

B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of GE Power Boilers Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **GE Power Boilers Services Limited** ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's director report but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue

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as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Emphasis of Matter

We draw attention to Note 1 in the financial statements, which indicates that the Company has accumulated losses and its net worth has fully eroded as at 31 March 2020. The Company has incurred a net loss during the current year and, the Company's liabilities exceeded its total assets as at the balance sheet date. In the absence of any orders in hand or alternate business plans, the management has not prepared the financial statements on going concern basis. Adjustments have been made to assets to reflect them at lower of historical cost and net realizable value. Liabilities are reflected at the values at which they are expected to be discharged.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.



- e) The going concern matter described under Emphasis of Matter paragraph above, in our opinion may have an adverse effect on the functioning of the company.
 - f) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company doesn't have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.
- (C) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. Accordingly, the provisions of Section 197 of the Act is not applicable.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022



Adhir Kapoor
Partner
Membership Number: 098297
UDIN : 20098297AAAABQ5829

Place: New Delhi
Date: 19 June 2020

Annexure A referred to in the Independent Auditor's Report to the Members of GE Power Boilers Services Limited on the Ind AS financial statements for the year ended 31 March 2020

We report that:


- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment's).
- (b) According to the information and explanations given to us, the fixed assets are physically verified by the management every year, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. In accordance with this programmed, all the fixed assets have been physically verified by the management during the year. As informed to us, no material discrepancies were observed on such verification.
- (c) According to the information and explanations given to us, and basis of examination of the records of the company, the original title deed has been misplaced and company has filed a First Information Report (FIR) during the year with concerned police station. In the absence of the original/certified copy of title deed, we cannot comment on whether the title deed of immovable property has been held in the name of the company or not.
- (ii) The Company does not hold any inventory. Accordingly, para 3 (ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company, has not granted any loans, secured or unsecured, to companies or other parties covered in the register maintained under Section 189 of the Act. Further, there are no firms and limited liability partnerships covered in the register required under Section 189 of the Act. Accordingly, para 3 (iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the provisions of Section 185 and 186 of the Act are not applicable to the Company. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits covered under Section 73 to 76 of the Act. Accordingly, para 3 (v) of the Order is not applicable.
- (vi) The Central Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of Act since the Company is not carrying any operations. Accordingly, para 3 (vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income Tax and other statutory dues, to the extent applicable, have been deposited with slight delay in a few cases with appropriate authorities during the year. As explained to us, the Company did not have any dues on account of Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Goods and Service tax, Duty of Excise, Value Added Tax and Cess.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax and other material statutory dues, to the extent applicable, that were in arrear as at 31 March 2020 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there are no dues in respect of Income-tax which have not been deposited with appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institutions, banks, Government or debenture holders during the year. Accordingly, paragraph 3(viii) of the order is not applicable.
- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and any term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/ provided for any managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the Ind AS financial statements, as required by the applicable accounting standards. The provision of section 177 are not applicable to the company and accordingly reporting requirement under clause 3(xii) in related to section 177 of the act is not applicable to the company.
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022



Adhir Kapoor
Partner
Membership Number: 098297
UDIN : 20098297AAAABQ5829

Place: New Delhi
Date: 19 June 2020

Annexure B to the Independent Auditors' Report on the Ind AS financial statements GE Power Boilers Services Limited for the year ended 31 March 2020

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

Opinion

We have audited the internal financial controls with reference to financial statements of GE Power Boilers Services Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

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

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



Meaning of internal financial controls with reference to financial statements

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

Inherent Limitations of internal financial controls with reference to financial statements

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

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022



Adhir Kapoor
Partner
Membership Number: 098297
UDIN : 20098297AAAABQ5829

Place: New Delhi
Date: 19 June 2020


GE Power Boilers Services Limited
CIN : U31200WB1947PLC015280
Balance Sheet as at 31 March 2020

		(Rupees in thousands)	
Notes	As at 31 March 2020	As at 31 March 2019	
ASSETS			
(1) Non-current assets			
(a) Deferred tax assets	8	-	-
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	3	1,485	2,157
(b) Other current tax assets	4	-	1,643
(c) Assets held for sale	5	23	23
		<u>1,508</u>	<u>3,823</u>
Total assets		<u>1,508</u>	<u>3,823</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	6	3,400	3,400
(b) Other equity	7	(44,850)	(40,133)
		<u>(41,450)</u>	<u>(36,733)</u>
(1) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	9	36,553	33,933
(ii) Trade payables	10		
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		311	382
(b) Other current liabilities	11	6,094	5,970
(c) Current provisions	12	-	-
(d) Current tax liabilities	13	-	271
		<u>42,958</u>	<u>40,556</u>
Total equity and liabilities		<u>1,508</u>	<u>3,823</u>
Significant accounting policies	2		

The notes referred to form an integral part of these financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number:
101248W/W-100022



Adhir Kapoor
Partner

Membership No. 098297
Place : New Delhi
Date: 19 June 2020

For and on behalf of the Board of Directors of
GE Power Boilers Services Limited



Puneet Kalhan
Director
(DIN : 08729807)
Place : Noida
Date: 19 June 2020



Ayan Ganguly
Director
(DIN : 08115176)
Place : Noida
Date: 19 June 2020

GE Power Boilers Services Limited

CIN : U31200WB1947PLC015280

Statement of Profit and Loss for the year ended 31 March 2020

		(Rupees in thousands)	
	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
Other income	14	85	1,430
Total income		85	1,430
Expenses			
Finance costs	15	2,999	2,782
Other expenses	16	431	502
Total expenses		3,430	3,284
Profit/(loss) before tax		(3,345)	(1,854)
Tax expense:	8		
(1) Current tax		-	271
(2) Tax related to earlier years		1,372	4,504
Profit/(loss) for the year		(4,717)	(6,629)
Basic and diluted earnings per equity share	19	(139)	(195)
[Nominal value per share Rs. 100 (previous year Rs. 100)]			
Significant accounting policies	2		

The notes referred to form an integral part of these financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number:
101248W/W-100022



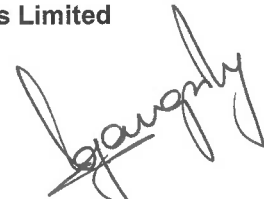
Adhir Kapoor
Partner

Membership No. 098297
Place : New Delhi
Date: 19 June 2020

For and on behalf of the Board of Directors of
GE Power Boilers Services Limited



Puneet Kalhan
Director
(DIN : 08729807)
Place : Noida
Date: 19 June 2020



Ayan Ganguly
Director
(DIN : 08115176)
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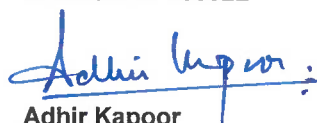
Statement of changes in equity for the year ended 31 March 2020

	Notes	As at 31 March 2020	(Rupees in thousands) As at 31 March 2019
A. Equity share capital	6		
Balance at the beginning and end of the year		<u>3,400</u>	<u>3,400</u>
B. Other equity	7		
Retained earnings			
Balance at the beginning of the year		(40,133)	(33,504)
(loss) for the year		<u>(4,717)</u>	<u>(6,629)</u>
Total		<u>(44,850)</u>	<u>(40,133)</u>
Significant accounting policies	2		

The notes referred to form an integral part of these financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number:
101248W/W-100022



Adhir Kapoor

Partner

Membership No. 098297

Place : New Delhi

Date: 19 June 2020

For and on behalf of the Board of Directors of
GE Power Boilers Services Limited



Puneet Kalhan

Director

(DIN : 08729807)

Place : Noida

Date: 19 June 2020



Ayan Ganguly

Director

(DIN : 08115176)

Place : Noida

Date: 19 June 2020

GE Power Boilers Services Limited
CIN : U31200WB1947PLC015280
Statement of cash flows for the year ended 31 March 2020

	(Rupees in thousands)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flow from operating activities		
Profit/ (loss) before tax	(3,345)	(1,854)
Adjustments for:		
Finance costs	2,999	2,782
Operating loss before working capital changes	<u>(346)</u>	<u>928</u>
Adjustments for changes in working capital		
Increase / (decrease) in trade payables	(71)	(1)
Increase / (decrease) in other current liabilities	124	(1,657)
Increase / (decrease) in current provisions	-	(430)
Cash (used in) operating activities	<u>(293)</u>	<u>(1,160)</u>
Income tax (payments)	-	(70)
Net Cash (used in) operating activities	<u>(293)</u>	<u>(1,230)</u>
B. Cash flow from investing activities		
Interest received	-	-
Net cash generated from investing activities	<u>-</u>	<u>-</u>
C. Cash flow from financing activities		
Proceeds from borrowings (net)	-	2,433
Finance costs paid (TDS deducted and paid to Govt. Authorities)	(379)	(2,442)
Net cash generated from/ (used in) financing activities	<u>(379)</u>	<u>(9)</u>
Net cash flows during the year (A+B+C)	<u>(672)</u>	<u>(1,239)</u>
Cash and cash equivalents, beginning of the year	2,157	3,396
Cash and cash equivalents, end of the year	1,485	2,157
Components of cash and cash equivalents as at end of the year		
Bank balances		
- In current account	1,485	2,157
	<u>1,485</u>	<u>2,157</u>

1. The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 on Statement of Cash Flows as notified under Section 133 of the Companies Act, 2013.
2. Figures in brackets indicate cash outflow.
3. Refer Note 9 for changes in liabilities arising from financing activities.

The notes referred to are form an integral part of these financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number:
101248W/W-100022



Adhir Kapoor
Partner
Membership No. 098297
Place : New Delhi
Date: 19 June 2020

For and on behalf of the Board of Directors of
GE Power Boilers Services Limited



Puneet Kalhan
Director
(DIN : 08729807)
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Ayan Ganguly
Director
(DIN : 08115176)
Place : Noida
Date: 19 June 2020

GE Power Boilers Services Limited

CIN : U31200WB1947PLC015280

Notes to the financial statements for the year ended 31 March 2020

1. General information

GE Power Boilers Services Limited ('GEPBSL' or 'the Company') is a wholly owned subsidiary of GE Power India Limited ('GEPIL') (formerly known as ALSTOM India Limited) and was primarily engaged in providing various services relating to different types of boilers, catering to the needs of independent power producers, public utility companies and other industrial users. However, no such services have been provided during the year ended 31 March 2020 and 31 March 2019.

Operational outlook

During the financial year ended 31 March 2020, the Company had a total income of Rs. 85 thousands (31 March 2019: Rs 1,430 thousands) and loss after tax of Rs. 4,717 thousands (31 March 2019: loss after tax Rs 6,629 thousands). As at 31 March 2020, the Company's accumulated losses were Rs. 44,850 thousands which have eroded its paid up equity capital of Rs. 3,400 thousands. Further, the Company's liabilities exceeded its total assets by Rs. 41,450 thousands. GEPIL, the immediate holding company, has committed to provide continued operational and financial support to the Company. However, in the absence of any orders in hand or alternate business plans, the management has not made the financial statements on going concern basis. Adjustments have been made to assets to reflect them at lower of historical cost and net realizable value. Liabilities are reflected at the values at which they are expected to be discharged.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year except for the impact of above stated note regarding going concern.

2.1 Basis of preparation of financial statements

2.1.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements have been authorized for issue by the Company's Board of Directors on 19 June 2020.

Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification in accordance with Schedule III, Division II of Companies Act, 2013 notified by the Ministry of Corporate Affairs.

An asset is classified as current when it is: a) Expected to be realised or intended to be sold or consumed in normal operating cycle, b) Held primarily for the purpose of trading, c) Expected to be realised within twelve months after the reporting period, or d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: a) It is expected to be settled in normal operating cycle, b) It is held primarily for the purpose of trading, c) It is due to be settled within twelve months after the reporting period, or d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities, except for projects business. The projects business comprises long-term contracts which have an operating cycle exceeding one year. For classification of current assets and liabilities related to projects business, the Company uses the duration of the contract as its operating cycle.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Companies (Accounts) Rules 2014.

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

2.1.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except certain financial assets and liabilities that are measured at fair value or amortised value.



2.1.3 Functional currency

The financial statements are presented in Indian Rupees (Rupees or INR), which is the Company's functional and presentation currency and all amounts are rounded to the nearest thousands, except as stated otherwise.

2.1.4 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment recognised in the financial statements are as under :

- recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources,
- impairment of financial assets and non financial assets,

2.1.5 Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's Board of Directors.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the respective notes.

2.2 Asset held for sale

Non current assets or disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the non current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale. Non current assets or disposal groups held for sale are measured at the lower of carrying amount and fair value less cost to sell.

A gain or loss of the non-current asset is recognised at the date of de-recognition. Once classified as held-for-sale, property, plant and equipment are no longer amortised or depreciated.

2.3 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



2.4 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

2.5 Financial instruments

a. Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI (fair value through other comprehensive income);
- FVTPL (fair value through statement of profit and loss)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.



Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

c. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



2.6 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for applicable jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

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 utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current period tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current period 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 realise the asset and settle the liability simultaneously.

Current period tax and deferred tax is recognised in the 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.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

2.7 Other income

Interest income is recognised using the effective interest method. The 'effective interest method' is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

2.8 Earnings per share

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

2.9 Provisions and contingent liabilities/ assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingencies

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. Contingent assets are not disclosed in the financial statements.



GE Power Boilers Services Limited

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Notes to the financial statements for the year ended 31 March 2020

	(Rupees in thousands)	
	As at	As at
	<u>31 March 2020</u>	<u>31 March 2019</u>
3. Cash and cash equivalents		
Bank balances		
- In current account	1,485	2,157
Total	<u><u>1,485</u></u>	<u><u>2,157</u></u>

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2020

	(Rupees in thousands)	
	As at	As at
	<u>31 March 2020</u>	<u>31 March 2019</u>
4. Other current tax assets		
(Unsecured, considered good)		
Advance tax and tax deducted at source (net of provision for income tax)	-	1,643
Total	<u><u>-</u></u>	<u><u>1,643</u></u>

	(Rupees in thousands)	
	As at	As at
	<u>31 March 2020</u>	<u>31 March 2019</u>
5. Assets held for sale		
Management has committed to a plan to sell the following assets in near future:		
Property, plant and equipment	23	23
Total	<u><u>23</u></u>	<u><u>23</u></u>



GE Power Boilers Services Limited

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Notes to the financial statements for the year ended 31 March 2020

	As at 31 March 2020		As at 31 March 2019	
	Number	(Rupees in thousands)	Number	(Rupees in thousands)
6. Equity share capital				
Authorised				
Equity shares of Rs. 100 each	250,000	25,000	250,000	25,000
Issued, subscribed and fully paid up				
Equity shares of Rs. 100 each	34,000	3,400	34,000	3,400

a. Movement of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	As at 31 March 2020		As at 31 March 2019	
	Numbers	(Rupees in thousands)	Numbers	(Rupees in thousands)
At the beginning of the year	34,000	3,400	34,000	3,400
At the end of the year	<u>34,000</u>	<u>3,400</u>	<u>34,000</u>	<u>3,400</u>

b. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of 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.

c. Shares of the company held by holding/ultimate holding company

	As at 31 March 2020		As at 31 March 2019	
	Numbers	(Rupees in thousands)	Numbers	(Rupees in thousands)
Equity share by GE Power India Limited, including nominee shareholders, the immediate holding company	34,000	3,400	34,000	3,400

General Electric Company, United States is the ultimate holding company.

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

	As at 31 March 2020		As at 31 March 2019	
	Numbers	% holding in the class	Numbers	% holding in the class
GE Power India Limited, the immediate holding company (including nominee shareholders)	34,000	100%	34,000	100%

7. Other equity

Deficit in the Statement of Profit and Loss

	As at 31 March 2020	(Rupees in thousands) As at 31 March 2019
Balance at the beginning of the year	(40,133)	(33,504)
(Loss) for the year	(4,717)	(6,629)
Balance at the end of the year	<u>(44,850)</u>	<u>(40,133)</u>



8. Tax expense

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarised below :

	As at 31 March 2020	As at 31 March 2019
Profit before tax	(3,345)	(1,854)
Enacted tax rates in India	26.00%	26.00%
Computed expected tax expenses/ (income)	(870)	(482)
Tax effect not recognised*	870	482
Tax pertaining to earlier years	1,372	-
Income tax expense	1,372	-
Deferred tax assets (net)		
Deferred tax assets on account of		
Brought forward losses	7,436	4,093
Enacted tax rates in India	26.00%	26.00%
Computed expected tax expenses/ (income)	1,933	1,064
Tax effect not recognised*	(1,933)	(1,064)
Deferred tax assets (net)	-	-

*Deferred tax assets on brought forward losses have not been recognised as management does not have convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

9. Borrowings

	As at 31 March 2020	(Rupees in thousands) As at 31 March 2019
From related party - GE Power India Limited, the immediate holding Company	36,553	33,933
	36,553	33,933

The Company has refinanced its borrowings from its holding company of Rs. 33,933 thousands along with interest accrued of Rs. 2,620 thousands on 25 January 2020 and 5 February 2020, at an interest rate of 8.70% per annum, repayable after 360 days (previous year: Rs. 31,500 included interest incurred of Rs.2,433 thousands at an interest rate of 8.70% per annum repayable after 360 days)

	As at 31 March 2020	As at 31 March 2019
Analysis of movement in borrowings		
Opening balance	33,933	31,500
Movement during the year	2,620	2,433
Net debt	36,553	33,933



	As at 31 March 2020	(Rupees in thousands) As at 31 March 2019
10. Trade payables		
Trade payables		
total outstanding dues of micro enterprises and small enterprises*	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	311	382
	<u>311</u>	<u>382</u>

*The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Based on information available with the Company, there are no amounts payable to Micro and Small Enterprises. Further, the Company has not received any claim for interest from any supplier under the said Act.

	As at 31 March 2020	(Rupees in thousands) As at 31 March 2019
11. Other current liabilities		
Interest accrued on borrowings	487	408
Payable to GE Power India Limited, the immediate holding Company	5,500	5,500
Statutory dues	107	62
	<u>6,094</u>	<u>5,970</u>

	As at 31 March 2020	(Rupees in thousands) As at 31 March 2019
12 Short term provisions		
Provision for contingencies/ others	-	-
	<u>-</u>	<u>-</u>
Movement of provision for contingencies/ others:		
As at beginning of the year	-	430
Less: Written back during the year	-	(430)
Less: Utilised during the year	-	-
As at end of the year	<u>-</u>	<u>-</u>

Information about other provisions:

Contingencies/ others - Provision for contingencies represents estimates made mainly for probable claims arising out of litigations / disputes pending with various authorities.

	As at 31 March 2020	(Rupees in thousands) As at 31 March 2019
13 Current tax liabilities		
Provision for tax	-	271
	<u>-</u>	<u>271</u>

	For the year ended 31 March 2020	(Rupees in thousands) For the year ended 31 March 2019
14 Other income		
Scrap sales	-	1,000
Liabilities/ provision no longer required written back	85	430
	<u>85</u>	<u>1,430</u>



GE Power Boilers Services Limited

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Notes to the financial statements for the year ended 31 March 2020

	For the year ended 31 March 2020	(Rupees in thousands) For the year ended 31 March 2019
15. Finance costs		
Interest on borrowings	2,999	2,773
Interest on shortfall of advance tax installment	-	9
	<u>2,999</u>	<u>2,782</u>
	For the year ended 31 March 2020	(Rupees in thousands) For the year ended 31 March 2019
16 Other expenses		
Payment to auditors:		
Audit fee (including GST)	266	266
Out-of-pocket expenses	10	10
Legal and professional charges	34	137
Advertisement expenses	106	-
Miscellaneous expenses	15	89
	<u>431</u>	<u>502</u>



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Notes to the financial statements for the year ended 31 March 2020

17. Segment information

During the current year and previous year, the Company has not engaged in any business activity to earn revenues, hence no operating segment has been identified. Therefore, disclosures as required under Indian Accounting Standard - 108 on Operating Segments have not been made.

18. Related Party**List of related parties****Parties with whom control exists:**

General Electric Company, United States	Ultimate holding company
Alstom India Tracking BV (Formerly known as ALSTOM FINANCE BV)	Intermediate holding company
GE Power India Limited, India	Immediate holding company

Transactions with related parties during the year:	(Rupees in thousands)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense on borrowings		
GE Power India Limited	2,999	2,773
Borrowings		
Proceeds:		
GE Power India Limited	-	2,433
Outstanding balances:		
	As at	As at
	31 March 2020	31 March 2019
Payables		
GE Power India Limited	5,500	5,500
Borrowings		
GE Power India Limited	36,553	33,933
Interest accrued on borrowings		
GE Power India Limited	487	408

19 Earning per share

	For the year ended 31 March 2020	For the year ended 31 March 2019
a) Weighted average number of equity shares outstanding during the year	34,000	34,000
b) Profit/ (loss) after tax available for equity shareholders (rupees in thousands)	(4,717)	(6,629)
c) Face value per share (in rupees)	100	100
d) Basic and diluted earnings (in rupees) per share	(139)	(195)



20 Financial instruments and fair value measurements - accounting classification**A. Accounting classifications and fair values**

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

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

- 1 Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- 2 Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The following tables shows the carrying amounts and fair value of financial assets and financial liabilities. Fair value of these financial assets and liabilities approximately equal to its carrying value.

For fair value hierarchy refer to note 2.1.5.

	Notes	Carrying	Fair Value		
		As at 31 March 2020	Level 1	Level 2	Level 3
Financial assets at fair value at amortised cost					
Cash and cash equivalents	3	1,485	-	-	-
Total		1,485	-	-	-
Financial liabilities at fair value at amortised cost					
Borrowings	11	36,553	-	-	-
Trade payables	10	311	-	-	-
Total		36,864	-	-	-

	Notes	Carrying	Fair Value		
		As at 31 March 2019	Level 1	Level 2	Level 3
Financial assets at fair value at amortised cost					
Cash and cash equivalents	3	2,157	-	-	-
Total		2,157	-	-	-
Financial liabilities at fair value at amortised cost					
Current liabilities					
Borrowings	9	33,933	-	-	-
Trade payables	10	382	-	-	-
Total		34,315	-	-	-

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

21 Financial risk management

Financial risk relates to Company's ability to meet financial obligations and mitigate exposure to broad market risks, including volatility in foreign currency exchange rates and interest rates and commodity prices; credit risk; and liquidity risk, including risk related to our credit ratings and our availability and cost of funding. Credit risk is the risk of financial loss arising from a customer or counterparty failure to meet its contractual obligations. The Company faces credit risk in its industrial businesses, as well as in derivative financial instruments activities. Liquidity risk refers to the potential inability to meet contractual or contingent financial obligations (whether on- or off-balance sheet) as they arise, and could potentially impact Company financial condition or overall safety and soundness.

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the receivables from customers; loans and deposits. However, there are no such assets as on 31 March 2020 and 31 March 2019.

The carrying amounts of financial assets represent the maximum credit risk exposure.

The allowance for lifetime expected credit loss on customer and other balances for the year ended 31 March 2020 and 31 March 2019 is insignificant and hence the same has not been recognised.



(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

Contractual maturities of financial liabilities:

31 March 2020	Less than 1 year	More than 1 year	Total
Non-derivatives			
Borrowings	36,553	-	36,553
Trade payables	311	-	311
Total non-derivative liabilities	36,864	-	36,864

31 March 2019	Less than 1 year	More than 1 year	Total
Non-derivatives			
Borrowings	33,933	-	33,933
Trade payables	382	-	382
Total non-derivative liabilities	34,315	-	34,315

GEPIIL, the holding company, has committed to provide continued operational and financial support to the Company.

(C) Market risk

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

There are no significant market risks perceived by the Company as on 31 March 2020 and 31 March 2019

22 Capital management

The Company is having Rs. 36,553 thousands borrowings as on 31 March 2020 (31 March 2019 : Rs.33,933). The gearing ratio is as follows:

	As at 31 March 2020	As at 31 March 2019
Net debt	35,068	31,776
Total equity	(41,450)	(36,733)
Net debt to equity ratio	(0.85)	(0.87)

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number:
101248W/W-100022



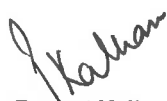
Adhir Kapoor
Partner

Membership No. 098297

Place : New Delhi

Date: 19 June 2020

For and on behalf of the Board of Directors of
GE Power Boilers Services Limited

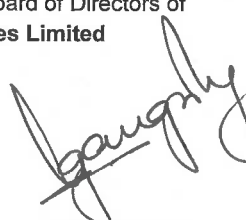


Puneet Kalhan
Director

(DIN : 08729807)

Place : Noida

Date: 19 June 2020



Ayan Ganguly
Director

(DIN : 08115176)

Place : Noida

Date: 19 June 2020