)
Net Debt	(43,378.94)	(37,276.18)	(97,244.77)

Particulars	Cash & Cash equivalents	Non Current Borrowings	Current Borrowings	Total
Net Debt as on 1st April, 2022	582.67	(15,364.47)	(82,462.97)	(97,244.77)
Cash Flows	2,724.37	-	-	2,724.37
Proceeds from availments	-	(16,488.98)	(359.20)	(16,848.18)
Repayments	-	-	48,247.99	48,247.99
Gain on restructuring/ fair value	-	-	20,248.40	20,248.40
Interest paid/ accrued	-	5,236.81	359.19	5,596.00
Net Debt as on 1st April, 2023	3,307.04	(26,616.64)	(13,966.58)	(37,276.18)
Cash Flows	(1,472.08)	-	-	(1,472.08)
Proceeds from availments	-	(4,000.00)	(1,407.08)	(5,407.08)
Repayments	-	424.54	-	424.54
Gain on restructuring/ fair value	-	2,607.07	-	2,607.07
Interest paid/accrued	-	(2,255.21)	-	(2,255.21)
Net Debt as on 31st March, 2024	1,834.96	(29,840.24)	(15,373.65)	(43,378.94)

29 Trade payables	As at	As at	As at
	31 Mar 2024	31 Mar 2023	31 Mar 2022
Total outstanding dues of creditors to micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
Acceptances	8,429.51	9,605.31	323.42
Trade Payables	21,991.46	28,351.71	33,644.80
Total	30,420.97	37,957.02	33,968.22

29.1 The average credit period ranges from 30 days to 90 days, depending on the nature of the item or work. The work orders include element of retention, which would be payable on completion of a milestone, completion of the contract or after a specified period from completion of the work. The terms also would include back to back arrangement wherein, certain amounts are payable on realisation of corresponding amounts by the company from the customer. No interest is payable for delay in payments, unless otherwise specifically agreed in the order or as required by a legislation, like Micro, Small and Medium Enterprises Development Act ("MSMED Act"). The company has a well defined process for ensuring regular payments to the vendors.

29.2 Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

Particulars	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year: Principal & Interest	-	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-	-



29A Ageing Trade payable ageing
As on 31-03-2024

Particulars	Outstanding for following periods from due date of payments					
	Not due	Less than 1 year	1-2 years	2-3 years	More than three year	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	13,318.62	4,467.49	778.80	1,882.03	9,940.73	30,387.67
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	4.53	1.29	-	-	27.48	33.30
Total	13,323.15	4,468.78	778.80	1,882.03	9,968.21	30,420.97

As on 31-03-2023

Particulars	Outstanding for following periods from due date of payments					
	Not due	Less than 1 year	1-2 years	2-3 years	More than three year	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	14,708.23	2,405.90	4,837.46	1,146.50	12,815.40	35,913.49
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	32.09	237.13	1,774.31	2,043.53
Total	14,708.23	2,405.90	4,869.55	1,383.63	14,589.71	37,957.02

As on 31-03-2022

Particulars	Outstanding for following periods from due date of payments					
	Not due	Less than 1 year	1-2 years	2-3 years	More than three year	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	2,546.10	11,396.90	2,232.31	10,494.76	5,045.06	31,715.13
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	245.04	385.54	476.66	1,145.85	2,253.09
Total	2,546.10	11,641.94	2,617.85	10,971.42	6,190.91	33,968.22

30 Other financial liabilities
(at amortised cost)

	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2022
Other payables*	10,165.00	1,625.07	1,875.25
Total	10,165.00	1,625.07	1,875.25

*Included employee dues and other routine payable for expenses

31 Other current liabilities

	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2022
Statutory dues payable	86.67	223.27	141.83
Advance Billing	105.25	222.68	548.11
Total	191.92	445.95	689.94

32 Contract Liabilities

	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2022
Advance from customers	4,280.94	3,432.75	5,934.03
Total	4,280.94	3,432.75	5,934.03

33 Short Term Provisions

	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2022
Provision for gratuity (Refer Note 46)	29.32	21.02	23.70
Provision for compensated Absences (Refer Note 46)	24.65	136.28	480.82
Other Provision	-	128.52	128.67
Total	53.97	285.82	633.19



SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements

(Amount in ₹ lakhs, unless otherwise stated)

34 Revenue from operations	2023-24	2022-23	2021-22
Revenue from Engineering and Construction Contracts	56,098.28	37,884.66	32,944.17
Company's share in profit of Integrated Joint Ventures	-	-	1.48
Total	56,098.28	37,884.66	32,945.65

34.1 Unsatisfied performance obligation: Management expects that the transaction price allocated to partially or fully unsatisfied performance obligation of ₹ 1,01,000 lakhs (Order book value) (March 31, 2023: ₹ 1,10,900 Lakhs) (March 31, 2022 : ₹ 119,664 lakhs) will be recognised as revenue over the project life cycle.

34.2 Revenue for the Year ended March 31, 2022 includes Rs. 8,624 lakhs, being share of revenue relating to the Basra project, billed from Mokul Shriram EPC JV (MSJV), a jointly controlled operation, where in the company owns 50% interest.

34.3 The total revenue recognised under Ind AS 115 during the years ended March 31, 2024, March 31, 2023 and March 31, 2022 are recognised over a period of time.

34.4 Details for revenue from major customers :

Name of the customer	2023-24	2022-23	2021-22
Customer 1	24%	25%	26%
Customer 2	15%	11%	14%
Customer 3	10%	10%	13%

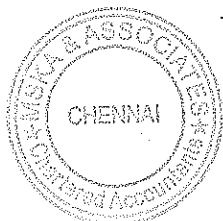
35 Other income	2023-24	2022-23	2021-22
Interest income			
- Margin Money deposits	202.33	283.42	280.01
- Income tax refund	-	29.30	316.91
Gain on initial recognition of unsecured loan	2,607.07	613.58	-
Liabilities written back	1,500.28	911.59	38.92
Profit on Sale of asset	4.66	-	-
Miscellaneous income	308.86	165.26	477.58
Total	4,623.20	2,003.15	1,113.42

36 Erection, Construction & Operation Exps	2023-24	2022-23	2021-22
Cost of Materials and Labour	44,225.83	30,507.81	28,791.73
Other Contract Related Costs	2,445.93	1,397.22	210.50
Total	46,671.76	31,905.03	29,002.23

36.1 Cost of Materials and Labour for the Year ended March31, 2022 includes Rs.8,624 lakhs, being share of cost relating to the Basra project, from Mokul Shriram EPC JV (MSJV), a jointly controlled operation, where in the company owns 50% interest (Year ended March 31, 2021- Rs.25,984 Lakhs) (Year Ended March 31, 2020 Rs. 30,379.93 Lakhs).

37 Change in Inventories of Contract WIP	2023-24	2022-23	2021-22
Inventories at the beginning of the year			248.20
			248.20
Less: Inventories at the end of the year			-
Net decrease			248.20
Total	-	-	248.20

38 Employee benefits expense	2023-24	2022-23	2021-22
Salaries,wages,bonus and other allowances	2,909.80	3,020.16	3,194.97
Contribution to Provident and Other funds	183.27	197.83	196.18
Contribution to Gratuity (Refer note-46)	79.45	76.35	133.37
Staff welfare expenses	52.46	45.81	174.92
Total	3,224.98	3,340.15	3,699.44



39 Finance costs	2023-24	2022-23	2021-22
Interest on Cash Credits*	1,007.23	2,993.93	7,788.18
Interest on Term Loans *	192.91	715.08	1,711.76
Interest on CCD, NCD	35.56	54.07	
Interest - Others	946.84	405.88	628.71
Interest on financial liabilities measured at Effective interest rates(INDAS)	2,227.35	1,841.73	1,416.60
Interest on Lease Liabilities	28.66	29.06	23.13
Total	4,438.55	6,039.75	11,568.38

*Consequent to implementation of resolution plan, Interest waiver (July'22 - September'22) of Rs. 2,176 Lakhs has been adjusted against Finance cost for the year ended March 31, 2023.

40 Depreciation and amortization expense	2023-24	2022-23	2021-22
Depreciation on Property, Plant and Equipment (Refer note 6A)	447.10	546.92	548.87
Amortization of Intangible Assets (Refer note 7)	4.04	4.04	4.04
Amortization of Right to use assets (Refer note 6B)	80.78	63.77	29.76
Total	531.92	614.73	582.66

41 Other expenses	2023-24	2022-23	2021-22
Electricity and water	150.43	521.29	119.24
Rates and taxes	369.69	233.65	59.12
Rent	67.33	68.86	105.26
Repairs and Maintenance:			
Building	21.35	12.07	14.66
Plant and Machinery, Equipments	18.01	39.53	56.67
Others	16.07	12.94	20.01
Auditors' Remuneration (refer note 41.1 below)	49.43	47.63	34.32
Bank Charges, Letter of Credit / Guarantee charges	735.77	700.08	965.93
Travel and conveyance	373.82	334.46	343.12
Insurance premium	162.93	125.49	192.75
Printing & Stationery	26.72	16.31	20.98
Communication, broadband and internet expenses	24.96	22.79	29.27
Sitting Fees	12.15	11.70	8.70
Consultancy charges	678.61	410.09	391.00
Legal Expenses	154.27	172.32	105.86
Advertisement	10.38	46.48	22.32
Provision for expected credit loss on trade receivables	298.85	722.19	1,831.49
Bad Debts (net of write off of expected credit loss- March 31, 2024- Rs.10,214.89 Lakhs, March 31, 2023- Rs.Nil, March 31, 2022- Rs.Nil)	0.71	1.60	103.35
Company's share in Loss of Integrated Joint Ventures	-	10.36	-
Donation	0.13	0.14	0.08
Provision for expected credit loss on Contract Assets	-	4,968.59	-
Loss on Sale of Property, plant and equipment	-	336.27	99.18
Others	404.30	456.87	165.97
Total	3,575.91	9,271.71	4,689.28



41.1 The following is the break-up of Auditors remuneration (exclusive of GST)

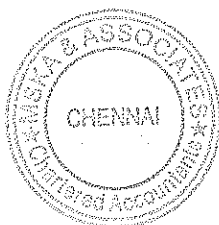
As auditor:	2023-24	2022-23	2021-22
Statutory audit	27.00	27.00	27.00
Other matters	20.50	20.54	6.00
Reimbursement of expenses	1.93	0.09	1.32
Total	49.43	47.63	34.32

42 Exceptional Items-(income)/ expense	2023-24	2022-23	2021-22
Gain on Debt restructuring (Refer Note 24.2)	-	(19,634.82)	
Provision for trade, other receivables and contract assets		-	6,361.26
Contract assets written off	-	5,819.69	
Total	-	(13,815.13)	6,361.26

42.1 (i) Year ended March 31, 2023 includes an amount of Rs. 19,634.82 Lakhs resulting from implementation of Resolution Plan entered into with the lenders dated June 22, 2022, on account of reduction in interest cost with effect from October 01, 2020 till June, 30, 2022, the difference between the carrying amounts of the facilities before restructuring as at September 30, 2022 and the fair values of the new facilities recognised as income in accordance with INDAS 109 - Financial Instruments.

(ii) During the year ended March 31, 2023, contract assets amounting to Rs 5,819.69 lakhs was written off, in respect of projects stopped by the client consequent to an order of the National Green Tribunal restraining the client from proceeding with the project and on account of wrongful termination of a contract and consequent legal disputes / arbitration proceedings initiated during the year in respect of projects with the customers.

(iii) Exceptional items for the year ended March 31, 2022 represents provision of trade, other receivables and contract assets amounting to Rs 6,361.26 lakhs, based on estimation of potential stress on project completion, considering COVID 19 pandemic.



SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements
(Amount in ₹ lakhs, unless otherwise stated)

43 Income Tax

Components of Deferred Tax Assets and Liabilities recognised in Balance Sheet:

(A) March 31, 2024

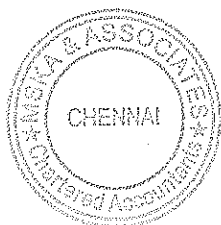
Particulars	Balance as at April 1, 2023	Recognized in profit or loss during 2023-24	Recognized in OCI during 2023-24	Balance as at March 31, 2024
Deferred tax assets				
Expenditure allowed on payment basis for Income tax purpose	261.23	14.15	-	275.38
Impairment loss on Financial Assets and Contract Assets	5,167.95	2,243.83	-	7,411.78
Deferred tax asset on account of unabsorbed losses and depreciation allowance (Refer Note- 43 (B))	35,409.62	(2,369.80)	-	33,039.82
	40,838.80	(111.82)	-	40,726.98
Deferred tax liabilities				
On Property, Plant and Equipment	515.25	(111.82)	-	403.43
On Others	-	-	-	-
	515.25	(111.82)	-	403.43
Deferred tax asset, net	40,323.55	(0.00)	-	40,323.55

- (B) The Company has business losses which are allowed to be carried forward and set off against available future taxable profits under the Income Tax Act, 1961, in respect of which the Company has created Deferred Tax Assets ("DTA"). The Company has recognised DTA on the carry forward unabsorbed business losses only to the extent of Rs.88,343.94 lakhs (March 31, 2023: Rs.1,11,216.10 lakhs) out of the total carry forward unabsorbed business losses of Rs.1,04,486.51 lakhs that was available as at March 31, 2024 (March 31, 2023: Rs.1,37,510.14 lakhs). The DTA amount recognised by the Company on these carry forward unabsorbed business losses amounts to Rs. 30,870.91 lakhs as at March 31, 2024 (March 31, 2023 - Rs. 33,289.92 lakhs). Considering the potential order book as on date, the expected reduction in finance cost in the light of implementation of resolution plan with its lenders, the current projects in the pipeline and a positive future outlook for the Company, the management of the Company is confident of generating sufficient taxable profits in the future and adjust them against these unabsorbed business losses, and accordingly, the entire DTA can be utilised before the expiry of the period for which this benefit is available.

(C) March 31, 2023

Particulars	Balance as at April 1, 2022	Recognized in profit or loss during 2022-23	Recognized in OCI during 2022-23	Balance as at March 31, 2023
Deferred tax assets				
Expenditure allowed on payment basis for Income tax purpose	365.17	(103.94)	-	261.23
Impairment loss on Financial Assets and Contract Assets	3,912.73	1,255.22	-	5,167.95
Deferred tax asset on account of unabsorbed losses and depreciation allowance (Refer Note- 43 (D))	39,645.00	(4,235.38)	-	35,409.62
	43,922.90	(3,084.10)	-	40,838.80
Deferred tax liabilities				
On Property, Plant and Equipment	577.40	(62.15)	-	515.25
On Others	-	-	-	-
	577.40	(62.15)	-	515.25
Deferred tax asset, net	43,345.50	(3,021.95)	-	40,323.55

- (D) The Company has business losses which are allowed to be carried forward and set off against available future taxable income under Income Tax Act, 1961. Against the carried forward loss amounting to Rs. 1,37,510.14 lakhs, the Company has recognised Deferred Tax Asset (DTA) on a carry forward loss of Rs. 1,11,216.10 lakhs in an earlier year resulting in DTA of Rs. 33,289.92 lakhs (March 31, 2022 - Rs. 39,645 Lakhs). Considering potential order book as on date, future business prospects in the light of implementation of resolution plan, projects in pipeline etc, the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available.



(E) March 31, 2022

Particulars	Balance as at April 1, 2021	Recognized in profit or loss during 2021-22	Recognized in OCI during 2021-22	Balance as at March 31, 2022
Deferred tax assets				
Expenditure allowed on payment basis for Income tax purpose	338.58	32.05	(5.46)	365.17
Impairment loss on Financial Assets and Contract Assets	3,937.69	(24.96)	-	3,912.73
Deferred tax asset on account of unabsorbed losses and depreciation allowance	43,889.00	(4,244.00)	-	39,645.00
	48,165.27	(4,236.91)	(5.46)	43,922.90
Deferred tax liabilities				
On Property, Plant and Equipment	541.57	35.83	-	577.40
On Others	-	-	-	-
	541.57	35.83	-	577.40
Deferred tax asset, net	47,623.70	(4,272.74)	(5.46)	43,345.50

(F) The Company has business losses and unabsorbed depreciation which are allowed to be carried forward and set off against available future taxable income under Income Tax Act, 1961. Against the carried forward loss of Rs.2,11,013 lakhs, the company has recognized deferred tax asset on a carry forward loss to the extent of Rs.1,28,547 lakhs which results in DTA of Rs. 39,645 lakhs. During current year, the Company has written off DTA amounting to Rs.4,278 Lakhs (Net) due to carry forward business losses which is expiring by FY 2021-22. Considering potential order book as on date, future business prospects in the line of implementation of Resolution Plan, projects in pipeline etc, the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available.

(G) **Components of Tax**

	2023-24	2022-23	2021-22
Current Tax	-	-	-
Deferred Tax	-	(3,021.95)	(4,278.00)
Total	-	(3,021.95)	(4,278.00)

(H) **Reconciliation of tax charge**

	2023-24	2022-23	2021-22
(a) Profit/(Loss) before tax	2,278.36	2,531.57	(22,092.37)
(b) Corporate Tax Rate as per Income Tax Act, 1961	34.94%	34.94%	34.94%
(c) Tax on Accounting Profit/(loss)	796.15	884.53	(7,719.07)
(c) = (a) * (b)			
(d) Tax adjustments			
(i) Tax on Non-deductible item for tax purpose	-	-	(1,808.36)
(ii) Tax effect on expiry of carry forward losses	(2,369.80)	(2,738.79)	(7,500.00)
(iii) Tax effect of losses of current year on which no deferred tax benefit is recognised	1,896.17	-	(2,608.98)
(iv) Tax effect on utilisation of carry forward losses	-	(1,496.60)	-
(v) Tax effect of differential tax rates	1,269.78	224.19	(79.74)
(vi) Tax effect of various other items	-	1,873.78	-
Total effect of Tax Adjustments	796.15	(2,137.42)	(11,997.07)
(e) Tax expenses recognised during the year	(e) = (d) - (c)	(3,021.95)	(4,278.00)

(I) There is no provision for tax in view of the brought forward losses/unabsorbed depreciation relating to earlier years, available for set off, while computing income, both under the provisions of 115 JB and those other than section 115 JB of the Income Tax act 1961

(J) **Unrecognised deductible temporary differences, unused tax losses**

Particulars	2023-24	2022-23	2021-22
- Unused tax losses	16,142.57	6,201.00	8,729.00
Total	16,142.57	6,201.00	8,729.00

1	Expiry period	Unused Tax Loss (Rs. Lakhs)
	2024-25 to 2029-30	16,142.57

2 The Company has business loss which are allowed to be carried forward and set off against the available future taxable income under Income Tax Act, 1961. No Deferred Tax asset has been recognised on this considering no reasonable certainty



44 Basic and Diluted Earnings Per Share (EPS) computed in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings Per Share":

Particulars		Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Basic EPS				
Profit / (Loss) after Tax as per Accounts (₹ lakhs)	A	2,278.36	(490.38)	(26,370.37)
Weighted Average Number of Equity Shares Outstanding	B	13,770.61	12,240.86	9,715.29
Basic EPS (₹)	A/B	0.17	(0.04)	(2.71)
Diluted EPS				
Profit / (Loss) after Tax as per Accounts (₹ lakhs)		2,278.36	(490.38)	(26,370.37)
Add: Interest cost on CCD		1,102.44	777.12	-
Profit / (Loss) after Tax as per Accounts (₹ lakhs) for diluted EPS	A	3,380.79	286.74	(26,370.37)
Weighted Average Number of Equity Shares Outstanding		13,770.61	12,240.86	9,715.29
Weighted Average Number of shares upon conversion of CCD		175.00	125.81	125.81
Weighted Average Number of Equity Shares Outstanding for Diluted EPS	B	13,945.61	12,366.67	9,841.10
Diluted EPS* (₹)	A/B*	0.17	(0.04)	(2.71)

*Since the earnings / (loss) per share computation based on diluted weighted average number of shares is antidilutive, the basic and diluted earnings / (loss) per share is the same

45 Disclosures pursuant to EPC Contracts:

S. No.	Particulars	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
1	Contract revenue recognised for the financial year	56,098.28	37,884.66	32,944.17
2	Aggregate amount of Contract costs incurred and recognized profits (less recognized losses) upto the reporting date	46,671.76	31,905.03	29,250.43
3	Advances received for contracts in progress	8,833.43	5,511.05	8,136.94
4	Retention amount by customers for contracts in progress	28,257.97	28,020.65	28,718.62
5	Gross amount due from customers for contract work (Asset)	1,02,276.27	80,598.49	83,664.76
6	Gross amount due to customers for contract work (Liability)	105.25	222.68	548.11

46 Disclosure pursuant to Ind AS 19 "Employee Benefits"

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss

Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 38)

2023-24	2022-23	2021-22
183.27	197.83	196.18

(B) Defined benefit plans (Unfunded)

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Investment Risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic Risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2024 by Mr. Jayaraman, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

No other post-retirement benefits are provided to these employees.

i) Actuarial assumptions

	2023-24	2022-23	2021-22
Discount rate (per annum)	7.21%	7.20%	7.28%
Rate of increase in Salary	5%	5%	5.00%
Expected average remaining working lives of employees (years)	13.90	12.70	12.80%
Attrition rate	3.00%	3.00%	3.00%

ii) Changes in the present value of defined benefit obligation

	Gratuity		Long Term Compensated Absences	
	2023-24	2022-23	2023-24	2022-23
Present value of obligation at the beginning of the year	500.79	564.20	246.83	480.83
Interest cost	33.60	33.93	16.69	32.26
Past service cost	-	-	-	-
Current service cost	45.85	42.42	34.25	139.01
Curtailements	-	-	-	-
Settlements	-	-	-	-
Benefits paid	(68.24)	(196.14)	(30.17)	(75.43)
Actuarial gain on obligations	(50.90)	56.38	59.42	(329.84)
Present value of obligation at the end of the year*	461.10	500.79	327.02	246.83

*Included in provision for employee benefits (Refer notes 26 and 33)

	Gratuity		Long Term Compensated Absences	
	2021-22	2020-21	2021-22	2020-21
Present value of obligation at the beginning of the year	583.13	638.62	385.95	533.10
Interest cost	25.62	38.21	25.05	33.01
Past service cost	-	-	-	-
Current service cost	97.76	54.89	380.31	249.68
Curtailements	-	-	-	-
Settlements	-	-	-	-
Benefits paid	(136.70)	(131.49)	(47.95)	(74.61)
Actuarial gain on obligations	(175.61)	(17.10)	(262.53)	(354.78)
Present value of obligation at the end of the year*	564.20	583.13	480.83	386.40



iii) Expense recognized in the Statement of Profit and Loss

	Gratuity		Long Term Compensated Absences	
	2023-24	2022-23	2023-24	2022-23
Current service cost	33.60	33.93	34.25	139.01
Past service cost				
Interest cost	45.85	42.42	16.69	32.26
Expected return on plan assets				
Actuarial gain on obligations	-50.90	56.38	59.42	(329.84)
Settlements				
Curtailments				
Total expenses recognized in the Statement Profit and Loss	79.45	76.35	110.36	-158.57
Total expenses recognized in OCI	-50.90	56.38		

Expense recognized in the Statement of Profit and Loss

	Gratuity		Long Term Compensated Absences	
	2021-22	2020-21	2021-22	2020-21
Current service cost	35.62	38.21	380.31	249.68
Past service cost				
Interest cost	97.75	54.89	25.05	33.01
Expected return on plan assets				
Actuarial gain on obligations	(15.61)	(17.10)	(262.53)	(356.61)
Settlements				
Curtailments				
Total expenses recognized in the Statement Profit and Loss	133.37	93.10	142.83	(73.92)
Total expenses recognized in OCI	(15.61)	(17.10)		

iv) Assets and liabilities recognized in the Balance Sheet:

	Gratuity		Long Term Compensated Absences	
	2023-24	2022-23	2023-24	2022-23
Present value of unfunded obligation as at the end of the year	(461.10)	(500.79)	(327.02)	(246.83)
Unrecognized actuarial (gains)/losses				
Unfunded net liability recognized in Balance Sheet*	(461.10)	(500.79)	(327.02)	(246.83)

	Gratuity		Long Term Compensated Absences	
	2021-22	2020-21	2021-22	2020-21
Present value of unfunded obligation as at the end of the year	(564.20)	(583.13)	(480.83)	(386.40)
Unrecognized actuarial (gains)/losses				
Unfunded net liability recognized in Balance Sheet*	(564.20)	(583.13)	(480.83)	(386.40)

*Included in provision for employee benefits (Refer notes 26 and 33)

v) A quantitative sensitivity analysis for significant assumption as at 31 March 2024 is as shown below:

Impact on defined benefit obligation	2023-24	2022-23	2021-22
Discount rate			
0.5% increase	-3.38%	-3.08%	-2.86%
0.5% decrease	3.60%	3.27%	3.04%
Rate of increase in salary			
0.5% increase	3.60%	3.27%	3.04%
0.5% decrease	-3.50%	-3.08%	-2.86%

vi) Maturity profile of defined benefit obligation

Period	(in ₹ lakhs)		
	2023-24	2022-23	2021-22
By the end of the First Year	29.32	105.03	167.89
Between Year 1 and Year 2	89.79	70.24	11.21
Between Year 2 and Year 3	64.51	20.37	69.93
Between Year 3 and Year 4	126.58	42.28	99.03
Between Year 4 and Year 5	134.34	76.82	45.28
Between Year 5 and Year 10	881.71	285.78	374.94

47 Disclosure in respect of leases pursuant to Indian Accounting Standard (Ind AS) 116, "Leases"

(A) Finance leases where Company is a lessee:

The following is the summary of practical expedients elected on application:

1. Used a single discount rate to a portfolio of leases with reasonably similar characteristics
2. Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

The Company has lease contracts for its head office building and furniture and fixtures. Lessee is restricted from assigning and subleasing the leased assets. The Company applies the "short term Lease" and "Lease of Low value assets" recognition exemptions for these leases.

The effective interest rate for lease liabilities is 9%.
Maturity analysis of lease liabilities

Particulars	31st March 2024	31st March 2023	31st March 2022
Within one year	101.20	98.45	36.60
After one year but not more than five years	139.35	163.30	195.58
More than five years	40.34	88.74	106.40

Amounts recognised in the Statement of Profit and Loss:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Amortization expense of right-of-use assets	80.78	63.77	79.76
Interest expense on lease liabilities	28.66	29.06	23.13
Expense relating to short-term leases (included in other expenses)	67.33	68.86	105.26
Total amount recognised in statement profit or loss	176.77	161.69	157.85

Amounts recognised in statement of Cash Flows:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Total Cash outflow for leases	98.46	58.19	36.60



48 Disclosure of Related Parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

(A) List of related parties and description of relationship as identified and certified by the Company:

Entities exercising significant influence over the Company

Mark A B Capital Investment LLC (effective from 24th September 2022)

SVL Limited (upto 23rd September 2022)

Subsidiary of Entities exercising significant influence over the Company

Mark AB Capital Investment India Private Limited (Effective from 24th September 2022)

Enterprises under the joint control of the Entities exercising significant influence over the Company:

Leitwind Shriram Manufacturing Private Limited (upto 23rd September 2022)

Key management personnel

N K Suryanarayanan- Managing Director (effective from 24th September 2022)

T. Shivarajam - Managing Director (upto 19th September 2022)

M. Arvind Shrivastava - Joint Managing Director (upto 19th September 2022)

Mr. R S Chandrasekharan- Chief Financial Officer

Mr. T. Srinivasan- Company Secretary

Mr. Abdulla Mohammad Ibrahim Hassan Abdulla- Chairman

Dr. Ravichandran Rajagopalan- Independent Director

Dr. Arun Kumar Gopalaswamy- Independent Director

Mr. Rajesh Kumar Bansal- Independent Director

Ms. Sundaram Gayathri- Independent Director

Mr. P. D. Karandikar- Independent Director (Resigned with effect from 22nd September, 2022)

Mr. S. Babu- Non executive Director (Resigned with effect from 22nd September, 2022)

Ms. Chandira Ramesh- Independent Director (Resigned with effect from 23rd September, 2022)

Mr. K. S. Sripathi- Independent Director (Resigned with effect from 23rd September, 2022)

Other Enterprises under the control of the Key Management Personnel

Orient Green Power Company Limited (upto 20th September 2022)

Bharath Wind Farm Limited (upto 20th September 2022)

Amrit Environmental Technologies P Ltd (upto 20th September 2022)

Joint Operations

Larsen & Toubro Limited Shriram EPC JV

Mokul Shriram EPC JV

Shriram EPC Eurotech Environmental Pvt Ltd - JV

SEPC DRS ITPL JV

(B) Details of transactions with related party in the ordinary course of business for the year ended:

(i) Entities exercising significant influence over the Company

	2023-24	2022-23	2021-22
--	---------	---------	---------

Mark A B Capital Investment LLC (effective from 24th September 2022)

Amount Invested as Equity

35,000.00

SVL Ltd (upto 23rd September 2022)

Transfer of Advances / Receivables

7,433.87

Fund Received (Net)

2,793.80

(ii) Subsidiary of Entities exercising significant influence over the Company (Effective from 24th September 2022)

MARK AB Capital Investment India Private Limited (Effective from 24th September 2022)

Funds Received

4,000.00

900.00

(iii) Key Management Personnel (KMP)

Compensation of key management personnel #

161.61

318.12

191.76

Loan given to key management personnel

35.00

-

-

Sitting fees paid to Independent & Non executive Directors

12.15

11.70

8.70

Does not include post-employment benefit based on actuarial valuation as this is done for the Company as a whole.

(iv) Other enterprises under the control of the key management personnel

(a) Orient Green Power Company Limited (upto 20th September 2022)

Payments made

-

-

0.41

(b) Bharath Wind Farm Limited (upto 20th September 2022)

Fund Receipts

-

-

4.11

(v) Joint Operations

(a) Larsen & Toubro Limited Shriram EPC JV

Company's share in profit of Integrated Joint Ventures

-

-

1.48

Company's share in Loss of Integrated Joint Ventures

-

10.36

390.77

(b) Shriram EPC Eurotech Environmental Pvt Ltd - JV

Progressive Billings/ Revenue

34.13

121.00

698.18

Expenses reimbursed by the party

-

-

4.51

(c) SEPC DRS ITPL JV

Progressive Billings/ Revenue

301.35

102.00

1.99

(d) Mokul Shriram EPC JV

Progressive Billings/ Revenue

-

-

8,624.17

Cost incurred for Materials and Labour

-

-

8,624.17

All transactions with related parties are conducted at arm's length price under normal terms of business and all amounts outstanding are unsecured and will be settled in cash.

(C) Amount due (to)/from related party as on:

(i) Particulars

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
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Borrowings:

MARK AB Capital Investment India Private Limited (Effective from 24th September 2022)

4,900.00

900.00

-

Advances:

Leitwind Shriram Manufacturing Private Limited

(Net of Provision for Expected Credit Loss of ₹

9,141.70 Lakhs (March 31, 2022: ₹ 9,141.70

Lakhs)(March 31, 2021: ₹ 9,141.70 Lakhs)

-

-

477.77

Payables:

Larsen & Toubro Limited Shriram EPC JV

0.09

0.96

0.90

Receivables:

Amrit Environmental Technologies P Ltd

-

1,966.38

1,966.38

Mokul Shriram EPC JV

1,675.67

1,669.28

1,669.28



49 Disclosure pursuant to Ind AS 1 "Presentation of Financial Statements"

(A) Current Assets expected to be recovered within twelve months and after twelve months from the reporting date

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Trade Receivables - Note 16	30,002.26	-	30,002.26	29,206.01	-	29,206.01
Other Current Financial Assets - Note 19	234.18	-	234.18	166.00	-	166.00

Particulars	As at March 31, 2022		
	Within twelve months	After twelve months	Total
Inventories - Note 15	-	-	-
Trade Receivables - Note 17	37,250.48	-	37,250.48
Other Current Financial Assets - Note 20	879.25	-	879.25

(B) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Acceptances - Note 29	8,429.51	-	8,429.51	9,605.31	-	9,605.31
Trade and Other Payables - Note 29	21,991.46	-	21,991.46	28,351.71	-	28,351.71
Other Current Financial Liabilities - Note 30	10,165.00	-	10,165.00	1,625.07	-	1,625.07

Particulars	As at March 31, 2022		
	Within twelve months	After twelve months	Total
Acceptances - Note 30	323.42	-	323.42
Trade Payables - Note 30	33,644.84	-	33,644.84
Other Current Financial Liabilities - Note 26	4,465.38	-	4,465.38

50 Segment reporting

The Chief Operating Decision Maker (CODM) reviews the operations of the Company for the year ended March 31, 2024 as one operating segment being Construction Contracts. Hence no separate primary segment information has been furnished herewith as required by Ind AS 108, "Operating segment". However, Geographical Segments being secondary segments are disclosed below :

Particulars	(in ₹ Lakhs)		
	31-Mar-24	31-Mar-23	31-Mar-22
Rest of the World			
Revenue	4,061.37	-	8,624.16
Assets	2,035.29	819.18	819.18
India			
Revenue	52,036.91	37,884.66	24,320.00
Assets	2,18,894.85	1,99,363.18	2,21,502.83
Capital Expenditure	5.38	13.91	14.97

51 Expenditure in Foreign Currency

Particulars	(in ₹ Lakhs)		
	31-Mar-24	31-Mar-23	31-Mar-22
Professional & Consultancy Fees	2.93	19.29	4.85
Material Consumed in Execution of Engineering Con	722.77	-	201.72
Erection, Construction & Operation Exp	3,388.78	32.02	59.00
Travelling & Conveyance	0.39	4.68	3.74
Salaries and wages	5.82	-	67.95
Others	-	12.38	194.84
Total	4,120.69	68.37	492.10



52 Fair Value Measurement

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	Note	Carrying Amount					Fair Value			
		Financial Assets at amortised cost	Mandatorily at FVTPL	Other Financial liabilities at amortised cost	Investments at Fair Value through Other comprehensive income	Total carrying value	Level 1	Level 2	Level 3	Total
Assets										
Financial Assets Measured at Fair Value										
Investments	9	-	-	-	77.81	77.81	77.81	-	-	77.81
Financial Assets not Measured at Fair Value										
Investments	9	-	-	-	-	-	-	-	-	-
Loans	10	696.17	-	-	-	696.17	-	-	-	-
Trade Receivables	11 & 16	46,607.75	-	-	-	46,607.75	-	-	-	-
Cash and Cash Equivalents	17	1,834.96	-	-	-	1,834.96	-	-	-	-
Other Bank balances	18	4,257.69	-	-	-	4,257.69	-	-	-	-
Other financial assets	12 & 19	1,264.65	-	-	-	1,264.65	-	-	-	-
Total		54,661.22	-	-	77.81	54,739.03	77.81	-	-	77.81
Liabilities										
Financial Liabilities not Measured at Fair Value										
Non Current Borrowings	24	-	-	29,840.24	-	29,840.24	-	-	-	-
Current Borrowings	28	-	-	15,373.66	-	15,373.66	-	-	-	-
Trade payables	29	-	-	30,420.97	-	30,420.97	-	-	-	-
Other financial liabilities	25 & 30	-	-	14,012.21	-	14,012.21	-	-	-	-
Total		-	-	89,647.08	-	89,647.08	-	-	-	-

Particulars	Note	Carrying Amount					Fair Value			
		Financial Assets at amortised cost	Mandatorily at FVTPL	Other Financial liabilities at amortised cost	Investments at Fair Value through Other comprehensive income	Total carrying value	Level 1	Level 2	Level 3	Total
Assets										
Financial Assets Measured at Fair Value										
Investments	9	-	-	-	40.93	40.93	40.93	-	-	40.93
Financial Assets not Measured at Fair Value										
Investments	9	-	-	-	-	-	-	-	-	-
Loans	10	697.48	-	-	-	697.48	-	-	-	-
Trade Receivables	11 & 16	47,412.26	-	-	-	47,412.26	-	-	-	-
Cash and Cash Equivalents	17	3,307.04	-	-	-	3,307.04	-	-	-	-
Other Bank balances	18	1,730.33	-	-	-	1,730.33	-	-	-	-
Other financial assets	12 & 19	1,207.14	-	-	-	1,207.14	-	-	-	-
Total		54,354.25	-	-	40.93	54,395.18	-	-	-	-
Liabilities										
Financial Liabilities not measured at fair value										
Non Current Borrowings	24	-	-	26,616.44	-	26,616.44	-	-	-	-
Current Borrowings	28	-	-	13,966.58	-	13,966.58	-	-	-	-
Trade payables	29	-	-	37,957.02	-	37,957.02	-	-	-	-
Other financial liabilities	25 & 30	-	-	5,649.33	-	5,649.33	-	-	-	-
Total		-	-	84,189.37	-	84,189.37	-	-	-	-

Particulars	Note	Carrying Amount					Fair Value			
		Financial Assets at amortised cost	Mandatorily at FVTPL	Other Financial liabilities at amortised cost	Investments at Fair Value through Other comprehensive income	Total carrying value	Level 1	Level 2	Level 3	Total
Assets										
Financial Assets Measured at Fair Value										
Investments	9	-	-	-	52.72	52.72	52.72	-	-	52.72
Financial Assets not Measured at Fair Value										
Investments	9	-	-	-	-	-	-	-	-	-
Loans	10	8,131.35	-	-	-	8,131.35	-	-	-	-
Trade Receivables	11 & 16	56,018.98	-	-	-	56,018.98	-	-	-	-
Cash and Cash Equivalents	17	582.67	-	-	-	582.67	-	-	-	-
Other Bank balances	18	2,387.49	-	-	-	2,387.49	-	-	-	-
Other financial assets	12 & 19	1,970.84	-	-	-	1,970.84	-	-	-	-
Total		69,091.33	-	-	52.72	69,144.05	52.72	-	-	52.72
Liabilities										
Financial Liabilities not Measured at Fair Value										
Non Current Borrowings	24	-	-	15,364.47	-	15,364.47	-	-	-	-
Current Borrowings	28	-	-	82,462.97	-	82,462.97	-	-	-	-
Trade payables	29	-	-	33,968.72	-	33,968.72	-	-	-	-
Other financial liabilities	25 & 30	-	-	6,340.63	-	6,340.63	-	-	-	-
Total		-	-	1,38,136.79	-	1,38,136.79	-	-	-	-



53 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

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

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

The net exposure to foreign currency in respect of recognized financial assets, recognized financial liabilities and derivatives is as follows:

a) Forward exchange contracts entered into by the Company and outstanding as on March 31, 2024 - Nil (March 31, 2023: Nil)

b) Foreign Currency exposure

Particulars	31-Mar-24		
	Currency	Amount in Foreign Currency (In Lakhs)	In ₹ lakhs
Bank Balances	IQD	2.43	0.16
	USD	1.43	119.47
	TZS	8.06	0.27
Trade Payables (including Payables on purchase of fixed assets)	AED	0.20	4.54
	USD	8.07	672.92
	EUR	8.93	803.46
Advance To Supplier	EUR	4.22	379.59
	USD	2.59	215.93
Trade and Other Receivables	USD	35.98	2,959.65
	TZS	4.00	0.13

Particulars	31-Mar-23		
	Currency	Amount in Foreign Currency (In Lakhs)	In ₹ lakhs
Bank Balances	IQD	2.43	0.13
Trade Payables (including Payables on purchase of fixed assets)	EUR	5.74	513.39
Trade and Other Receivables	USD	22.18	1,822.12

Particulars	31-Mar-22		
	Currency	Amount in Foreign Currency (In Lakhs)	In ₹ Lakhs
Bank Balances	USD	0.07	5.16
	IQD	2.43	3.13
Trade Payables (including Payables on purchase of fixed assets)	USD	1.11	84.44
	EURO	37.17	3,130.82
Trade and Other Receivables	USD	31.62	2,396.93

Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's import payments and cost of borrowings.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following table details the Company's sensitivity movement in the increase / decrease in foreign currencies exposures (net):

USD Impact				Rs. Lakhs
Particulars	March 31, 2024	March 31, 2023	March 31, 2022	
Profit or Loss	53.24	0.61	0.62	
Equity	53.24	0.61	0.62	
IQD Impact				Rs. Lakhs
Particulars	March 31, 2024	March 31, 2023	March 31, 2022	
Profit or Loss	0.00	0.04	0.04	
Equity	0.00	0.04	0.04	
EUR Impact				Rs. Lakhs
Particulars	March 31, 2024	March 31, 2023	March 31, 2022	
Profit or Loss	8.45	0.74	0.75	
Equity	8.46	0.74	0.75	
TZS Impact				Rs. Lakhs
Particulars	March 31, 2024	March 31, 2023	March 31, 2022	
Profit or Loss	0.01	-	-	
Equity	0.01	-	-	



(B) Credit risk

The credit risk to the company arises from two sources:

a) Customers, who default on their contractual obligations, thus resulting in financial loss to the Company
Company evaluates the credentials of a customer at a very early stage of the bid. Company has adopted a policy of 3 tier verification before participating for any bid. The first step of such verification includes verification of customer credentials. The company, as part of verification of the customer credentials, ensures the compliance with the following criterion

(i) Customer's financial health by examining the audited financial statements

(ii) Whether the Customer has achieved the financial closure for the work for which the company is bidding

(iii) Where the customer is Public Sector Undertaking, sanction and availability of adequate financial resources for the proposed work.

Company makes provision on it's financial assets, on every reporting period, as per Expected Credit Loss Method. The provision is made separately for each financial assets of each business line. The percentage at which the provision is made, is determined on the basis of historical experience of such provisions, modified to the current and prospective business and customer profile.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. Majority of the customers of the company comprise of Public Sector

Undertakings, with whom the company does not perceive any credit risk. As regards the customers from private sector, company carries out financial evaluation on regular basis and provides for any amount perceived as non realisable, in the books of accounts.

b) Non certification by the customers, either in part or in full, the works billed as per the contract, being non claimable cost as per the terms of the contract with the customer

Non certification of works billed The Company has contract claims from customers including costs on account of account of delays / changes in scope / design by them etc., which are at various stages of discussions / negotiations or under arbitrations. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims

The Company provides for doubtful receivables/advances and expected credit loss based on 12 months and lifetime expected credit loss basis for following financial assets:

31-Mar-24

Particulars	Estimated Gross Carrying Amount at default	Provision/ Expected Credit Loss	Carrying amount net of impairment provision
Trade receivables	39,398.01	(9,595.75)	30,002.26
Contract Assets	91,975.81	-	91,975.82
Advances to Suppliers	14,865.05	(1,640.30)	13,224.75

31-Mar-23

Particulars	Estimated Gross Carrying Amount at default	Provision/ Expected Credit Loss	Carrying amount net of impairment provision
Trade receivables	38,570.95	(9,364.94)	29,206.01
Contract Assets	78,715.17	(4,968.58)	73,746.59
Advances to Suppliers	16,470.93	(1,640.30)	14,830.63

31-Mar-22

Particulars	Estimated Gross Carrying Amount at default	Provision/ Expected Credit Loss	Carrying amount net of impairment provision
Trade receivables	46,326.35	(9,075.87)	37,250.48
Contract Assets	83,029.75	(3,321.01)	79,708.74
Advances to Suppliers	14,992.40	(1,640.30)	13,352.10

Reconciliation of Provision and Expected Credit Loss

Particulars	Trade receivables	Contract Asset	Advances to suppliers
Provision and Expected Credit Loss on March 31, 2023	9,364.94	4,968.58	1,640.30
Written Off	0.00	(4,968.58)	-
Allowance for Doubtful Debts	230.81	-	-
Provision and Expected Credit Loss on March 31, 2024	9,595.75	-	1,640.30

Particulars	Trade receivables	Contract Asset	Advances to suppliers
Provision and Expected Credit Loss on March 31, 2022	9,075.87	3,321.01	1,640.30
Written Off	-	(3,321.01)	-
Allowance for Doubtful Debts	289.07	4,968.59	-
Provision and Expected Credit Loss on March 31, 2023	9,364.94	4,968.59	1,640.30

Particulars	Trade receivables	Contract Asset	Advances to suppliers
Provision and Expected Credit Loss on March 31, 2021	6,971.47	910.95	1,640.30
Allowance for Doubtful Debts	2,104.40	2,410.06	-
Provision and Expected Credit Loss on March 31, 2022	9,075.87	3,321.01	1,640.30

(C) Liquidity risk

Company being an EPC contractor, has a constant liquidity pressures to meet the project requirements. These requirements are met by a balanced mix of borrowings and project cash flows. Cash flow forecast is made for all projects on a monthly basis and the same are tracked for actual performance on daily basis. Shortfall in cash flows are matched through short term borrowings and other strategic financing means. The daily project requirements are met by allocating the daily aggregated cash flows among the projects. Company has established practice of prioritising the site level payments and regulatory payments above other requirements.

The table below summarizes the maturity profile of the Company's financial liabilities:

	Within 12 months	More than 12 months	Total
31-Mar-24			
Short term borrowings	15,373.66	-	15,373.66
Long term borrowings	-	29,840.24	29,840.24
Trade payables	30,420.98	-	30,420.98
Other financial liability	10,165.00	3,847.21	14,012.21
	<u>55,959.64</u>	<u>33,687.45</u>	<u>89,647.09</u>
31-Mar-23			
Short term borrowings	13,966.58	0	13,966.58
Long term borrowings	-	26,616.64	26,616.64
Trade payables	17,114.13	20,842.89	37,957.02
Other financial liability	1,625.07	4,024.26	5,649.33
	<u>32,705.78</u>	<u>51,483.79</u>	<u>84,189.57</u>
31-Mar-22			
Short term borrowings	87,467.97	0	87,467.97
Long term borrowings	-	15,364.47	15,364.47
Trade payables	26,874.24	7,094.02	33,968.26
Other financial liability	1,875.25	4,445.38	6,320.63
	<u>1,11,212.46</u>	<u>26,923.87</u>	<u>1,38,136.33</u>



55 Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

Movement in Provisions:

Particulars	Provision for Expected Credit Losses		Provision for Advances
	Current	Non-Current	Current
Opening Balance as on April 01, 2023	14,333.51	14,333.26	1,640.30
Add: Additional Provision during	230.81	585.73	-
Amount written off	-	(10,214.89)	-
Transfer between current and non current	(4,968.57)	4,968.58	-
Closing Balance as on March 31, 2024	9,595.75	9,672.68	1,640.30

Particulars	Provision for Expected Credit Losses		Provision for Advances
	Current	Non-Current	Current
Opening Balance as on April 01, 2022	12,396.88	13,900.14	1,640.30
Add: Additional Provision during the year	1,873.30	433.12	-
Closing Balance as on March 31, 2023	14,270.18	14,333.26	1,640.30

Particulars	Provision for Expected Credit Losses		Provision for Advances
	Current	Non-Current	Current
Opening Balance as on April 01, 2021	7,882.42	12,719.53	1,640.30
Add: Additional Provision during the year	4,514.46	1,180.61	-
Less: Movement on Account of Transfer of advances to Group Companies	-	-	-
Closing Balance as on March 31, 2022	12,396.88	13,900.14	1,640.30

56 Assets under charge for borrowings

The carrying amounts of assets under charge for current and non-current borrowings are:

	31-Mar-24	31-Mar-23	31-Mar-22
Current assets			
Trade receivables	30,002.26	29,206.01	37,250.48
Contract asset	91,975.82	73,246.59	79,708.74
Cash and cash equivalents	1,834.96	3,307.04	582.67
Other bank balances	4,257.69	1,730.33	2,387.49
Other Financial Assets	234.18	166.00	879.25
Other current assets	18,784.54	19,692.41	20,052.12
Asset classified as held for sale	-	-	596.06
Total Current assets under charge	1,47,089.45	1,27,348.39	1,41,456.82
Non-Current assets	73,840.68	72,833.98	80,865.20
Total Assets under charge	2,20,930.13	2,00,182.37	2,22,322.02

Sanctioned limit with various Banks for various facilities has been Secured by First Pari-passu charge on Pooled Assets i.e., all movable (both fixed, current and non-current) Immovable assets of the company and Corporate Guarantee of MARK AB LLC Dubai, Mark AB Capital Investments India Private Limited, SVL Ltd and SVL Trust. However, the Corporate Guarantees of SVL Ltd and SVL Trust shall be released after 18 months from the date of RP, if there is no default for a consecutive period of 12 months as defined in RBI Circular dated 7th June 2019.

The quarterly statements filed by the Company with the banks and financial institutions are in agreement with the books of accounts

57 Commitments

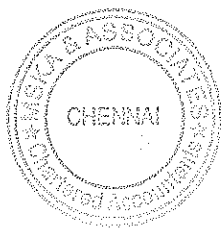
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining unexecuted on capital account (net of advances paid) and not provided for	Nil	Nil	Nil

58 Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
a) Claims against the Company not acknowledged as debts*	10,036.55	10,188.40	15,835.06
b) Central Excise, Service Tax and customs Duties demands contested in Appeals, not provided for*	779.77	408.00	408.00
c) Disputed VAT/ Central Sales tax demands contested in Appeals, not provided for*	2,038.04	3,166.00	9,669.88
d) Bank Guarantees given to Customers for performance and advances #	37,613.23	33,636.06	37,002.18

*Management is confident of winning the appeals in respect of the above, hence no provision has been made. Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

#In respect of matters at (d), the cash outflows, if any, could generally occur up to two years, being the period over which the validity of the guarantees extends.



SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements
(Amount in ₹ lakhs, unless otherwise stated)

59 Summary of Restatement Adjustments:

Part A: Particulars of Restated Consolidated Summary Statements for prior year

Reconciliation between audited Total Equity and Restated Total Equity

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Total Equity (as per audited financial statements)	1,21,186.89	1,08,809.16	73,946.62
Adjustment	-	-	-
Total Equity as per Restated Statement of Consolidated Assets and Liabilities	1,21,186.89	1,08,809.16	73,946.62

Reconciliation between audited profit/(loss) and restated profit/(loss)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit/(Loss) after tax (as per audited financial statements)	2,278.36	(490.38)	(26,370.37)
Adjustment	-	-	-
Restated profit/(loss) after tax for the year	2,278.36	(490.38)	(26,370.37)

Reconciliation between audited cash flows and restated cash flows

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Net (decrease)/ increase in cash and cash equivalents (as per audited financial statements)	(1,472.08)	2,724.37	(258.19)
Adjustment	-	-	-
Restated Net (decrease)/ increase in cash and cash equivalents	(1,472.08)	2,724.37	(258.19)

Part A : Notes to Adjustments

1 Adjustments for Audit Qualifications: None (also refer Part B below for non-adjusted items)

2 Material regrouping/reclassifications: Appropriate regroupings have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit & Loss and Restated Statement of Cashflows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cashflows, in order to bring them in line with the accounting policies and classification as per Ind AS financial information of the Company for the period ended March 31, 2024 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

3 Material errors: There were no material errors in Audited Consolidated Financial Statements for the financial year ended March 31, 2024, Audited Consolidated Financial Statements for the financial year ended March 31, 2023 and Audited Consolidated Financial Statements for the year ended March 31, 2022 requiring any adjustments in Restated Consolidated Financial Information.

Part B: Non-adjusted items

A) Auditor's Comments in the Independent Auditors' Report -

Statutory Auditors have made the following comments in their Auditors' Report for Financial Year 2023-24, 2022-23, 2021-22.

Financial Year ended 31 March 2024

a) Qualification:

i) The carrying value of the Deferred Tax Asset (DTA) balance includes an amount of Rs. 30,870.91 Lakhs as on March 31, 2024 which was recognized in regard to the unabsorbed business losses of Rs.88,343.94 lakhs. Due to the non-availability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such unabsorbed business losses can be utilised as required by Ind AS 12: Income taxes, we are unable to comment on any adjustments that may be required to the carrying value of the aforesaid DTA on the consolidated financial statements for the year ended March 31, 2024. (Refer Note 41(B) of the consolidated financial statements).

ii) Non-Current Contract Assets include overdue balances of Rs. 6,959.44 lakhs (net of provisions amounting to Rs. 926.98 lakhs) and Non-Current Trade Receivables include Rs. 575.21 lakhs (net of provisions amounting to Rs. 82.99 lakhs) as on March 31, 2024, relating to dues on projects which have been stalled due to delays in obtaining approvals from the regulatory authorities. Due to the non-availability of sufficient appropriate audit evidence to corroborate management's assessment of the recoverability of the said balances, we are unable to comment on the carrying value of these non-current Contract Assets and Trade Receivables, and the consequential impact if any, on the consolidated financial statements for the year ended March 31, 2024. (Refer to Note 8.1 and Note 11.1 of the Consolidated Financial Statements)

These matters were also qualified in our report on the consolidated Ind AS financial statements for the year ended March 31, 2023

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

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Group's internal financial controls with reference to consolidated financial statements as at March 31, 2024:

a) Provisioning of expected credit loss against non-current contract assets and trade receivables which are outstanding for a substantial period of time, which could potentially result in the group not recognizing a provision against the said assets.

b) Assessment of future taxable profits which could result in recognition of excess deferred tax asset which the group may not be able to utilize for set-off against sufficient future taxable profits.

A "material weakness" is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding company and its subsidiary company, have, in all material respects, maintained adequate internal financial controls with reference to consolidated financial statements as of March 31, 2024, based on the internal financial control with reference to consolidated financial statements criteria established by respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI") and except for the possible effects of the material weaknesses described below on the achievement of the objectives of the control criteria, the internal financial controls with reference to consolidated financial statements of the Holding company and its subsidiary company, were operating effectively as of March 31, 2024.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2024 consolidated financial statements of the Company, and these material weaknesses have affected our opinion on the consolidated financial statements of the Company for the year ended on that date and we have issued a qualified opinion on the consolidated financial statements.

Financial Year ended 31 March 2023

a) Qualification:

i) The carrying value of Deferred Tax Asset (DTA) include an amount of Rs. 33,289.92 Lakhs (March 31, 2022: Rs. 39,645 Lakhs) which is recognized on unabsorbed business losses. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such unabsorbed business losses can be utilised as required by Ind AS 12 on Income taxes, we are unable to ascertain the extent to which the deferred tax asset can be utilized. (Refer Note 43B of the consolidated financial statements).

ii) Contract Assets (Non-Current) include Rs. 7,351.90 Lakhs (Net of provisions amounting to Rs. 926.98 Lakhs) (March 31, 2022: Rs. 1,956.02 Lakhs) and Trade Receivables (Non-Current) include Rs. 575.21 Lakhs (Net of provisions amounting to Rs. 82.99 Lakhs) relating to dues on projects which are not progressing on account of statutory delays faced by the customer. In the absence of positive development in this matter till date, there is uncertainty on the amount that would be recoverable by the Company. Further, we do not have sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the said amounts. Accordingly, we are unable to comment on the carrying value of above mentioned Contract Asset (Non-Current) and Trade Receivables (Non-Current) and the impact if any, on account of non-provisioning of the said balances on the consolidated financial statements. (Refer to Note 8.1 and Note 11.1 of the Consolidated Financial Statements)

These matters were also qualified in our report on the consolidated Ind AS financial statements for the year ended March 31, 2022

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

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls with reference to consolidated financial statements as at March 31, 2023:

a) Provisioning of expected credit loss against contract assets and receivables which are outstanding for a substantial period of time, which could potentially result in the Company not recognizing a provision for the said assets.

b) Assessment of future taxable profits which could result in recognition of excess deferred tax asset which the Company may not be able to utilize for set-off against sufficient taxable profits.

A "material weakness" is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary Company, have in all material respects, maintained adequate internal financial controls with reference to consolidated financial statements as of March 31, 2023, based on the internal financial control with reference to consolidated financial statements criteria established by respective companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI") and except for the possible effects of the material weaknesses described below on the achievement of the objectives of the control criteria, the internal financial controls with reference to consolidated financial statements of the Holding Company were operating effectively as of March 31, 2023.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2023 consolidated financial statements of the Company, and these material weaknesses have affected our opinion on the consolidated financial statements of the Company for the year ended on that date and we have issued a qualified opinion on the consolidated financial statements



SEPC Limited

Notes forming part of the Restated Consolidated Financial Statements
(Amount in ₹ lakhs, unless otherwise stated)

Annexure to Auditor's Report for the Financial Year ended 31 March 2023

i) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any lender except in the following cases, details of which are as follows:

Nature of borrowing, including debt securities	Name of Lender	Amount not paid on due date (Rs. Lakhs)	Whether principal or interest	No. of Days delay or unpaid	Remarks, if any
Term Loan	Central Bank		24 Interest	1 - 61 days	Interest has been paid subsequently in FY 2022-23
Working Capital term loan (WCTL)	IFCI	17.56	Interest	1 - 61 days	Interest has been paid subsequently in FY 2022-23
Funded Interest term loan (FITL)	IFCI	1.38	Interest	1 - 61 days	Interest has been paid subsequently in FY 2022-23
Emergency Covid Loan	Bank of Maharashtra	4.00	Interest	1 - 82 days	Interest has been paid subsequently in FY 2022-23
Cash Credit	Punjab National Bank	20.80	Interest	1 - 62 days	Interest has been paid subsequently in FY 2022-23
	State Bank Of India	95.00	Interest	1 - 214 days	
	Union Bank	9.00	Interest	1 - 61 days	
	Yes Bank	2.40	Interest	1 - 90 days	
	Axis Bank	4.80	Interest	1 - 62 days	
	Bank of Baroda	6.00	Interest	1 - 62 days	
	Bank of India	4.40	Interest	1 - 131 days	
	Bank of Maharashtra	10.00	Interest	1 - 62 days	
	Central Bank of India	17.20	Interest	1 - 61 days	
	DRS bank India Ltd	22.00	Interest	1 - 62 days	
	Federal Bank	4.40	Interest	1 - 62 days	
	ICICI Bank	0.80	Interest	1 - 62 days	
	IDBI Bank	48.00	Interest	1 - 104 days	
	IFCI Factors	4.00	Interest	1 - 61 days	
	Indian Bank	12.00	Interest	1 - 72 days	
	Indusind Bank	7.20	Interest	1 - 62 days	
Working Capital Demand Loan (WCCL)	ARCL	25.00	Interest	1 - 131 days	Interest has been paid subsequently in FY 2022-23
	Punjab National Bank	31.20	Interest	1 - 62 days	
	Yes Bank	3.60	Interest	1 - 90 days	
	Axis Bank	7.20	Interest	1 - 62 days	
	Bank of Baroda	9.00	Interest	1 - 62 days	
	Bank of India	6.60	Interest	1 - 131 days	
	Central Bank of India	25.80	Interest	1 - 61 days	
	Federal Bank	6.60	Interest	1 - 67 days	
	ICICI Bank	1.20	Interest	1 - 61 days	
	Indusind Bank	10.80	Interest	1 - 62 days	

ii) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have not been regularly deposited by the Company with the appropriate authorities and there have been delays in some cases. There were no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

iii) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-Clause (a) above which have not been deposited as on March 31, 2023 on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Rs. (in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Service Tax (Chapter V of the Finance Act, 1994)	Service Tax and Penalty	408.00	2010-11 to 2012-13	Customs Excise and Service Tax Appellate Tribunal
Andhra Pradesh Value Added Tax Act	Value Added Tax	223.33	2008-09 and 2009-10	Assistant Commissioner- Commercial tax-Andhra Pradesh
Tamil Nadu Value Added Tax Act	Value Added Tax	60.00	2008-09 to 2014-15	The Assistant Commissioner (ST) Egmore Assessment
West Bengal Value Added Tax Act	Value Added Tax	1,980.00	2007-08 to 2015-16	Revisional Board
Kerala value added tax Act	Dispute on Penalty	658.00	2015-16	Assistant Commissioner (INT), Kerala
Jharkhand Value added tax act	VAT Tax Amount and Interest	180.00	2013-14 to 2014-15	Dy. Commissioner of commercial tax
Jharkhand Goods & Services tax act	Disputed on expenses turnover	2.00	2013-14 to 2014-15	Dy. Commissioner of commercial tax
Rajasthan Goods & Services tax act	Disputed on Royalty	6.00	2013-14 to 2014-15	Superintendent of GST, Rajasthan
Uttar Pradesh Goods & Services tax act	Tax demand on disputed turnover	58.00	2013-14 to 2014-15	Commercial Taxes Department Uttar Pradesh

This does not include Show Cause Notices (pending formal demand notices) received by the Company



Annexure to Auditor's Report for the Financial Year ended 31 March 2022

iv) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any lender except in the following cases, details of which are as follows:

Nature of borrowing, including debt securities	Name of Lender	Amount not paid on due date (Rs. Lakhs)	Whether principal or Interest	No. of Days delay or unpaid	Remarks, if any
Term Loan	Central Bank	4,100.87	Principal	547-1 days	Principal pending to be repaid
WCTL	IFCI	2,346.23	Interest	547-1 days	Interest pending to be repaid
		177.62	Principal	547-1 days	Principal pending to be repaid
FITL	IFCI	121.16	Interest	547-1 days	Interest pending to be repaid
		75.88	Principal	547-1 days	Principal pending to be repaid
		16.28	Interest	547-1 days	Interest pending to be repaid
ACRE	ACRE	2,900.00	Principal	547-1 days	Principal pending to be repaid
Covid Loan	BOM	160.00	Principal	547-1 days	Principal pending to be repaid

Nature of borrowing, including debt securities	Name of Lender	Amount not paid on due date	Whether principal or	No. of Days delay or	Remarks, if any
Cash Credit	Punjab National Bank	8,838.00	Interest	759-1 Days	Interest pending to be repaid
	Bank of India	1,158.00	Interest	766-1 Days	Interest pending to be repaid
	Yes Bank	258.00	Interest	455-1 Days	Interest pending to be repaid
	State Bank Of India	1,190.00	Interest	556-1 Days	Interest pending to be repaid
	Indian Bank	3,682.00	Interest	705-1 Days	Interest pending to be repaid
	Indusind Bank	165.00	Interest	493-1 Days	Interest pending to be repaid
	IDBI Bank	298.00	Interest	516-1 Days	Interest pending to be repaid
	Federal Bank	728.00	Interest	756-1 Days	Interest pending to be repaid
	DBS Bank India Ltd	692.00	Interest	547-1 Days	Interest pending to be repaid
	Central Bank of India	1,982.00	Interest	764-1 Days	Interest pending to be repaid
	Bank of Baroda	202.00	Interest	486-1 Days	Interest pending to be repaid
	ARCIL	528.00	Interest	455-1 Days	Interest pending to be repaid
	Union Bank	206.00	Interest	365-1 Days	Interest pending to be repaid
	IFCI Factors	131.00	Interest	547-1 Days	Interest pending to be repaid
	Axis Bank	1,635.38	Interest	121-1 Days	Interest pending to be repaid
	Bank of Maharashtra	329.09	Interest	335-1 Days	Interest pending to be repaid
	ICICI Bank	100.00	Interest	670-1 Days	Interest pending to be repaid
WCCL	Punjab National Bank	1107	Interest	547-1 Days	Interest pending to be repaid
	Bank of India	101	Interest	547-1 Days	Interest pending to be repaid
	Indian Bank	235	Interest	547-1 Days	Interest pending to be repaid
	Indusind Bank	351	Interest	547-1 Days	Interest pending to be repaid
	IDBI Bank	576	Interest	547-1 Days	Interest pending to be repaid
	Central Bank of India	278	Interest	455-1 Days	Interest pending to be repaid
	Bank of Baroda	262	Interest	486-1 Days	Interest pending to be repaid
	Axis Bank	24	Interest	424-1 Days	Interest pending to be repaid
	Yes Bank	100	Principal	516-1 Days	Principal Pending to be repaid
		3	Interest		Interest Pending to be repaid
	State Bank of India	500	Principal	455-1 Days	Principal Pending to be repaid
		221	Interest		Interest Pending to be repaid
	Indusind Bank	156	Principal	547-1 Days	Principal Pending to be repaid
		31	Interest		Interest Pending to be repaid
	IDBI Bank	320	Principal	455-1 Days	Principal Pending to be repaid
		48	Interest		Interest Pending to be repaid
	DBS Bank India Ltd	189	Principal	516-1 Days	Principal Pending to be repaid
		32	Interest		Interest Pending to be repaid
	Central Bank of India	284	Principal	455-1 Days	Principal Pending to be repaid
		54	Interest		Interest Pending to be repaid
	Bank of Baroda	117	Principal	455-1 Days	Principal Pending to be repaid
		29	Interest		Interest Pending to be repaid
	Union Bank	35	Principal	455-1 Days	Principal Pending to be repaid
		5	Interest		Interest Pending to be repaid
	IFCI Factors	7	Principal	547-1 Days	Principal Pending to be repaid
		2	Interest		Interest Pending to be repaid
FITL					

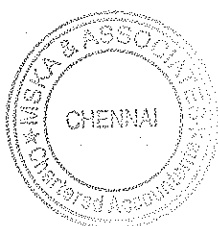
v) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, duty of custom, cess have not been regularly deposited by the Company with the appropriate authorities and there have been serious delays in large number of cases.

According to the information and explanations given to us, no undisputed amount payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and any other statutory dues applicable to it were outstanding, at the year end, for a period of more than six months from the date they became payable.

vi) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, customs duty, cess and any other statutory dues on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Rs. (in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Service Tax (Chapter V of the Finance Act, 1994)	Service Tax and Penalty	408.00	2010-11 to 2012-13	Customs Excise and Service Tax Appellate Tribunal
Andhra Pradesh Value Added Tax Act	Value Added Tax	223.33	2008-09 and 2009-10	Supreme Court
Tamil Nadu Value Added Tax Act	Value Added Tax	57.16	2008-09 to 2014-15	High Court
West Bengal Value Added Tax Act	Value Added Tax	1,985.00	2007-08 to 2015-16	Revisional Board
Orissa Value Added Tax Act	Value Added Tax	6,780.75	2011-12 and 2012-13	High Court
Kerala value added tax Act	Dispute on Penalty	659.00	2015-16	High Court
Jharkhand Value added tax act	Interest VAT Tax Amount	41.64	2013-14 to 2014-15	Dy. Commissioner of commercial tax
Goods & Service Tax Act	Disputed on Transitional credit - Interest	8.00	2017-2022	C.G.S.T & Central Excise - Bhilai

vii) According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that a material uncertainty exists as on the date of audit report. However, the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Further, as stated in the note 4 (e), considering the restructuring plan for the borrowings, infusion of additional equity subsequent to the year end by the investor and the Management's plans to meet financial obligations in foreseeable future out of the cash flows from execution of the pipeline of orders in hand, future business plans, non-fund based facilities, and realisation of trade receivables, the standalone financial statements of the Company for the year ended March 31, 2022 have been prepared on a going concern basis. 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.



60 There are no transactions with vendors under the Micro, Small and Medium Enterprises Development Act, 2006, this has been determined on the basis of information available with the Company

61 The Company (SEPC) and Twarit Consultancy Services Private Limited (TCPL) were the Respondents in respect of an International Arbitration before The Singapore International Arbitration Centre (SIAC) filed by GPE (INDIA) Ltd., GPE JV1 Ltd., Gaja Trustee Company Private Ltd (the Claimants) in connection with the investments made by the claimants in an associate company of the Company. SIAC vide its award dated January 07, 2021 awarded damages jointly and severally on the Respondents to the tune of Rs.19,854.10 lakhs and a sum of SGD 372,754.79 towards Arbitration expenses. These are to be paid along with simple interest @ 7.25% pa from July 21, 2017 until the date of payment.
The Respondents preferred an appeal before the High Court of Republic of Singapore against the award of SIAC and the same is held in favour of the claimants. Recognition and Enforcement petition was filed by the claimants before Madras High Court which recognised the foreign award subject to obtaining of prior approval from the RBI. Aggrieved by this the claimants have moved the Supreme Court for certain directions. Supreme Court vide Order dated 17.05.2024 directed the respondents to remit Rs 12,500 lakhs with interest @ 7.25% pa from 07.09.2021 till the date of payment, on or before July 29, 2024 being the date of next hearing. However, the Company has entered into an Inter-se arrangement dated September 29, 2015 with TCPL and Shri Housing Pvt Ltd by which, Company will be fully indemnified, in case of any liability arising out of any Suits, Proceedings, Disputes, Damages payable by the Company on any defaults arising out of the above.

The management is confident that there will be no liability which would devolve on the Company from the proceedings as the Company is fully indemnified by virtue of the said Inter-se arrangement.

62 Mokul Shriram EPC JV (JV Company) where SEPC Limited is a JV partner, have won the complaint against Export Credit Guarantee Corporation of India Limited (ECGC) before the National Consumer Disputes Redressal Commission, (NCDRC) New Delhi, in connection with the project executed in Basra, Iraq. NCDRC, vide their order dated January 27, 2021, allowed the claims and directed ECGC to pay a sum of Rs. 26,501 lakhs along with simple interest @ 10% pa. with effect from September 19, 2016 till the date of realisation to the JV Company within a period of three months from the date of order, failing which ECGC will be liable to pay compensation in the form of simple interest @ 12% pa. ECGC had filed an appeal against the order of NCDRC New Delhi, before Supreme Court, and the case is pending for disposal.

63 The Company has made net profit during the year ended March 31, 2024 amounting to Rs 2,278.36 lakhs and as of that date has accumulated losses aggregating Rs. 2,13,317.52 Lakhs. Considering the positive developments of implementation of resolution plan approved in the previous year, completion of Rights issue, additional funding by Investor for working capital together with plans to meet financial obligations in future out of the cash flows from execution of the pipeline of orders in hand, business plans, sanctioned non-fund based facilities etc, these financial statements are prepared on a going concern basis.

64 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has 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 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.

65 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,
The Company does not have transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the year

66 Utilisation of Borrowed funds and Securities Premium:
(i) 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
(ii) 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

67 Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

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

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

70 Registration of charges or satisfaction with Registrar of Companies (ROC)
The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

71 Subsequent events
1) The Board of directors in their meeting held on January 29, 2024, have approved the issuance of equity shares of the Company for an amount not exceeding Rs.20,000 lakhs by way of rights issue to the eligible equity shareholders in accordance with the applicable laws, including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2013, Companies Act 2013 and Rules made thereunder from time to time, subject to regulatory and statutory approvals. Consequently, on April 17, 2024, the Company has filed the Draft letter of Offer with the Securities and Exchange Board of India (SEBI) for which requisite regulatory approval is awaited.
2) Subsequent to year ended March 31, 2024, the Company has newly incorporated a wholly owned subsidiary namely - SEPC Arabia Limited One Person Company, in Saudi Arabia for the purpose of exploiting the market potential in the kingdom of Saudi Arabia as well as strengthen our presence in Gulf Cooperation Council region (GCC) using Company's qualifications and promoter MARK AB experience in that region.

72 These Restated Consolidated Financial Information were approved by the Rights Issue Committee of the Board of Directors on June 19, 2024 for submission to regulatory authorities in connection with the proposed Rights Issue

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No. 105047W

T.V. Ganesh
Partner
Membership No: 203370

Place: Chennai
Date: June 19, 2024

For and on behalf of the Board of Directors of
SEPC Limited
CIN - L74210TN2000PLC045167

N K Suryanarayana
Managing Director & CEO
DIN: 01714066

T. Sri Ramani
Company Secretary
Membership No: A68102

Place: Chennai
Date: June 19, 2024

R Ravichandran
Director
DIN: 01920603

R S Chandrasekharan
Chief Financial Officer