No.: SEIL/KID/2024-25/001

KEY INFORMATION DOCUMENT
(FOR PRIVATE PLACEMENT)

SEIL Energy India Limited

(A Public Limited Company incorporated under the provisions of the Companies Act, 1956 and validly existing as a Public Company under the Companies Act, 2013)

S. No.	Particulars	Relevant Disclosure
1.	Corporate Identity Number of the Issuer	U40103HR2008PLC095648
2.	Permanent Account Number of the Issuer	AACCT8413D
3.	Date and place of Incorporation of the Issuer	Date of Incorporation: 08 January 2008 Place of Incorporation: Hyderabad
4.	LEI Number	3358003IFZ22LT3J1Z55
5.	Registered office address of the Issuer	SEIL Energy India Limited, Building 7A, Level 5, DLF Cybercity, Gurugram - 122002, Haryana
6.	Corporate address of the Issuer	SEIL Energy India Limited, Building 7A, Level 5, DLF Cybercity, Gurugram - 122002, Haryana
7.	Telephone number of the Issuer	+91 124 684 6700/01
8.	Website address of the Issuer	www.seilenergy.com
9.	Email address of the Issuer	cs@seilenergy.com

Key information document for issue of Debentures on a private placement basis under Schedule I of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time in relation to the issue of 25,000 (Twenty Five Thousand) Senior, Secured, Listed, Rated, Redeemable, Transferable Non-Convertible Debentures denominated in Indian Rupees ("INR"), having a face value of INR 100,000 (Indian Rupees One Lakh) each for an aggregate amount of INR 250,00,00,000 (Indian Rupees Two Hundred and Fifty Crore Only) ("Debentures" or "NCDs") on a private placement basis (the "Issue") for cash at par on a fully paid-up basis.

Certain details of the Debentures are as follows:

(a) Rating: The Debentures are rated as "AA+/Stable" by CARE Ratings Limited pursuant to the letter dated 03 June 2024 and the Press release / rating rationale dated 05 June 2024. Please refer to Annexure 1 below for the rating letter, press release / rating rationale. No other credit ratings have been obtained for the purposes of this Issue.

(b) Listing: The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) of the BSE Limited within the time period prescribed under the SEBI Listing Timelines Requirements (as defined below).

(c) Eligible Investors: Please refer Section 7 (Issue Details) below.

(d) Coupon related details: 8.45% per annum. Please refer Section 7 (Issue Details) below for details about coupon/dividend rate, coupon/dividend payment frequency, redemption date, redemption amount.

(e) Underwriting: Not Applicable.

(f) Details of Electronic Book Mechanism: Please refer Section 5.11 below

ISSUE SCHEDULE			
Issue Opening Date	**Issue Closing Date**	**Date of earliest, closing of the issue, if any**	**Deemed date of allotment**
14 June 2024	14 June 2024	14 June 2024	18 June 2024

OTHER DETAILS		
Compliance Officer **Name:** Mr. Rajeev Ranjan **Phone No.:** +91 9873600853 **E-mail:** rajeev.ranjan@seilenergy.com	**Promoters** **Name:** Tanweer Infrastructure SAOC **Phone No.:** +968 24115200 **E-mail:** finance@oic.om	**Listing Exchange** **Name:** BSE Limited **Phone No.:** 022-22728550 **E-mail:** ashwini.dalvi@bseindia.com
Company Secretary **Name:** Mr. Rajeev Ranjan **Phone No.:** +91 9873600853 **E-mail:** rajeev.ranjan@seilenergy.com	**Statutory Auditors** **Name:** M/s Deloitte Haskins & Sells, Chartered Accountants **Address:** KRB Towers, Plot No. 1 to 4 &4A, 1st, 2nd & 3rd Floor, Jubilee Enclave, Madhapur, Hyderabad-500081, Telangana **Firm registration no:** 008072S **Phone No:** +91 40 7125 4087 **E-mail:** sumigarg@deloitte.com **Contact Person:** Mr. Sumit Garg **Peer Review Certificate No.:** 014126 Deloitte Haskins & Sells	**Arrangers:** NA **Phone:** NA **Fax:** NA **E-mail:** NA **Contact Person:** NA **Phone No.:** NA **Website:** NA **Email:** NA **Contact Person:** NA
Registrar & Share Transfer Agent Details **Name:** Kfin Technologies Limited **Address:** Selenium Building, Tower B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana 500032 **Phone No.:** +91- 4067162222 **Fax No.:** +91 40 23001153 **Website: www.**kfintech.com **E-mail:** srinivassudheer.venkatapuram@kfintech.com **Contact Person:** Mr. Srinivas Sudheer Venkatapuram KFINTECH EXPERIENCE TRANSFORMATION	**Credit Rating Agency** **Name:** CARE Ratings Limited **Address:** CARE Ratings Limited Berger Towers 9th Floor, C-001/A2 Sector 16B, Noida, Uttar Pradesh 201301 **Phone No.:** 9916158396 **Fax No.:** NA **Email:** agnimitra.Kar@careedge.in **Contact Person:** Mr. Agnimitra Kar CareEdge RATINGS	**Debenture Trustee** **Name:** Catalyst Trusteeship Limited **Phone No.:** + 91 22 49220555 **Fax No.:** 022-49220505 **Website:** www.catalysttrustee.com/ **E-mail:**compliancectl-mumbai@ctltrustee.com **Contact Person:** Mr. Sameer Trikha CATALYST Believe in Yourself... Trust Us! CIN: U74999PN1997PLC110262

BACKGROUND

This Key Information Document (as defined below) is related to the Debentures to be issued by SEIL Energy India Limited (the "Issuer" or "Company") on a private placement basis and contains information and disclosures supplemental to those set out in the General Information Document (as defined below), as are required for the purpose of issuing of the Debentures. The issue of the Debentures described under this Key Information Document has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer, each dated 31 May 2024, and resolution dated 30 May 2024 of the Board of Directors and the memorandum of association and articles of association of the Issuer. Pursuant to the resolution passed by the Company's shareholders dated 31 May 2024 in accordance with the provisions of the Companies Act, 2013, the Company has been authorized to raise funds, by way of issuance of non-convertible debentures for aggregate amounts not exceeding INR 250,00,00,000 (Indian Rupees Two Hundred and Fifty crore) , upon such terms and conditions as the Board may think fit and to secure the same in terms of its borrowing limit as per resolution passed by the Company's shareholders dated 18 December 2017. The present issue of Debentures in terms of this Key Information Document is within the overall powers of the Board as per the above shareholder resolution(s).

ISSUER'S ABSOLUTE RESPONSIBILITY
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Key Information Document contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in this Key Information Document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading.

DISCLAIMERS

This Key Information Document contains no unsubstantiated forward-looking statements. To the extent there are any unsubstantiated forward-looking statements under this Key Information Document, such statements shall be considered to be null and void.

This issue document does not include any statement purporting to be made by an expert other than if the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the Issuer and has given their written consent to this issue of this Key Information Document and has not withdrawn such consent before the delivery of a copy of this Key Information Document to the Registrar (as applicable) for registration.

Various disclosures set out in this Key Information Document have been linked to the disclosures set out in the General Information Memorandum. There are no changes to the disclosures which have been linked to the disclosures set out in the General Information Document, and in the case of any conflict/difference between the provisions of the General Information Document and this Key Information Document, the provisions of this Key Information Document shall be applicable to this issuance of Debentures.

This Issue does not form part of non-equity regulatory capital for the purposes of Chapter V of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Chapter XIII (Issuance, Listing and Trading Non-Equity Regulatory Capital) of the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper". The face value of each debt security issued on private placement basis under this Issue is INR 1,00,000 (Indian Rupees One Lakh).

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1 DEFINITIONS AND ABBREVIATIONS

In this Key Information Document, unless the context otherwise requires, the terms defined, and abbreviations expanded below, have the same meaning as stated in this section. Terms not defined herein shall have the meanings ascribed to them under the General Information Document. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

1.1 *Issuer Related Terms and Conventional General Terms and Abbreviations*

Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to the Issue to the successful Applicants
Application Form	The form used by the recipient of the General Information Document, to apply for subscription to the Debentures, which is annexed to the General Information Document and marked as Annexure D.
Approved Instructions	means the instructions of the Debenture Holders to the Debenture Trustee which have been approved pursuant to the meeting of the Debenture Holders as may be held in accordance with the provisions agreed by such Debenture Holders.
Articles of Association/ Articles	The articles of association of the Issuer, as amended from time to time.
Board/Board of Directors	The Board of Directors of the Issuer.
Business Day	All days on which the money market is functioning in Mumbai (Maharashtra) and Delhi, India
CDSL	Central Depository Service Limited
Companies Act/ the Act	The Companies Act, 2013, and to the extent not repealed and replaced by the Companies Act, 2013, shall mean the Companies Act, 1956.
Coupon Payment Date	Payable annually on 18 June 2025, 18 June 2026, 18 June 2027, 18 June 2028, 18 June 2029,
Coupon Rate or Coupon	8.45% per annum and payable on annual basis
Debenture Holders / Investors	The Debenture holders whose name appears in the register of debenture holders or in the beneficial ownership record furnished by NSDL/CDSL for this purpose.
Deed of Hypothecation	The deed of hypothecation to be executed by the Issuer in relation to charge to be created on the moveable fixed assets and current assets of the Issuer.
Deemed Date of Allotment	18 June 2024
Debentures	25,000 (Twenty Five Thousand only) Senior, Secured, Listed, Rated, Redeemable, Transferable Non-Convertible Debentures denominated in Indian Rupees of a face value of INR 1,00,000 (Rupees One Lakh only) each or any such other lesser amount as required by applicable law, of the aggregate nominal value of up to INR 250,00,00,000 (Indian Rupees Two Hundred and Fifty Crores Only).
Debenture Documents	1. Term Sheet 2. GID and KID 3. Debenture Trust Deed 4. Debenture Trustee Appointment Agreement; 5. Deed of Hypothecation and power of attorney 6. Rating Letter; Any other agreement, deeds, undertakings, power of attorney, indemnity and documents related to the transaction that may be designated as “Debenture Documents”.
Debenture Trustee / Trustees	Catalyst Trusteeship Limited
Debenture Trust Deed	The debenture trust deed executed or to be executed between the Company and the Debenture Trustee inter alia recording the terms and conditions upon which the Debentures are being issued by the Issuer.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time with whom the Issuer has made arrangements for dematerializing the Debentures.

Depository Participant / DP	A depository participant as defined under the Depositories Act
Director(s)	Director(s) of the Issuer unless otherwise mentioned.
Disclosure Document	means, collectively, General Information Document and this Key Information Document
DP ID	Depository Participant Identification Number.
Early Redemption Event/Mandatory Redemption Event	As provided under Section 7(Issue Details) herein
EFT	Electronic Fund Transfer.
Event of Default	Shall mean any of the events described as an 'Event of Default' under the Transaction Documents.
Financial Year/ FY	The accounting period commencing from April 1st of each year till March 31st of next year.
Final Redemption Amount	250,00,00,000 (Rupees Two Fifty Crores Only)
Issue	Issue of Debentures on a Private Placement basis
Issue Opening Date	14 June 2024
Issue Closing Date	14 June 2024
Issuer/ Company	SEIL Energy India Limited
Listed NCD Master Circular	Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper
Memorandum of Association/ Memorandum	The Memorandum of Association of the Issuer, as amended from time to time.
NSDL	National Securities Depository Limited
Outstanding Amounts	Means at any time all the amounts payable by the Issuer, pursuant to the terms of the Debenture Documents (in each case, whether alone or jointly, or jointly and severally, with any other Person, whether actually or contingently, and whether as principal, surety or otherwise), including the following amounts: (i) Redemption Amount, the payment of Coupon and Redemption Premium (if applicable); (ii) The aggregate of indemnity payments, fees, costs, charges, expenses and all other monies and payments to be made to the Finance Parties under, or pursuant to, the Debenture Documents; (iii) All other moneys, debts and liabilities of the Issuer whatsoever, including indemnities, liquidated damages, costs, charges, penal charges, expenses, fees, Debenture Trustee remuneration and interest incurred under, arising out of, or in connection with the Debenture Documents; and (iv) All costs, expenses, fees and duties for the enforcement and collection of any amounts due under the Debenture Documents.
PAN	AACCT8413D
PPOA/PPOAL	Means the private placement offer cum application letters prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 issued by the Issuer in respect of the Debentures.
Promoter/s	Tanweer Infrastructure SAOC
RBI	Reserve Bank of India
Rating Agency	CARE Ratings Limited
Record Date	Falling 10 (Ten days) Business Days prior to the due date on which that debenture payment is to be paid by the Issuer to the Debenture Holders. If the Record Date falls on a day which is not a Business Day, the immediately preceding Business Day will be considered as the Record Date. Provided that there may be cases where multiple record dates would arise on account of staggered payment or other cases viz. frequency of payment etc. In such a case, when announcing multiple record dates, the Issuer shall disclose clearly to the stock exchange the basis of payment to the Debenture Holders viz. pro-rata, first come first serve basis etc., in compliance with SEBI Operational Circular.
Redemption Date / Final Redemption Date	18 June 2029
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being KFin Technologies Limited.
ROC	Registrar of Companies

Rs. / INR	Indian Rupee
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time)
SEBI Debenture Trustees Master Circular	Means the master circular issued by SEBI bearing reference number SEBI/HO/DDHS – PoD1/P/CIR/2023/109 dated March 31, 2023 on "Master Circular for Debenture Trustees" (updated as on July 6, 2023) to the extent applicable in respect of the private placement of debt securities as amended, modified, supplemented or restated from time to time.
SEBI Listed Debentures Circulars	Means, collectively, the Listed NCD Master Circular, the SEBI Debenture Trustees Master Circular, and (to the extent applicable) Master Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitized Debt Instruments and/ or Commercial Paper.
SEBI Listing Timelines Requirements	Means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (Standardization of timelines for listing of securities issued on a private placement basis) of the Listed NCDs Master Circular, read with, to the extent applicable, the SEBI EBP Requirements.
SEBI LODR Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEBI EBP Requirements	Means the requirements in respect of the electronic book mechanism prescribed in Chapter VI (Electronic Book Provider platform) of the Listed NCDs Master Circular, and the operational guidelines issued by the relevant electronic book provider, as amended, modified, supplemented or restated from time to time.
SEBI NCS Regulations	Securities and Exchange Board Of India (Issue And Listing Of Non Convertible Securities) Regulations, 2021,
Security or Security Interest	All moveable fixed assets (present and future) including plant and machinery and current assets (present and future) of the company
Security Documents	Deed of hypothecation and any other security documents to be entered into in terms of the Debenture Trust Deed.
Transaction Documents	Means the transaction documents in relation to the Debentures, as defined in the Debenture Trust Deed, including: (a) this Key Information Document (b) General Information Document; (c) the Debenture Trust Deed; (d) Deed of Hypothecation and power of attorney; (e) the Debenture Trustee Agreement; (f) consent letter from the Trustee to act as debenture trustee; (g) credit rating letter from each Credit Rating Agency; (h) letter of appointment of the registrar & transfer agent in relation to the issue of Debentures; (i) listing agreement with the Stock Exchange; and (j) any other document that may be designated as a Transaction Document by the Trustee and the Company.

2 DISCLAIMERS

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Key Information Document along with the General Information Document shall be submitted to the Stock Exchange for hosting the same on its website.

It is to be distinctly understood that such submission of this Key Information Document along with the General Information Document with Stock Exchange or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Key Information Document or the General Information Document; nor does it warrant that the Issuer's Debentures will be listed or continue to be listed on the Stock Exchange; nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire the Debentures of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER OF THE DEBENTURE TRUSTEE

The Debenture Trustee, "ipso facto" does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the Debentures. While the Debentures are secured to the tune of 100% of the principal and interest amount or as per the terms hereunder, in favour of Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security. The Debenture Trustee does not make nor deems to have made any representation on the Issuer, its operations, the details and projections about the Issuer or the Debentures under offer made in this Key Information Document / Private Placement Offer cum Application Letter. Applicants / Investors are advised to read carefully the Key Information Document / Private Placement Offer cum Application Letter and make their own enquiry, carry out due diligence and analysis about the Issuer, its performance and profitability and details in the Key Information Document/ Private Placement Offer cum Application Letter before taking their investment decision. The Debenture Trustee shall not be responsible for the investment decision and its consequences.

DISCLAIMER OF THE CREDIT RATING AGENCIES

Rating by the Credit Rating Agencies (CRA) reflects current opinion of the CRA on the likelihood of the obligations under the rated instruments and does not constitute an audit of the rated entity by the CRA. The ratings are based on information provided by the Issuer or obtained by the CRA from sources it considers reliable. CRA does not guarantee the completeness, adequacy or the accuracy of the information on which the rating is based. A rating by CRA is not a recommendation to buy or sell or hold the rated instrument. It does not comment on the market price or suitability for a particular investor. CRAs have a practice of keeping all the ratings under surveillance and ratings are revised as and when circumstances so warrant. CRA are not responsible for any errors and especially state that they have no financial liability whatsoever to the subscribers / users/ transmitters / distributors of their ratings. CRAs or their associates may have other commercial transactions with the Issuer.

CRAs reserve the right to withdraw or revise the ratings / outlook assigned to the Debentures at any time, on the basis of new information or unavailability of information or other circumstances which CRA believes may have impact on the ratings.

User of the ratings may refer to the websites of the CRAs for latest updates on the outstanding ratings.

DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI regulations, as amended from time to time, a copy of this Key Information Document has not been filed with or submitted to SEBI. It is distinctly understood that this Key Information Document should not in any way be deemed or construed to be approved or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company or for the correctness of the statements made or opinions expressed in this Key Information Document.

Specific attention of investors is invited to statement of risk factors contained under this Key Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the Debentures or investor's decision to purchase the Debentures.

DISCLAIMER IN RESPECT OF THE RESERVE BANK OF INDIA

The Debentures have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this document should not, in any way, be deemed or construed that the Debentures have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Debentures being issued by the Issuer or for the correctness of the statements made or opinions expressed in this document. Potential investors may make investment decision in the Debentures offered in terms of this Key Information Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment.

RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or for the correctness of any of the statements or representations made or opinions expressed by the Issuer and for discharge of liability by the Issuer.

Neither is there any provision in law to keep, nor does the Issuer keep any part of the deposits with the RBI and by issuing the certificate of registration to the Issuer, the RBI neither accepts any responsibility nor guarantee for the payment of the deposit amount to any depositor.

3 RISK FACTORS

Please refer to Section III of the General Information Document.

4 CREDIT RATING

The Debentures are rated as AA+/Stable by CARE Ratings Limited.

The rating is not a recommendation to buy, sell or hold Debentures and investors should take their own decision. The rating may be subject to suspension, revision or withdrawal at any time by the assigning Credit Rating Agency. The Credit Rating Agency has a right to revise, suspend or withdraw the rating at any time on the basis of factors such as new information or unavailability of information or other circumstances which the Credit Rating Agency believes may have an impact on its rating.

The rating letters and rationales as released by Credit Rating Agencies are attached as **Annexure 1**.

The Issuer hereby declares that the ratings issued by the Credit Rating Agencies are valid as on the date of issuance and listing of the Debentures.

5 GENERAL INFORMATION

5.1 Listing of Debentures

The Debentures are proposed to be listed on the WDM Segment of the BSE. The Company has obtained In-principle approval from the Stock Exchange. A copy of the same is attached as **Annexure 2**.

5.2 Recovery Expense Fund

The Issuer is required to deposit 0.01% of the Issue Size subject to a cap of Rs. 25,00,000 (Indian Rupees Twenty-Five Lakhs), towards the recovery expense fund with the Designated Stock Exchange, as per the provisions of SEBI master circular SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023.

5.3 Issue Schedule

Issue / Bid Opening Date	14 June 2024
Issue / Bid Closing Date	14 June 2024
Date of earliest closing of the issue	14 June 2024

Pay-In Date	18 June 2024
Deemed Date of Allotment	18 June 2024
The Issuer reserves the right to change the Issue Schedule in accordance with Applicable Laws.	

5.4 Name and contact details of Intermediaries to the Issue

Debenture Trustee Catalyst Trusteeship Limited CATALYST Believe in Yourself... Trust Us! CIN: U74999PN1997PLC110262	**Address:** GDA House, First Floor, Plot No. 85 S. No. 94 & 95, Bhusari Colony (Right), Kothrud Pune MH 411038 IN **Phone No.:** 022 - 49220555 **Fax No.:** 022-49220505 **E-mail:** ComplianceCTL-Mumbai@ctltrustee.com **Contact Person:** Mr. Sameer Trikha **Website:** https://catalysttrustee.com/
Registrar to the Issue KFin Technologies Limited KFINTECH EXPERIENCE TRANSFORMATION	**Registrar & Share Transfer Agent Details** **Address:** Selenium Building, Tower B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana 500032 **Phone No.:** +91- 4067162222 **Fax:** +91 40 23001153 **E-mail:** srinivassudheer.venkatapuram@kfintech.com **Contact Person:** Mr. Srinivas Sudheer Venkatapuram **Website:** www.kfintech.com
Credit Rating Agency CARE Ratings Limited CareEdge RATINGS	**Address:** CARE Ratings Limited, Berger Towers, 9th Floor, C-001/A2, Sector 16B, Noida, Uttar Pradesh 201301, **Phone No.**: 9916158396 **Fax**: NA **E-mail**: agnimitra.Kar@careedge.in **Contact Person:** Mr. Agnimitra Kar **Website**: https://www.careratings.com/
Auditors M/s Deloitte Haskins & Sells, Chartered Accountants Deloitte Haskins & Sells	**Address**: KRB Towers, Plot No. 1 to 4 &4A, 1st, 2nd & 3rd Floor, Jubilee Enclave, Madhapur, Hyderabad- 500081, Telangana **Phone No.**: +91 40 7125 4087 **E-mail:** sumigarg@deloitte.com **Contact Person:** Mr. Sumit Garg

	Firm Registration No.: 008072S **Date of appointment as Statutory Auditor:** 21 July, 2023 **Peer Review Certificate No.:** 014126
Legal Counsel to the Issue **Khaitan & Co LLP**	**Address:** Max Towers, 7th & 8th Floors, Sector 16B, Noida, Gautam Buddh Nagar 201 301 **Phone No.**: +91 22 66365000 **Fax:** +91 22 66365050 **Email**: siddharth.srivastava@khaitanco.com **Contact Person**: Mr. Siddharth Srivastava **Website:** https://www.khaitanco.com/
Lead Manager (if any)	NA

5.5 Expenses of the Issue

Sr. No.	Nature of Expenses	Estimated Amount of Expenses (INR/Amount)	% of Total Issue Expenses	% of Issue Size
1.	Fees payable to Registrars to the Issue	60,000	0.19%	0.002%
2.	Fees payable to the regulators including stock exchange	6,25,000	1.94%	0.025%
3.	Printing and distribution of Issue stationary	0	0.00%	0.000%
4.	Arranger's Fees	0	0.00%	0.000%
5.	Fees to Credit Rating Agencies	28,00,000	8.67%	0.112%
6.	Debenture Trustee Fees	6,25,000	1.94%	0.025%
7.	Security creation expenses	0	0.00%	0.000%
8.	Depository's Fees	0	0.00%	0.000%
9.	Certification and Professional Fees	25,50,000	7.90%	0.102%
10.	Stamp Duty	1,25,000	0.39%	0.005%
11.	Lead Manager fees	0	0	0
12.	Underwriting Commission	0	0	0
13.	Brokerage, selling, commission and upload fees	0	0	0
14	Advertising & Marketing expenses	0	0	0
15.	Others*	2,55,00,000	78.98%	1.020%
	Total	**3,22,85,000**	**100**	**1.291**

* The above expenses are indicative and are subject to change depending on the actual level of subscription to the Issue and the number of allottees, market conditions and other relevant factors and will be payable at the discretion of the Issuer.

5.6 Registrar to the Issue

The Company has appointed KFin Technologies Limited, as the Registrar for the Issue. A copy of the consent letter from the Registrar is attached in this Key Information Document as **Annexure 3**.

5.7 Debenture Trustee

Catalyst Trusteeship Limited has been appointed as Debenture Trustee for the proposed Issue. The Debenture Trustee has given its consent to the Issuer for its appointment (Copy of consent letter from the Debenture Trustee is attached as **Annexure 4**).

The Company has entered into a Debenture Trustee Appointment Agreement with the Debenture Trustee. The Company will enter into a Debenture Trust Deed, *inter-alia*, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debentures.

The Debenture Holders shall, by subscribing to the Debentures or by purchasing the Debentures and without any further act or deed, be deemed to have irrevocably given their consent to and authorised the Debenture Trustee or any of their Agents or authorised officials to do, *inter alia*, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of this Key Information Document. All rights and remedies under the Debenture Trust Deed / Debenture Trustee Appointment Agreement and/or other security documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture Holders. Any payment made by the Company to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Company pro tanto to the Debenture Holder(s). No Debenture Holder shall be entitled to proceed directly against the Company unless the Debenture Trustee, having become so bound to proceed, fails to do so.

The Debenture Trustee will protect the interest of the Debenture Holders in the event of default by the Company in regard to timely payment of interest and Redemption Amount and they will take necessary action at the cost of the Issuer. However, the Debenture Trustee, ipso facto does not have the obligations of a borrower or issuer or a principal debtor or a guarantor as to the monies paid / invested by investors for the Debentures.

5.8 If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the Key Information Document.

Not Applicable

5.9 Disclosure of cash flow with date of interest/ redemption payment as per day count convention

a. Business day conventions / effect of holidays:

If any of the Coupon Payment Date(s) other than on Redemption Date falls on a day which is not a Business Day, the payment due on such date may be made on the immediately preceding Business Day. However, the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of any earlier coupon payment that has been postponed because of it having fallen on a day which is not a Business Day. It is further clarified that the amount of interest payable on each such Coupon Payment Date will be calculated as if Coupon Payment Date remained as per the schedule originally stipulated at the time of issuing the Debentures.

If the Redemption Date falls on a day which is not a Business Day, payment in respect of Redemption Amount (along with interest accrued on the Debentures until but excluding the date of such payment) shall be made one Business Day prior to the Redemption Date.

b. Procedure and time schedule for allotment and issue of Debentures:

Refer Section 7 (Issue Details) and Section 5.11 (u) (Application/ Bidding Process).

5.10 Other Details

a. Issue/instrument specific regulations – relevant details (Companies Act, RBI guidelines etc.):

The Debentures offered are subject to provisions of the Companies Act, 2013, SEBI LODR Regulations, 2015, the Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021, as amended, the Depositories Act, 1996, as amended and rules and regulations made under these enactments.

b. Governing Law and Provisions

The Debentures offered are subject to provisions of the Companies Act, 2013 and the Securities and Exchange Board Of India (Issue and Listing of Non Convertible Securities) Regulations, 2021, terms of the General Information Document, this Key Information Document, instructions contained in the Application Form and other terms and conditions as may be incorporated in the Debenture Trustee Appointment Agreement and/or Debenture Trust Deed/ Deed of Hypothecation / Other security documents, if any. Over and above such terms and conditions, the Debentures shall also be subject to the applicable provisions of the Depositories Act, 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment and issue of capital and listing of securities issued from time to time by SEBI, concerned Stock Exchange or any other authorities and other documents that may be executed in respect of the Debentures.

c. Default in Payment:

In case of default in payment of interest and/or Redemption Amount on the due dates, additional interest @ 2% p.a. over the Coupon Rate will be payable by the Company for the defaulting period.

d. Delay in Listing:

In case of delay in listing of the Debentures beyond 2 (two) days from the bidding date, the Company shall pay penal interest to the Debenture Holders, of 1% (one percent) per annum over the Coupon Rate from the Deemed Date of Allotment to the date of listing of Debentures.

e. Delay in allotment:

(i) The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.

(ii) If the Issuer fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("Allotment Period"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("Repayment Period").

(iii) If the Issuer fails to repay the Application Money within the Repayment Period, then the Issuer shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum, gross of withholding taxes, from the expiry of the Allotment Period.

5.11 Instrument Specific Details

a) Issue Size and Nature of Instrument

The Company proposes to issue the Debentures. For Details of the issue, please refer "***Issue Details***" in this Key Information Document.

b) Objects of the Issue / Details of utilisation of Issue proceeds

To meet:

(i) Capital expenditure of the Issuer;
(ii) Repayment of existing debt of the Issuer including existing outstanding commercial papers;
(iii) Payment of transaction related expenses; and
(iv) any other purpose permitted by RBI and extant laws/guidelines.

c) Rights of Debenture Holders

The Debentures do not, except as provided in the Applicable Laws and under the Transaction Documents, confer upon the Debenture Holders thereof any rights or privileges available to the members of the Company including the right to receive notices or annual reports of, or to attend and/or vote, at the general meeting of the Company. However, if any resolution affecting the rights attached to the Debentures is to be placed before the shareholders, the said resolution will first be placed before the concerned registered Debenture Holders for their consideration. Any decision to be taken by the Debenture Holders shall be taken accordance with the decision/consent/approval of the Debenture Holders.

A register of Debenture Holders will be maintained in accordance with Section 88 of the Companies Act read with Companies (Management and Administration) Rules, 2014 and all interest and principal sums becoming due and payable in respect of the Debentures will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of Debenture Holders. The Debenture Holders will be entitled to their Debentures free from equities and/or cross claims by the Company against the original or any intermediate holders thereof.

d) Modification of Rights

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of those Debenture Holders who hold at least three fourths of the outstanding amount of Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture Holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company and provided further that that for any terms that are not adverse to the interests of the Debenture Holders or clarificatory or explanatory changes to the terms and conditions of these Debentures (to the extent permitted under applicable laws) the consent of the Debenture Holders shall not be required and the consent of the Debenture Trustee in this regard shall be adequate.

e) Further Borrowings

The Issuer shall be entitled to borrow or raise loans or avail of financial assistance in whatever form (fresh funding or refinancing of existing facilities or change of security package of existing credit facilities) or issue debentures or notes or other securities in any manner within the Total Debt Cap of INR 15000 Cr *provided that*:

a) Any such borrowing or loans or financial assistance is on a *pari passu basis* with the Debentures , except as specifically provided herein;
b) No charge or security shall be created on any immoveable assets of the Issuer to secure any such borrowing or loans or financial assistance without the prior written consent of the Debenture Trustee which shall not be unreasonably withheld, and any such charge or interest shall also be extended to secure the Debentures on a pari-passu basis;
c) the Issuer complies with the Financial Covenants at all times before and after the issuance of the Debentures;
d) any superior terms offered in any such new borrowing (other than borrowings availed for fresh capital expenditure) will also be applicable to the Debentures; and
e) No borrowing of the Issuer taken after Deemed Date of Allotment will be guaranteed or supported by comfort from Sembcorp Utilities. Provided (i) if any such guarantee or comfort is required to be provided for any credit facilities (except working capital facilities), the same shall be subject to prior consent of the Debenture Holders and such guarantee/comfort being created in the favor of the Debenture Trustee acting for the benefit of the Debenture Holders (in form and manner acceptable to Debenture trustee) on or prior to offering such guarantee or comfort to a term loan lender. Such guarantee once created to secure the Debentures will be valid till debentures are redeemed in full; and (ii) no such consent of the Debenture Holders will be required if the guarantee or comfort is to be extended to a working capital lender and no corporate guarantee will be provided to the Debenture Holders if any such guarantee is extended for the benefit of a working capital lender by the Issuer.

The Issuer shall not create any kind of charge, interest, security or encumbrance on any of its immoveable assets without the prior written consent of the Debenture Trustee which shall not be unreasonably withheld and any such charge or interest shall also be extended to secure the Debentures on a pari passu basis; and The Issuer shall not create any kind of charge, interest, security or encumbrance on any of its assets (except its immoveable properties) to secure any kind of credit facilities or contractual comforts in excess of the Total Debt Cap.

f) Notices

All notices to the Debenture Holder(s) required to be given by the Company or the Debenture Trustee shall have and shall be deemed to have been given if sent by ordinary post or by e-mail to the original sole/first allottees of the Debenture(s) or if notification and mandate has been received by the Company, pursuant to the provisions contained herein above, to the sole/first transferees. All notices to be given by the Debenture Holder(s), including notices referred to under “Payment of Coupon” and “Redemption” may be sent by registered post/courier or by e-mail(s) or by hand delivery to the Company or to such persons at such address as may be notified by the Company from time to time.

g) Face Value, Issue Price, Effective Yield for Investor

Each Debenture has a face value of Rs. 1,00,000 and is issued at par i.e., for Rs. 1,00,000. Since the interest is payable annually and there is no premium or discount on either issue price or on redemption value of the Debenture, the effective yield for the investors held to maturity shall be the same as the Annualised Coupon Rate on the Debentures.

h) Minimum Bid Lot

The minimum bid lot shall be 1 (one) Debenture having face value of Rs. 100,000 (Rupees One Lakh only) each.

i) Minimum Subscription

As the current issue of Debentures is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Company shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of Issue Size or certain percentage of Issue Size.

j) Buy Back

Subject to Applicable Law and the other Transaction Documents, the Company will have the power exercisable at its absolute discretion from time to time to repurchase some or all the Debenture(s) at any time prior to the Final Settlement Date. The Debentures which are in dematerialised form, can be repurchased by the Company through its beneficiary demat account as per the norms prescribed by the Depository. This right does not construe a call option. In the event of the Debenture(s) being bought back, or redeemed before maturity in any circumstance whatsoever, the Company shall be deemed to always have the right, subject to the provisions of the Applicable Law, to re-issue such debentures either by re-issuing the same debenture(s) or by issuing other debentures in their place (if so, allowed under Applicable Law).

k) Deemed Date of Allotment

All benefits related to the Debentures will be available to the allottees from the Deemed Date of Allotment. The actual allotment of the Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/Deemed date(s) of Allotment at its sole and absolute discretion without any notice to the Debenture Holders. In case the Issue Closing Date is revised, the Deemed Date of Allotment may also be revised by the Company at its sole and absolute discretion.

l) Credit of Debentures

The Company shall credit the Debentures in no later than 2 (two) Business Days from the issue closing date. The Company shall give the instruction to the Registrar for crediting the Debentures by 12:00 noon on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 noon on the Pay-In Date. The Company shall allot the Debentures and issue and credit the Debentures in the beneficiary account of the investor(s) ("**Beneficiary Account**") with NSDL and CDSL.

m) Depository Arrangements

The Company has made necessary depository arrangements with NSDL and CDSL for the Issue and holding of Debentures in the dematerialised form by investors. In this context, the Company has signed tripartite agreements as under:

a. Tripartite Agreement between the Company, the Registrar and NSDL for offering Depository option to the investors.

b. Tripartite Agreement between the Company, the Registrar and CDSL for offering Depository option to the investors.

n) Coupon Rate

To be provided per annum payable on outstanding amount of Debentures at the end of every year from the Deemed Date of Allotment. The last Coupon Payment Date will be on the Redemption Date.

o) Security Creation

Security to be created before making application for listing of Debentures to the Designated Stock Exchange.

While the Debentures are secured to the tune of 100% of the principal and interest amount as per the terms of this Key Information Document, in favour of Debenture Trustee, and it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security. The Debentures shall be considered as secured only if the charge is registered with Registrar of Companies or CERSAI etc., as applicable, or is independently verifiable by the Debenture Trustee.

p) Market Lot

The market lot will be 1 (one) Debenture.

q) Interest on Application Money

As the Pay-In Date and the Deemed Date of Allotment fall on the same date, interest on application money shall not be applicable. Further, no interest on application money will be payable in case the Issue is withdrawn by the Issuer in accordance with the Operational Guidelines.

r) Record Date

The Record Date for the Debentures shall be 10 Business Days before each relevant payments (interest, principal repayments etc.) for determining the beneficiaries of the debentures.

In case the Record Date falls on a non-Business Day, the day prior to the said non-Business Day will be considered as the Record Date.

Interest and/or Redemption Amount shall be paid to the person whose name appears as sole / first holder in the register of Debenture Holder(s) / Beneficial Owner(s) at the close of the Record Date. In the event of the Company not receiving any notice of transfer at least 10 Business Days before the respective due date of payment of interest and at least 10 days prior to the Redemption Date, as the case may be, the transferees of such Debentures shall not have any claim against the Company in respect of interest and/or Redemption Amount so paid to the registered Debenture Holders.

In case of those Debentures for which the beneficial owner is not identified by the Depository at the close of the Record Date, the Company would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to the Company, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 (Thirty) days from the date of such notification by the Depository.

s) Interest on Debentures

The Debentures shall carry interest at Coupon Rate (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof). The interest shall be payable on Coupon Payment Date annually through the Tenor of the Debentures.

Interest on Debentures will be paid to the Debenture Holder(s) /Beneficial Owner(s) as per the beneficiary list provided by the Registrar / Depository at the close of the Record Date.

Payment will be made by way of Cheque / DD / RTGS / NEFT / Electronic mode and any other prevailing mode of payment from time to time in the name of Debenture Holder(s) whose names appear on the list of Beneficial Owners as on Record Date given by the Depository/Registrar to the Company at the close of the Record Date. Cheque / DD will be dispatched to the Debenture Holder(s) by Courier / Registered Post

/ Hand Delivery, in accordance with the existing rules / laws at the sole risk of the Debenture Holder(s) to the sole holder(s) / first named holder(s) at the address registered with the Company.

Interest in all cases shall be payable on the amount of outstanding Debentures on an Actual/Actual basis, i.e., Actual number of days elapsed divided by the actual number of days in the year and rounded off to the nearest Rupee.

t) Payment on Redemption

The Debentures shall be redeemed at par at the end of to be provided years from the Deemed Date of Allotment ("**Redemption Date**"), as mentioned in the "***Issue Details***" i.e. **on** Section 7 of this Key Information Document.

The Debentures will not carry any obligation, for interest or otherwise, after the Redemption Date. The Debentures held in the dematerialised form shall be taken as discharged on payment of the Redemption Amount by the Company on Redemption Date to the registered Debenture Holders whose name appear in the Register of Debenture Holders/List of Beneficial Owners as per the list provided by the Depository(ies), on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holders.

Payment of Redemption Amount will be made by way of Cheque / DD / RTGS / NEFT / Electronic mode and any other prevailing mode of payment in the name of Debenture Holder(s) / Beneficial Owner(s) whose name appears on the list of Beneficial Owners given by the Depository /Registrar to the Company as on the Record Date. Cheque / DD will be dispatched to the Debenture Holder(s) by Courier / Registered Post / Hand Delivery, in accordance with the existing rules / laws at the sole risk of the Debenture Holder(s) to the sole holder(s) / first named holder(s) at the address registered with the Depository.

In respect of any Debentures held physically under a consolidated debenture certificate, payments will be made by way of cheque or DD or electronically. However, if the Issuer so requires, payments on maturity may be made upon the surrender of the consolidated debenture certificate(s). Dispatch of cheque or DD in respect of payments with respect to redemptions will be made within a period of 30 (thirty) days from the date of receipt of the duly discharged consolidated debenture certificate. No interest will accrue after the Redemption Date, irrespective of the fact whether consolidated debenture certificate is surrendered or not.

u) Application / Bidding Process

Bidding Process

This section applies to all Eligible Participants. Please note that all Eligible Participants are required to make payment of the full application amount in accordance with the Operational Guidelines.

Pursuant to a resolution of the Board of Directors dated 30 May 2024 the Issuer has been authorised to issue the debentures upto Rs 250,00,00,000 on private placement basis and vide the shareholders resolution dated to be provided the Issuer has been authorised to inter-alia invite bids in relation to the issue of Debentures pursuant to this Key Information Document.

Who can bid?

All Eligible Participants comprising of QIBs investors, the Arranger and any non-QIB Investors specifically mapped by the Issuer on the BSE Bond EBP Platform, are eligible to bid for this Issue.

All Eligible Participants are required to comply with the relevant regulations/ guidelines applicable to them for investing in this Issue in accordance with the norms approved by the Government of India, RBI or any other Governmental Authority from time to time, including but not limited to the Operational Guidelines for investing in this Issue.

Eligible Investors shall not make use of any software, algorithm, bots or other automation tools, which would give unfair access for placing bids on the BSE Bond EBP Platform.

Documents to be provided by Successful Bidders

Investors need to submit the certified true copies of the following documents, along-with Identified Investor Details provided in the Application Form, as applicable:

a. Memorandum and Articles of Association/ Constitution/ Bye-laws/ Debenture Trust Deed/ Deed of Hypothecation;

b. Board Resolution authorizing the investment and containing operating instructions;

c. Power of attorney/ relevant resolution/authority to make application;

d. Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;

e. Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;

f. Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

Right to accept or reject bids

The Issuer reserves its full, unqualified and absolute right to accept or reject any application for bid, in part or in full, without assigning any reason thereof in accordance with the Operational Guidelines.

How to bid?

All Eligible Participants will have to register themselves as a one-time exercise (if not already registered) under the BSE Bond EBP Platform offered by BSE Limited for participating in the electronic book mechanism. Eligible Participants will also have to complete the mandatory KYC verification process. Eligible Participants should refer to the Operational Guidelines.

The details of the Issue shall be entered on the BSE Bond EBP Platform by the Issuer at least 5 (five) working days prior to the Issue / Bid Opening Date, in accordance with the Operational Guidelines.

The bidding on BSE Bond EBP Platform shall take place between 9 a.m. to 5 p.m. only, on the working days of BSE Limited.

The bidding window shall be open for the period as specified by the issuer in the bidding announcement, however, the same shall be open for at least 1 (one) hour.

The issuer can provide details of the eligible participant(s) for a particular issue, to the BSE Bond EBP Platform, not later than 1 (one) hour before the bidding start time.

The Issuer shall provide the bidding start time and close time of the BSE Bond EBP Platform at least 1 (one) working day before the start of the Issue / bid opening date.

The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE Bond EBP Platform, at least 1 (one) working day before the start of the Issue / Bid Opening Date.

A bidder will only be able to enter the amount while placing their bids in the BSE Bond EBP Platform, since the proposed Issue is a fixed rate/coupon issue.

Some of the key guidelines in terms of the Operational Guidelines on issuance of securities on private placement basis through an electronic book mechanism, are as follows:

1. **Modification of Bid**:

Eligible Participants may note that modification of bid is allowed during the bidding period / window. However, in the last 10 minutes of the bidding period / window, revision of bid is only allowed for upward revision of the bid amount placed by the Eligible Participant.

2. Cancellation of Bid

Eligible Participants may note that cancellation of bid is allowed during the bidding period / window. However, in the last 10 minutes of the bidding period / window, no cancellation of bids is permitted.

3. Multiple Bids

Eligible Participants are permitted to place multiple bids on the BSE Bond EBP Platform.

4. Bidding Process

(i) The bidding process on the BSE Bond - EBP Platform shall be on an anonymous order driven system.

(ii) Bids shall be made by way of entering bid in:

(iii) Price; or

(iv) Coupon (in %), up to four decimal places; or

(v) Spread in basis points (bps).

(vi) The bid amount shall be specified in Indian Rupees.

(vii) Eligible Investors may place multiple bids in the Issue.

(viii) If two or more bids have the same coupon/ price/ spread and time, then allotment shall be done on 'pro-rata' basis.

(ix) The face value and coupon shall remain constant, and bids/ quotes shall be placed by the bidders in terms of price.

5. Manner of Bidding

The Issue will be through Electronic Bidding on the BSE Bond EBP Platform in line with the Operational Guidelines.

6. Method of Allotment

The allotment will be done on 18 June 2024 basis in line with the Operational Guidelines.

7. Manner of Settlement

Settlement of the Issue will be done through ICCL and the account details are given in the section on Payment Mechanism of this Key Information Document.

8. Settlement Cycle

The process of pay-in of funds by Eligible Participants and pay-out to Issuer will be done on T+1 day, where T is the bidding date.

9. Basis of Allocation

The Debt Securities shall be allocated in accordance with the provisions of the Operational Guidelines.

All the bids made in a particular issue shall be disclosed on the BSE BOND-EBP Platform (in a tabular format) with:

(a) Coupon/ price/ spread

(b) Amount i.e. demand at that particular coupon/ price/ spread

(c) Cumulative demand (total amount)

The aforesaid information shall be disseminated on a real time basis.

10. Withdrawal of Issue

The Issuer may, at its discretion, withdraw the issue process on the following conditions:

(i) Non-receipt of bids upto the Issue Size; or

(ii) Bidder has defaulted on payment towards the allotment, within the stipulated time frame, due to which the Issuer is unable to fulfil the Issue Size; or

(iii) The cut-off yield (i.e. the highest yield at which a bid is accepted) in the Issue is higher than the estimated cut-off yield (i.e. the yield estimated by the Issuer, prior to opening of the Issue) disclosed to the BSE BOND-EBP Platform, where the Base Issue Size is fully subscribed.

The Issuer, at its discretion, may withdraw from the issue process at any time; however, subsequent to such withdrawal, the issuer shall not be allowed to access any of the EBP platforms for a period of 7 (seven) days from the date of such withdrawal. A withdrawal from the issue process shall imply withdrawal of the total issue including anchor portion.

Disclosure of the estimated cut-off yield on the BSE EBP platform to the eligible participants, pursuant to closure of issue, shall be at the discretion of the Issuer. In case an issuer withdraws issues on the BSE BOND-EBP Platform due to the cut-off yield being higher than the estimated cut-off yield, the BSE BOND-EBP Platform shall mandatorily disclose the estimated cut-off yield to the Eligible Investors.

However, Eligible Investors should refer to the Operational Guidelines as prevailing on the date of the bid.

11. Payment of issue price and pay-in-date:

Face Value of Debenture i.e. 100,000 (Rupees One Lakh only) per Debenture on the Pay-In Date, i.e. 18/06/2024.

12. Anchor Portion

Anchor Investor: ICICI Prudential Mutual Fund

Anchor Amount: 30% of the Issue Size i.e. 75 Crores

Mode of bidding: Closed

Manner of Allotment: Multiple yield

Coupon: Fixed

Price based bidding

13. Application / Bid Size

Applications / Bids for the Debentures are required to be for a minimum of 1 (one) Debenture and multiples of 1 (one) Debenture thereafter. All Eligible Participants under the Operational Guidelines and subsequent Debenture Holders (who shall purchase the Debentures in the secondary market) are required to consult their own advisors in investing in the Debentures and comply with the relevant rules, regulations, guidelines or notifications applicable to them for investing in the Debentures.

14. Provisional Allocation / Allotment

Allocation shall be made on time priority basis in multiples of the bidding lot size, i.e., in multiples of Rs. 100,000 only. If two or more bids have the same time, then allotment will be done on 'pro-rata' basis.

Once the Issuer has accepted the issue on BSE EBP Platform and completed the provisional allotment, the eligible allotees (i.e., Successful Bidders) can view the allocation of their respective bid(s) in the Provisional Allocation Report.

15. Confirmation by Eligible Investor

Eligible Investors have confirmed that no software, algorithm, bots or other automation tools, which would give unfair access for placing bids on the BSE Bond - EBP Platform, have been used for placing bids.

16. Offer or Issue of executed PPOAL to Successful Bidders

The PPOAL along with the Application Form will be issued to the Successful Bidders. Successful Bidders will be required to complete and submit the Application Form and Part B of the PPOAL to the Issuer in order to accept the offer of Debentures. No person other than the Successful Bidders to whom the PPOAL has been issued by Issuer may apply for the Issue through the PPOAL and any Application Form received from a person other than those specifically addressed will be invalid.

17. Payment Mechanism

Payment of subscription money for the Debentures should be made by the Successful Bidder as notified by the Issuer (to whom the Issuer has issued the PPOAL). Successful Bidders should do the funds pay-in to the following bank account specifically designated by ICCL ("**Designated Bank Account**"):

Beneficiary Name	INDIAN CLEARING CORPORATION LTD	INDIAN CLEARING CORPORATION LTD	INDIAN CLEARING CORPORATION LTD
Bank Account No.	ICCLEB	ICCLEB	ICCLEB
IFSC Code	ICIC0000106	YESB0CMSNOC	HDFC0000060
Mode	NEFT/RTGS	NEFT/RTGS	NEFT/RTGS

Successful Bidders must do the subscription amount payment to the Designated Bank Account on or before 10:30 a.m. on the Pay-In Date ("**Pay-in Time**"). Successful Bidders should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the BSE Bond EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE Bond EBP Platform and the bank account from which payment is done by the Successful Bidder, the payment would be returned. Provided that, in case of bids made by the Arranger on behalf of Eligible Participants, funds pay-in shall be made from the bank account of such Eligible Participants.

Note: In case of failure of any Successful Bidders to complete the subscription amount payments by the Pay-in Time or the funds are not received in the Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will be liable to be rejected and the Issuer shall not be liable to issue Debentures to such Successful Bidders.

Funds payment to the Issuer would be made by ICCL to the following bank account of the Issuer

Beneficiary Name	SEIL Energy India Limited – NCD Account
Bank Account No.	5548931137
Bank Name	Kotak Mahindra Bank Limited
Branch Address	G-F, 3A-3J, Ground Floor, Ambadeep Building, 14 Kasturba Gandhi Marg New Delhi- 110001
IFSC Code	KKBK0000172
Mode	NEFT/ RTGS

18. Date of Subscription

The date of subscription shall be the date of realisation of proceeds of subscription money in the Designated Bank Account.

19. Settlement Process

Upon final allocation by the Issuer, the Issuer or the Registrar on behalf of the Issuer shall instruct the Depositories on the Pay-in Date, and the Depositories shall accordingly credit the allocated Debentures to the demat account of the Successful Bidder.

The Company shall give the instruction to the Registrar for crediting the Debentures by 12:00 noon on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 noon on the Pay-In Date. On the Pay-In Date, the Depositories shall confirm to ICCL about the transfer of Debentures in the demat account(s) of the Successful Bidder(s).

20. Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the Issue Size, coupon rate, ISIN, number of Successful Bidders, category of the Successful Bidder(s), etc., in accordance with the Operational Guidelines. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

21. Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of the Issuer or by a Magistrate/ Notary Public under his/her official seal.

22. Nomination Facility

Only individuals applying as sole applicant/joint applicant can nominate, in the prescribed manner, a person to whom his Debentures shall vest in the event of his death. Non -individuals including holders of power of attorney cannot nominate.

23. Fictitious Applications

All fictitious applications will be rejected. Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the Debentures, or otherwise induced a body corporate to allot, register any transfer of Debentures therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

24. Depository Arrangements

The Company has entered into depository arrangements with the Depositories for issue and holding of the Debenture(s) in dematerialized/ electronic form.

As per the provisions of Depositories Act, 1996, the Debentures issued by the Company can be held in a dematerialized/ electronic form, i.e., not in the form of physical certificate but be fungible and be represented by the statement issued through electronic mode.

In this context:

(i) Agreements have been signed by the Company with the Depositories for offering a depository option to the investors;

(ii) The Applicant(s) have to seek allotment of Debentures in dematerialized only;

(iii) The Applicant(s) who wish to apply for Debenture(s) in the dematerialized form must have at least one beneficiary account with any of the DP of Depositories prior to making the application;

(iv) The Applicant(s) seeking allotment of Debenture(s) in the dematerialized/ electronic form must necessarily fill in the details (including the beneficiary account number and Depository

Participant's ID) appearing in the Subscription Application Form under the heading "Request for Debenture(s) in Dematerialized Form";

(v) Debenture(s) allotted to the Applicant(s) in the dematerialized form will be credited directly to the Applicant's beneficiary account with his/their DP;

(vi) For subscription in dematerialized/ electronic form, names in the Subscription Application Form should be identical to those appearing in the Beneficiary Account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository;

(vii) If incomplete/ incorrect details are given under the heading 'Request for Debentures in Dematerialized Form' in the Subscription Application Form, the Company shall be entitled at its sole option to process the application or reject the application;

(viii) In case of allotment of the Debentures in electronic form, the address, nomination details and other details of the applicant as registered with his DP shall be used for all correspondence with the Applicant(s). The Applicant(s) are therefore responsible for the correctness of his demographic details given in Subscription Application Form vis-à-vis those with his/their DP. In case information is incorrect or insufficient, the Company would not be liable for losses, if any; and

(ix) Interest/Redemption Amount with respect to the Debentures held in dematerialized/electronic form would be paid to those Debenture Holders whose names appear on the list of beneficial owners provided by Depositories to the Company as on Record Date. In case of those Debenture(s) for which the beneficial owner is not identified by the Depository as on the Record Date, the Company would keep in abeyance the payment of interest/ redemption amount, till such time that the beneficial owner is identified by the Depository and conveyed to the Company, whereupon the interest or benefits will be paid to the beneficiaries, as identified.

25. Procedure for applying for Demat Facility.

(i) Applicant(s) must have a beneficiary account with any Depository Participant of NSDL or CDSL prior to making the application.

(ii) The applicant must necessarily fill in the details (including the beneficiary account number a–d DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".

(iii) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.

(iv) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.

(v) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar to the Issue.

(vi) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.

(vii) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

(viii) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the Registrar as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the Registrar as on the Record Date, the Issuer would keep in abeyance the payment of the

redemption amount or other benefits, until such time that the beneficial owner is identified by the Registrar and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

26. Mode of Transfer of Debentures

The Debenture issued under the Key Information Document shall be transferable freely to all classes of Identified Investors. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Companies Act. The provisions relating to transfer and transmission and other related matters in respect of shares of the Company contained in the Articles of Association and the Companies Act shall apply, mutatis mutandis (to the extent applicable to Debentures) to the Debentures as well. In respect of the Debentures held in certificate form, a suitable instrument of transfer as may be prescribed by the Company may be used for the same. The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depositories/DP of the transferor/transferee and any other applicable laws and rules notified in respect thereof. Transfer of Debentures to and from non-resident Indians ("NRIs")/ overseas corporate body ("OCB") in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines of RBI. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, Coupon will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders/records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company.

The Company confirms that the forms of transfer as set out hereinabove are common forms of transfer as applicable to all Debentures issued by the Company**.**

27. Interest on Application Money

No interest on application money will be payable to the Identified Investors.

28. Deduction of Tax at Source

All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without deduction for or on account of taxes, except as required under the Income Tax Act, 1961, in the case of payment of interest under any Transaction Document or any interest to be paid on the withheld premium or any other amount payable in relation to the Debentures, as applicable. Provided that, the Company within the time stipulated under Applicable Laws delivers to the Debenture Trustee/ Debenture Holders tax withholding or tax deduction certificates in respect of such withholding or deduction made in any Fiscal Year, evidencing that such deducted taxes or withholdings have been duly remitted to the appropriate Governmental Authority**.**

If the Company is required to make a tax deduction, it shall make that tax deduction and any payment required in connection with such tax deduction within the time allowed and in the minimum amount required by Applicable Law**.**

29. List of Beneficial Owners

The Issuer shall request the Depository to provide a list of Debenture Holders as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be**.**

30. Succession

Where Debentures are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the holder(s) of the said Debentures. It would be sufficient for the Company to delete the name of the deceased Debenture Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on the Company to register his name as successor of the deceased holder after obtaining evidence such as probate of a will for the purpose of proving his title to the Debentures.

In the event of demise of the sole/first holder of the Debenture(s), the Company will recognize the executors or administrator of the deceased Debenture Holder, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate Court in India. The Directors of the Company in

their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation.

31. Joint Holders

Payment of the principal amount of each of the Debentures and interest and other monies payable thereon shall be made to the respective Debenture Holder and in case of joint Debenture Holders, to the one whose name stands first in the register of Debenture Holder(s).

32. Investor Relations and Grievance Redressal

Arrangements have been made to redress investor grievances expeditiously as far as possible. The Issuer shall endeavor to resolve the investor's grievances within 30 (thirty) days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Debentures applied for, amount paid on application and details of collection center where the Application was submitted, may be addressed to the Compliance Officer at Registered Office of the Issuer. All investors are hereby informed that the Issuer has designated a Compliance Officer who may be contacted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ debenture certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Key Information Document.

6 PARTICULARS OF THE OFFER

Term	Description
Date of Key Information Document	07 June, 2024
Type of General Information Document/Key Information Document	Private Placement
Security Name	8.45%SEIL2029 Senior, Secured, Listed, Rated, Redeemable, Transferable Non-Convertible Debentures proposed to be issued by SEIL with coupon of 8.45% per annum payable on annual basis and scheduled maturity in the year 2029
Type of Instrument	Non-Convertible Debentures
The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable	**25,000 SENIOR, SECURED, LISTED, RATED, REDEEMABLE, TRANSFERABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR 100,000 EACH**
The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the shelf prospectus under Section 31 of the Act	INR 250,00,00,000
Issue Schedule: **1. Issue/ Bid Opening Date** **2. Issue / Bid Closing Date** **3. Date of earliest closing of the issue**	 14 June, 2024 14 June, 2024 14 June, 2024

Term	Description
4. Pay – in – Date **5. Deemed Date of Allotment**	18 June, 2024 18 June 2024 The Issuer reserves the right to change the Issue Schedule in accordance with Applicable Laws. The Issue will be open for bidding as per bidding window that would be communicated through the BSE Bond EBP Platform.
Financial information, if such information provided in the General Information Document is more than six months old	The Company confirms that the information provided in the General Information Document is not more than six months old.
Material changes, if any, in the information provided in the General Information Document;	The Company confirms that there are no material changes to the information provided in the General Information Document
Any material developments not disclosed in the General Information Document, since the issue of the General Information Document relevant to the offer of non-convertible securities in respect of which the key information document is being issued	The Company confirms that there are no material developments
Credit Rating / All the ratings obtained for the private placement	03 June 2024 The rating letters and rationales as released by Credit Rating Agencies are attached as **Annexure 1**.
Name(s) of the stock exchanges where the securities are proposed to be listed	BSE Limited
Details of Eligible Investors / Participants	1. Scheduled Commercial Banks; 2. Foreign Portfolio Investors; 3. Financial Institutions; 4. Insurance Companies; 5. Primary/ State/ District/ Central Co-operative Banks (subject to permission\ from RBI); 6. Regional Rural Banks; 7. Mutual Funds; 8. Provident, Gratuity, Superannuation and Pension Funds; 9. Companies, Bodies Corporate authorised to invest in Debentures; 10. Trusts; 11. Non-banking finance companies; 12. Infrastructure debt funds;
Coupon Rate	8.45% payable per annum.
Coupon Payment Frequency	Annually

Term	Description
Coupon Payment Date(s)	Annually
Redemption Date	18 June, 2029
Redemption Amount	250,00,00,000
Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters	Not Applicable
Compliance clause in relation to electronic book mechanism and details pertaining to the uploading of the Key Information Document and the General Information Document on the Electronic Book Provider Platform	The Issue of the Debentures would be under the electronic book mechanism for issuance of Debentures on private placement basis as per Operational Guidelines. The Issuer intends to use the BSE Bond EBP platform. **THIS KEY INFORMATION DOCUMENT IS BEING UPLOADED ON THE BSE BOND EBP PLATFORM TO COMPLY WITH THE OPERATIONAL GUIDELINES AND AN OFFER WILL BE MADE BY ISSUE OF THE GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT ALONG WITH THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AFTER COMPLETION OF THE BIDDING PROCESS ON ISSUE CLOSING DATE, TO SUCCESSFUL BIDDER(S) IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES.**

7 ISSUE DETAILS

Term	Description
Security Name	8.45%SEIL2029 Senior, Secured, Listed, Rated, Redeemable, Transferable Non-Convertible Debentures proposed to be issued by SEIL with coupon of 8.45% per annum payable on annual basis and scheduled maturity in the year 2029.
Issuer	SEIL Energy India Limited
Type of Instrument	Senior, Secured, Listed, Rated, Redeemable, Transferable Non-Convertible Debentures
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Dematerialised
Eligible Investors/	The following categories of investors (who also qualify as 'Qualified Institutional Buyers') may apply for the Debentures, subject to applicable

Term	Description
Participants	law, by submitting all the relevant documents along with the application form: 1. Scheduled Commercial Banks; 2. Foreign Portfolio Investors; 3. Financial Institutions; 4. Insurance Companies; 5. Primary/ State/ District/ Central Co-operative Banks (subject to permission\ from RBI); 6. Regional Rural Banks; 7. Mutual Funds; 8. Provident, Gratuity, Superannuation and Pension Funds; 9. Companies, Bodies Corporate authorised to invest in Debentures; 10. Trusts; 11. Non-banking finance companies; 12. Infrastructure debt funds;
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	On the Wholesale Debt Market (WDM) Segment of BSE Limited Listing application shall be filed with the Stock Exchange in terms of SEBI NCS Regulations and any amendments thereto within 3 (three) working days of the bidding date. In case of delay in listing beyond the timelines specified above, the Company will pay penal interest of 1% p.a. over the Coupon Rate to the Debenture Holders from the Deemed Date of Allotment to the date of listing of Debentures
Rating of the Instrument	The Debentures are rated AA+/Stable
Issue Size	25,000
Minimum Subscription	1 non convertible debenture
Option to retain oversubscription/ Green Shoe Option (Amount)	Not applicable
Objects of the Issue / Purpose for which there is requirement of funds	**To meet:** (i) Capital expenditure of the Issuer; (ii) Repayment of existing debt of the Issuer including existing outstanding commercial papers; (iii) Payment of transaction related expenses; and (iv) any other purpose permitted by RBI and extant laws/guidelines.
Details of the utilisation of the Proceeds	**To meet:** (i) Capital expenditure of the Issuer; (ii) Repayment of existing debt of the Issuer including existing outstanding commercial papers; (iii) Payment of transaction related expenses; and (iv) any other purpose permitted by RBI and extant laws/guidelines.
Coupon Rate	8.45% p.a.

Term	Description
Step Up/ Step Down Coupon Rate	(a) For every notch of downgrade in the credit rating of the Issuer or every notch of downgrade in the credit rating of the Debentures from AA+ (i.e. AA to A and so forth), the Coupon payable shall step-up by 25bps payable from the date of such downgrade ("**Coupon Step Up**"). Provided that: While 25 bps for each notch of downgrade will happen, there will be an one time additional 375 bps coupon step up (over and above the normal 25 bps step up per notch of downgrade) ("**One Time Additional Coupon**") payable in the following events, subject to a cure period of 3 quarters before the applicability of the One Time Additional Coupon: (i) If rating continues in A+ range for 3 quarters (i.e. cure period), from the date of falling to A+. The One Time Additional Coupon will be payable immediately from the next coupon payment date and thereafter. The Issuer shall also have option to prepay the outstanding Facility without payment of prepayment premium within 90 days from the date of such downgrade; or (ii) If rating further downgrades from A+ to A (during cure period), from the date of falling to A+. The One Time Additional Coupon will be payable immediately from the next coupon payment date and thereafter. The Issuer shall also have option to prepay the outstanding Facility without payment of prepayment premium within 90 days from the date of such downgrade the Issuer should also have option to prepay without prepayment premium within 90 days from the date of downgrade; or (iii) If the rating downgrades directly from AA- to A or below, from the date of falling to A or below and payable from immediately next coupon payment date and thereafter (no cure period of 3 quarters is applicable in this case). The One Time Additional Coupon will be payable immediately from the next coupon payment date and thereafter. The Issuer shall also have option to prepay the outstanding Facility without payment of prepayment premium within 90 days from the date of such downgrade. If rating is revised to AA- and above, during the cure period i.e. 3 Quarters from the date of fall below AA-, then One Time Additional Coupon is not applicable. Further, if the credit rating of the Issuer or the Debentures falls to or below A-. then it will be a Mandatory Redemption Event. (b) In event that the credit rating of the Issuer or the Debentures downgrades as envisaged under (a) above, for every notch of upgrade in the credit rating of the Issuer or for every notch of upgrade in the credit rating of the Debentures, the Coupon shall

Term	Description
	step-down by 25bps ("**Coupon Step Down**"). *Provided that* at no time till the Final Settlement Date, the Coupon shall reduce below the initial Coupon as on the Closing Date. If there are multiple credit ratings available for the Issuer/Debentures, the lowest rating to be considered for the purpose of this assessment.
Mandatory Redemption	(i) If the credit rating of the Company or the Debentures falls to or below A-, each Debenture Holder shall have the right to have the Issuer mandatorily prepay the outstanding Debentures within 90 days from such notice of prepayment by such Debenture Holder. If there are multiple credit ratings available for the Issuer or the Debentures, the lowest rating to be considered for the purpose of this assessment. Provided that no Prepayment Premium shall be payable on such prepayment of the Debentures. (ii) If the Issuer is in breach of any conditions as provided under the undertaking on *Future Borrowings*, any Debenture Holder shall have the right to have the Issuer mandatorily prepay the outstanding Debentures immediately, without requiring the Issuer to pay any prepayment premium. (iii) If the Issuer is in breach of any Conditions Subsequent as provided under the Debenture Trust Deed, any Debenture Holder shall have the right to have the Issuer mandatorily prepay the outstanding Debentures immediately and not later than 60 (sixty) days from the date of such notice from the Debenture Holders, without requiring the Issuer to pay any prepayment premium. (iv) If Debentures cease to be listed or are suspended from trading on the wholesale debt market segment of the Stock Exchange at any time after the first date of listing for more than 1 (one) Business Day, the Issuer shall mandatorily redeem the Debentures and make the payment to the Debenture Holders within 2 days from such delisting or suspension, without requiring the Issuer to pay any prepayment premium. (v) If it becomes illegal for the Issuer to issue/continue the Debentures or it becomes illegal for the Debenture Holders to hold the Debentures, then the Issuer shall mandatorily redeem the Debentures and make the payment to the Debenture Holders within 2 days from the notice by the Issuer or the Debenture Trustee about the occurrence of such illegal event, without requiring the Issuer to pay any prepayment premium. (vi) The Issuer shall mandatorily redeem the Debentures at the instance of the Debenture Holders without the payment of any prepayment premium subject to a prior written notice of 30(thirty) days from the Debenture Holders to the Issuer notifying their intention to redeem the Debentures and any such redemption payments should be done within 60 (sixty) days from the date of such notice. (vii) The Issuer shall mandatorily redeem all or part of the Debentures, without the payment of any prepayment premium, from any insurance proceeds received by the Issuer which have not been used for the replacing or restoring the assets of the Issuer. Any such mandatory redemption should be done within 30 days from the receipt of the proceeds. Any such redemption shall be done on a pro rata basis with the other lenders;

Term	Description
	(viii) Upon the occurrence of a force majeure event, the Issuer shall mandatorily redeem the Debentures and make the payment to the Debenture Holders within 30 days from the notice by the Issuer about the occurrence of such an event, without requiring the Issuer to pay any prepayment premium
Coupon Payment Frequency	Annually
Coupon Payment Date(s)	18 June every year
Coupon Type	Fixed
Coupon Reset Process	Not Applicable
Day Count Basis	Actual/Actual
Interest on Application Money	Not applicable since Private Placement
Default Interest Rate	2% per annum or as applicable regulations / laws
Tenor	5 years
Redemption Date	18 June, 2029
Redemption Amount	INR 250,00,00,000
Redemption Premium / Discount	A prepayment premium of 1.5% of the face value of the outstanding Debentures shall be payable upon early redemption of Debentures subject to call/put option.
Cumulative / non-cumulative, in case of dividend	NA
Issue Price	INR 100,000 per non convertible debenture
Discount at which security is issued and the effective yield as a result of such discount	Nil
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount	Nil
Put Date	At the end of 3 (three) years from the Deemed Date of Allotment ("**Option Date**"), each Debenture Holder shall have the right to redeem the Debentures held by such Debenture Holder in full at their sole and absolute discretion ("**Put Option**"). The Debenture Holder shall provide a written notice of atleast 30 (thirty) days prior to the Option Date to the Issuer ("**Put**

Term	Description
	Option Notice") to exercise the Put Option.
Put Price	NA
Call Date	At the end of 3 (three) years from the Deemed Date of Allotment ("**Call Option Date**"), the Issuer shall have the right to call upon the Debenture Holders to redeem the outstanding Debentures held by such Debenture Holders as on that date at their sole and absolute discretion ("**Call Option**"). Provided that the Issuer shall provide a written notice of atleast 30 (thirty) days prior to the Call Option Date to the Debenture Holders("**Call Option Notice**") to exercise the Call Option.
Call Price	NA
Put Notification Time	30 days
Call Notification Time	30 days
Face Value	INR 1,00,000
Minimum Application and in multiples thereafter	1
Issue Timing	10 AM to 11AM
Issue Opening Date	14 June 2024
Issue Closing date	14 June 2024
Date of earliest closing of the issue, if any.	14 June 2024
Pay-in Date	18 June 2024
Deemed Date of Allotment	18 June 2024
Manner of allotment	The allotment will be done on multiple yield basis in line with **the Operational Guidelines.**
Manner of settlement	Settlement of the Issue will be done through Indian Clearing Corporation Limited and the account details are given in the Section 17 (Payment Mechanism) of this Key Information Document.
Settlement cycle	T+1 days
Issuance mode of the Debentures	Only in dematerialised form

Term	Description
Trading Mode of the Debentures	Only in dematerialised form
Settlement Mode of the Debentures	Payment of interest and Redemption Amount will be made by way of Cheque / DD / RTGS / NEFT / Electronic mode and any other prevailing mode of payment from time to time.
Depository	NSDL / CDSL
Business Day Convention	Unless otherwise specified, if any of the Coupon Payment Date(s) falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the Coupon Payment Date for that Coupon. If the Redemption Date of the Debentures falls on a day that is not a Business Day, the Redemption Amount shall be paid by the Issuer on the immediately preceding Business Day, which becomes the new Redemption Date, along with Coupon accrued on the Debentures until but excluding the date of such payment
Disclosure of Interest / redemption dates	Coupon to be paid annually starting from 18 June 2024 and Principal amount to be repaid on the date of redemption i.e on 18 June 2029
Record Date	10 business days before each relevant payments (interest, principal repayments etc.) for determining the beneficiaries of the debentures.
All covenants of the Issue (including side letters, accelerated payment clause etc.)	Please refer to Mandatory Redemption Clauses as mentioned above. **(i) ISRA** At all times till the Final Settlement Date, the Issuer shall maintain ISRA amounting to the Coupon payable on the Debentures for one Financial Year. The ISRA should be created within 30 (thirty) days from the Deemed Date of Allotment. It is hereby clarified that any interest earned on the ISRA shall be available for the benefit of the Issuer. **(ii) Control of the Issuer** At all times till the Final Settlement Date, the Promoter shall (a) hold 51% (fifty one) percent and above of the equity of the Issuer; (b) have the right to appoint majority Board of directors on the board of the Issuer; and (c)control the management of the Issuer. **(iii) Voluntary Redemption** (i) In case a Debenture Holder does not consent or does not respond within 30 Business days to any approval sought by the Issuer under the Debenture documents or as per applicable regulations, then the Issuer shall have the option to redeem the Debentures held by such Debenture Holder ("Voluntary Redemption") i.e. outstanding principal along with accrued interest. (ii) The Debenture Amount together with other

Term	Description
	outstanding amounts in relation to the Debentures (including Coupon) can be pre-paid by the Issuer as envisaged under (i) above by giving notice of at least 30 Business days to the Debenture Trustee and each Debenture Holder. Provided that any such early redemption of Debentures shall be subject to a prepayment premium of 1.5% of the face value of the outstanding Debentures ("Redemption Premium" or "Prepayment Premium"). (iii) In case of the downgrade of the credit rating of the Issuer or the Debentures in terms of the Step Up Coupon/Step Down Coupon clause as provided above. **(iv) Free Transfer** The Debentures shall be freely transferable and transmittable by the Debenture Holders in whole or in part without consultation with, or consent of the Issuer. The Debenture Holders shall also have the right to novate, transfer or assign its rights and/or the benefits under the Debenture Documents upon such transfer/ transmission of the Debentures. **(v)** At all times till the Final Settlement Date, the Issuer shall maintain the following financial covenants on a consolidated basis ("**Financial Covenants**"): Net Debt to Net Worth: Less than or equal to 3x Total Debt to EBITDA: Less than or equal to 4.5x Total Debt Cap: Not more than INR 15000 Crore Security Cover: 1.25x The above-mentioned Financial Covenants shall be tested semi-annually on the trailing 12 months basis on a consolidated basis and shall be complied with at all times till the Final Settlement Date. For the purposes of the calculation of the Financial Covenants, **Total Debt** shall mean aggregate outstanding debt of the Issuer as per the last annual audited financial statements including long term and short term debt (including corporate guarantees) including any unsecured amounts borrowed from shareholder or any of Group Entities. **Net Debt** shall mean Total Debt Less Cash and Cash Equivalents. **Cash and Cash Equivalents** shall mean cash and bank balances, investments in fixed deposits, mutual funds or any other cash equivalents of the Issuer all of which should be unencumbered **Net Worth** shall mean the aggregate of shareholders funds as

Term	Description
	per the last annual audited financial statements including equity, security premium, reserves and surplus minus any revaluation reserves, goodwill, intangibles **Security Cover** shall mean the ratio of aggregate net book value of moveable fixed assets of the Issuer including plant and machinery and CWIP and all current assets of the Issuer divided by the Total Debt of the Issuer. In case of breach of any Financial Covenants as mentioned above or upon the occurrence of an Event of Default, the Issuer shall not make any payments to related parties/promoters/holding company or SCU in any form (including dividend, interest, principal repayment etc).
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in this Key Information Document	Pari-Passu charge on all moveable fixed assets (present and future) including plant and machinery and current assets (present and future) of the company. .Provided that the Security shall be shared on a pari passu basis with the present and future lenders of the Issuer within the Total Debt Cap.
Future Borrowings	The Issuer shall be entitled to borrow or raise loans or avail of financial assistance in whatever form (fresh funding or refinancing of existing facilities or change of security package of existing credit facilities) or issue debentures or notes or other securities in any manner within the Total Debt Cap of INR 15000 Cr *provided that*: a) Any such borrowing or loans or financial assistance is on a *pari passu basis* with the Debentures, except as specifically provided herein; b) No charge or security shall be created on any immoveable assets of the Issuer to secure any such borrowing or loans or financial assistance without the prior written consent of the Debenture Trustee which shall not be unreasonably withheld, and any such charge or interest shall also be extended to secure the Debentures on a pari-passu basis; c) the Issuer complies with the Financial Covenants at all times before and after the issuance of the Debentures; d) any superior terms offered in any such new borrowing (other than borrowings availed for fresh capital expenditure) will also be applicable to the Debentures; and e) No borrowing of the Issuer taken after Deemed Date of Allotment will be guaranteed or supported by comfort from Sembcorp Utilities. Provided (i) if any such guarantee or comfort is required to be provided for any credit facilities (except working capital facilities), the same shall be subject to prior consent of the Debenture Holders and such guarantee/comfort being created in the favor of the Debenture Trustee acting for the benefit of the Debenture Holders

Term	Description
	(in form and manner acceptable to Debenture trustee) on or prior to offering such guarantee or comfort to a term loan lender. Such guarantee once created to secure the Debentures will be valid till debentures are redeemed in full; and (ii) no such consent of the Debenture Holders will be required if the guarantee or comfort is to be extended to a working capital lender and no corporate guarantee will be provided to the Debenture Holders if any such guarantee is extended for the benefit of a working capital lender by the Issuer. The Issuer shall not create any kind of charge, interest, security or encumbrance on any of its immoveable assets without the prior written consent of the Debenture Trustee which shall not be unreasonably withheld and any such charge or interest shall also be extended to secure the Debentures on a pari passu basis; and The Issuer shall not create any kind of charge, interest, security or encumbrance on any of its assets (except its immoveable properties) to secure any kind of credit facilities or contractual comforts in excess of the Total Debt Cap.
Upfront Approval	Subject to no Event of Default and compliance with the Financial Covenants at all times till the Final Settlement Date including prior to and post affecting any of the below mentioned actions, the Issuer shall not be required to provide any prior intimation to the Debenture Trustee/Debenture Holders or obtain any prior approval of the Debenture Trustee to: (a) implement Flue Gas Desulpharisation plant or to do any other capital expenditure to meet compliances under any Applicable Law or any other statutory requirements (b) declare and pay any interim dividend / final dividend as permitted under the Companies Act; (c) utilize surplus cash after meeting all debt obligations, for any business purposes; (d) pay commission for any guarantees for securing the debt obligations of the Issuer; (e) subject to Control of the Issuer clause above, change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid-up capital, on such terms and conditions as the Company may think appropriate
Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in this Key Information Document	Nil
Debenture Trust Deed	Means the debenture trust deed to be entered into between the Issuer and the Debenture Trustee, as amended from time to time.
Debenture Trustee Agreement	Means the debenture trustee agreement dated 03 June 2024 entered between the Issuer and the Debenture Trustee for the appointment of the Debenture Trustee.

Term	Description
Transaction Documents	Means the transaction documents in relation to the Debentures, as defined in the Debenture Trust Deed, including: (a) General Information Document (b) Key Information Document; (c) Deed of Hypothecation and power of attorney; (c) the Debenture Trust Deed; (d) the Debenture Trustee Agreement; (e) consent letter from the Trustee to act as debenture trustee; (f) credit rating letter from each Credit Rating Agency; (g) letter of appointment of the registrar & transfer agent in relation to the issue of Debentures; (h) listing agreement with the Stock Exchange; and (i) any other document that may be designated as a Transaction Document by the Trustee and the Company.
Conditions Precedent to Disbursement	1. Certified true copy of the Charter Documents of the Issuer. 2. Copy of the resolutions passed at the board meeting of the Issuer: (i) approving the terms of, and the transactions contemplated by, the Debenture Documents to which it is a party and resolving that it can execute the Debenture Documents to which it is a party, including for the allotment on private placement basis of the Debentures to the Initial Debenture Holder and listing of the Debentures on the Stock Exchange; (ii) authorising the affixation of the common seal on the Debenture Documents, if required; and (iii) authorising a specified Person or Persons, on its behalf, to sign and / or dispatch all documents and notices to be signed and / or dispatched by it under or in connection with the Debenture Documents to which it is a party. 3. Copy of duly authorised specimen signatures and self-attested photographs of the individuals authorised in the aforementioned resolutions who shall be executing the Debenture Documents. 4. Copy of the special resolution passed at a general meeting of the Issuer's shareholders under Section 42 of the Act, if required, approving the issuance and allotment of the Debentures in accordance with the terms of the Debenture Documents, on private placement basis under the Act. 5. The Issuer shall have submitted a copy of the application made by the Issuer to the relevant income tax authorities under Section 281 (1) (a) of the Income Tax Act, 1961, for permission to create the Security proposed to be created under the Debenture Documents. 6. The Issuer shall provide a certificate from its authorised signatory, certifying, inter alia, other than disclosed to the Debenture Trustee at the time of entering into the Debenture Trust Deed, there are no income tax dues or contingent liabilities of the Issuer, no proceedings have been initiated or are pending against the Issuer under Income Tax Act, 1961 and no notice has been received by the Issuer till date in terms of Rule 2 of the Second Schedule to the Income Tax Act, 1961 prior to the Deemed Date of Allotment 7. Creation of charge under the Deed of Hypothecation.

Term	Description
	8. Evidence on appointment of Debenture Trustee and submission of consent letter of the Debenture Trustee to act as the trustee for the Issue. 9. Copy of the document evidencing that the Issuer has obtained ISIN in respect of the issuance of the Debentures in de-materialized form by the Depository. 10. Copy of application form by the Company, for subscription of Debentures by the Initial Debenture Holders. 11. Consent letter and engagement letter from the Registrar confirming its appointment as registrar and transfer agent for the Issue of Debentures. 12. Submission of provisional Credit Rating for the Debentures from a Rating Agency along with a rating rationale. 13. Execution of Tripartite Agreement *inter alia* between the Company and NSDL/CDSL and the Registrar. 14. Execution of Listing Agreement. 15. Submission of the Offer Documents and delivered to each identified Initial Debenture Holders (serially numbered and addressed specifically to each identified Initial Debenture Holders) under the Companies Act, if required as per Applicable Law. 16. Submission of the in-principle approval of the Stock Exchange for listing of the Debentures. 17. Evidence of payment of the stamp duty on Debentures to the Debenture Trustee, by the Company to the concerned Depository. 18. Due Diligence Certificate to be issued by the Debenture Trustee as per format specified in Annexure A of the SEBI 3 November Circular, to the Company and Company to file it with the Stock Exchange(s) at the time of filing the relevant Disclosure Document. 19. The Debenture Trustee and each Debenture Holder shall have received a satisfactory legal opinion from its legal advisors on the enforceability and validity of the Debenture Documents. 20. Submission of certified true copies of such other documents or carrying out of such other actions as may be deemed necessary by the Debenture Trustee.
Conditions Subsequent to Disbursement	1. The Issuer shall allot Debentures on the respective Closing Date and credit in demat accounts of the Initial Debenture Holders in accordance with the Debenture Trust Deed and within 2 (two) days from the respective Closing Date, the Issuer shall provide certified true copy of the resolutions passed in relation to such allotment. 2. Within 7 (Seven) Business Days of the Deemed Date of Allotment, entering the particulars of the Debenture Holders in the register of debenture holders maintained by the Company and providing a certified true copy of the updated register of debenture holders to the Debenture Trustee. 3. The Issuer shall provide copy of the Form MGT-14 filed by the Issuer with the relevant registrar of companies to evidence filing of the resolutions passed by the Board and the Shareholders for the transaction contemplated hereunder.

Term	Description
	4. The Company shall provide the evidence of listing of Debentures on the wholesale debt market segment within 3 (Three) trading days of the Issue Closing Date on the Stock Exchange with respect to listing of each tranche of Debentures. 5. Within 15 (Fifteen) day of the respective Closing Date, the Issuer shall file a return of allotment of the Debentures with the Registrar of Companies in Form PAS-3 in accordance with Rule 14(4) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. 6. Within 60 (Sixty) days from the respective Closing Date for each tranche, the Issuer shall provide a certificate from a chartered accountant certifying the end use of the respective Tranche investment amount. 7. The Issuer shall perfect the charge created under the Deed of Hypothecation within 30 (thirty) days from the creation of such charge including but not limited to file particulars of charge created under Form CHG-9 with the relevant Registrar of Companies and pay such fees as may be prescribed. 8. Within 30 (Thirty) days from the respective Closing Dates, the Issuer shall make all the requisite electronic filings with the Registrar of Companies, to give effect to the allotment of Debentures and other corporate actions stated above and deliver copies of the aforesaid filings to the Debenture Trustee and the Initial Debenture Holder. The Issuer shall maintain a complete record of the offerees under Form PAS-5. 9. The Issuer shall create and maintain the ISRA within 30 days from the Deemed Date of Allotment. 10. The Issuer shall submit the final credit rating

Term	Description
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	**a) Non-Payment:** Any default shall have occurred in payment / redemption of the Debentures or any outstanding amounts on the Due Date, due and payable to the Debenture Holders in terms of the Debenture Trust Deed and/or other Debenture Documents executed between the Issuer and the Debenture Trustee. **b) Non creation or non maintenance of ISRA:** The Issuer fails to create or maintain ISRA in terms of the Debenture Trust Deed. **c) Breach of Representations and Warranties:** Any information given by the Issuer in the Information Memorandum or in relation to the Debenture Trust Deed or any representation and warranty referred to in any other Debenture Documents provided to the Debenture Trustee in relation to the Debentures is found to be misleading or incorrect and the same is not cured within 30 (Thirty) days from the date of such breach. **d) Breach of Covenants and Undertakings:** The Issuer fails to comply with the covenants and undertakings as provided under *Purpose*, *Information on Event of Default*, and (xii) *control of the Issuer* of the Debenture Trust Deed. **e) Breach of Covenants and Undertakings**: The Issuer fails to comply with the covenants and undertakings on *Compliance with Applicable Law*, the Debenture Trust Deed which results in a Material Adverse Effect and the same is not cured within 30 (Thirty) days from the date of such breach, if capable of being remedied. **f) Cross default** Any financial indebtedness of the Issuer and/or its subsidiaries is not paid when due and payable; or Any creditor of the Issuer declares any financial indebtedness of the Issuer due and payable before its specified maturity as a result of an event of default (however described); unless such event (if capable of being remedied) is not cured within the period as provided under such financing documents. **g) Repudiation and rescission of agreements**: The Issuer rescinds or repudiates a Debenture Document or any of the Security. **h) Security**: If the Security (a) shall fail to provide the interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby); or (b) purported to be created thereby is diluted or jeopardized or endangered having Material Adverse Effect or (c) becomes unenforceable in accordance with any of the Debenture Documents, for any reason whatsoever; or (d) is not created and maintained in favour of Debenture Trustee in accordance with the terms of the Debenture Documents and the Debenture Documents; or (e) without the prior written consent of the Debenture Holders or Debenture Trustee (acting on Approved Instructions) is encumbered except as permitted or allowed under the Debenture Documents, or (f) is not kept insured sufficiently to the satisfaction of the Debenture Holders

Term	Description
	and in accordance with the Debenture Documents having Material Adverse Effect, and the same is not duly remedied to the satisfaction of the Debenture Holders or the Debenture Trustee (acting on Approved Instructions) in any manner whatsoever, in each case which is not cured within 60 days. **i) Security Cover**: Failure to meet and maintain the Security Cover as provided under the Debenture Trust Deed, subject to a cure period of 30 days from the date of breach. **j) Unlawful**: It is or becomes unlawful for the Issuer to perform any of its obligations under the Debenture Documents and the same is not cured within 30 (Thirty) days from the date of such breach, if capable of being remedied. **k) Illegality**: Any obligation under any Debenture Documents, is not or ceases to be legal, valid, binding or enforceable and the cessation individually or cumulatively materially and adversely affects the interests of the Debenture Trustee / Debenture Holders under the Debenture Documents . **l) Creditor's Process:** Any secured lender/s of any of the Issuer initiate proceedings for recovery either through civil proceedings or under SARFAESI or any other relevant statutory provision for the time being in force which results in a Material Adverse Effect and the same is not cured within a period of 30 (thirty) days from the date of such proceedings being initiated; **m) Material Adverse Effect**: Any event occurs which, constitutes or may constitute a Material Adverse Effect and the same is not cured within a period of 30 (thirty) days therefrom; **n) Litigation:** Any suit, prosecution, litigation, alternative dispute resolution, arbitration, administrative, governmental proceedings or disputes of any nature, civil, criminal, regulatory are commenced after the date of the Debenture Trust Deed or threatened (in writing) in relation to the Debenture Documents or the transactions contemplated in the Debenture Documents or against the Issuer which will have a Material Adverse Effect; **o) Cessation of Business:** The Issuer ceases or threatens to cease to carry on its business or gives notice of its intention to do so or carries on any illegal activity which has an Material Adverse Effect, subject to cure period of 30 days. **p) Insolvency:** Any corporate action, legal proceedings or other procedure is taken (including the making of an application, the presentation of a

Term	Description
	petition, the filing or service of a notice or the passing of a resolution), in relation to any of the following: (a) if any notice is issued by a 'financial creditor' (as defined in the IBC) to Issuer or a financial creditor of Issuer files any petition before the relevant Government Authority for the purposes of seeking the admission of the entity into the corporate/individual insolvency resolution process or liquidation process or other process under the IBC; (b) if an operational creditor of any of the Issuer files any petition before the relevant Government Authority for the purposes of seeking the admission of the entity into the corporate insolvency resolution process or liquidation process or other process under the IBC unless such proceeding is withdrawn, quashed within 90 (ninety) days from the receipt of official notice of filing of such application or the admission of proceeding by the adjudicating authority, whichever is earlier; **q) Expropriation:** Any government (including any political or administrative sub-division thereof), Governmental Authority, agency, official or entity takes any action for the nationalisation, expropriation, sequestration, or dissolution of the Issuer, or any action which materially affects or deprives the Issuer from conducting its business or carrying out its operations in the manner it is being conducted or carried out and the same is not cured within 30 (Thirty) days from the date of default. **r) Financial Covenants** Failure to meet and maintain any Financial Covenants (except Security Cover ratio) as provided under the Debenture Trust Deed unless such event (if capable of being remedied) is not cured within a period of 90 (ninety) days from the date of its occurrence.
Creation of recovery expense fund	The issuer shall be required under the applicable SEBI Regulations, create a recovery expense fund from time to time.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Upon the occurrence of an Event of Default, the Issuer shall pay penal charges of 1% (one percent) of the outstanding Debenture amounts over and above the applicable Coupon for the period until such Event of Default ceases to exist or is cured to the satisfaction of the Debenture Trustee.
Consequences of Event of Default	Upon the occurrence of any Event of Default, the Debenture Trustee may, take any or all of the following actions: (i) declare that any or all Debentures shall automatically and without any further action, become due for redemption at the outstanding Debenture Amount and any or all other Obligations under the Debenture Documents to be immediately due and payable, whereupon they shall become immediately due and payable; (ii) subject to Applicable Laws, direct the bank account of the Issuer to freeze any or all of the bank accounts of the Issuer maintained in relation to the Debentures (including but not limited to the Issue Proceeds Account) without /Issuer's confirmation and transfer all the amounts lying in such accounts to such account as designated by the Debenture Trustee (without having to obtain

Term	Description
	any further instructions from any Obligor) and utilise the amounts lying in such accounts to repay the Obligations and redeem the Debentures and take subsequent actions solely on instructions of the Debenture Trustee acting on behalf of the Debenture Holders; (iii) exercise any or all of its rights, discretions, powers and remedies under the Debenture Documents and under Applicable Law including to take or institute Proceedings against the Company and utilise the Recovery Expense Fund in accordance with the SEBI REF Circular; (iv) enforce all rights of the Debenture Trustee under the Debenture Documents including the Deed of Hypothecation; (v) encash any and all instruments which are in the favour of or in the custody of the Debenture Trustee; (vi) to appoint a Nominee Director in accordance with the Companies Act only in case of events specified in the SEBI (Debenture Trustee) Regulations, 1993 as more particularly described in Schedule III (Nominee Directors) to the Debenture Trust Deed; (vii) take any actions in respect of the SEBI Defaults (Procedure) Circular in accordance with the provisions of the Debenture Trust Deed; and/or (viii) exercise such other rights as may be available to the Debenture Trustee under the Debenture Documents or under Applicable Law.
Provisions related to Cross Default Clause	i. Any financial indebtedness of the Issuer and/or its subsidiaries is not paid when due and payable; or ii. Any creditor of the Issuer declares any financial indebtedness of the Issuer due and payable before its specified maturity as a result of an event of default (however described); unless such event (if capable of being remedied) is not cured within the period as provided under such financing documents.
Debenture Trustee	Catalyst Trusteeship Limited
Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture trustee.	As per the Debenture Trustee Appointment Agreement. A executed copy of the same is attached as Annexure 11. Details of security is as provided in section 7 (Issue Details) herein.
Role and Responsibilities of Debenture Trustee	As per the Debenture Trustee Appointment Agreement. A executed copy of the same is attached as Annexure 11
Risk factors pertaining to the issue	As set out in under Section 3 of this Key Information Document.

Term	Description
Governing Law and Jurisdiction	The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts at Delhi in India. Over and above the aforesaid terms and conditions, the said Debentures shall be subject to the terms and conditions of the General Information Document, this Key Information Document and terms and conditions of the Debenture Trust Deed/ Debenture Trustee Appointment Agreement and other Security Documents.

*

Notes:

(a) If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and the events which lead to such change should be disclosed.

(b) The list of documents which have been executed in connection with the issue and subscription of debt securities shall be annexed.

(c) While the debt securities are secured to the extent of hundred per cent. of the amount of principal and interest or as per the terms of issue document, in favour of debenture trustee, it is the duty of the debenture trustee to monitor that the security is maintained.

(d) The issuer shall provide granular disclosures in their issue document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue". Further, the amount earmarked "General Corporate Purposes", shall not exceed twenty-five percent of the amount raised by the issuer in the proposed issue (*applicable in case of public issue). – Not Applicable"*

8 ILLUSTRATION OF CASH FLOWS

8.1 The illustrative cash flows per Debenture (bearing face value of Rs. 1,00,000) is as under:

Particulars	Details
Name of the Issuer	SEIL Energy India Limited
Face Value	INR 100,000
Deemed Date of Allotment	18 June 2024
Redemption Date	18 June 2029
Coupon Rate	8.45% p.a
Frequency of Interest Payment	Payable annually on 18 June 2025, 18 June 2026, 18 June 2027, 18 June 2028, 18 June 2029
Day Count Convention	Actual/Actual
Number of Debentures	25,000

Cash Flow

The illustrative cash flows per Debenture (bearing face value of INR 1,00,000) is as under:

Cash Flow Event	Record Period	Due Date of Payment	Actual Date of Payment	Number of Days in Coupon Perion	Total Servicing (Interest + Principal) (In Cr.)
Interest	08-June-2025	18-June-2025	18-June-2025	365	21.125
Interest	08-June-2026	18-June-2026	18-June-2026	365	21.125
Interest	08-June-2027	18-June-2027	18-June-2027	365	21.125
Interest	08-June-2028	18-June-2028	18-June-2028	366	21.125
Interest + Redemption	08-June-2029	18-June-2029	18-June-2029	365	271.125

(In the event any Due Date is a holiday, payments will be made in accordance with the Business Day Convention).

9 UNDERTAKING BY THE ISSUER

i. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The Debentures have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to section 'General Risk' on Page Number 1 and the statement of 'Risk factors' given in the General Information Document and Section 3 of the Key Information Document**.**

ii. The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Key Information Document read together with the General Information Document contains all information with regard to the Issuer and the Issue, that the information contained in the Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

iii. The issuer has no side letter with any holder of the Debentures. Any covenants later added shall be disclosed on the website of the stock exchange where the Debentures will get listed.

10 CONSENT IN TERM OF SEBI NCS REGULATIONS, 2021

CONSENT OF DIRECTORS, AUDITORS, BANKERS TO ISSUE, TRUSTEES, SOLICITORS OR ADVOCATES TO THE ISSUE, LEGAL ADVISORS TO THE ISSUE, REGISTRAR TO THE ISSUE, AND LENDERS (IF REQUIRED, AS PER THE TERMS OF THE AGREEMENT) AND EXPERTS.

PARTICULARS	CONSENT
Directors	The Board in its held on 30 May 2024 had approved the resolution. Accordingly, the consent of individual directors is not obtained.
Auditors	The auditors have audited the accounts of the Company as on 31 March 2024.
Bankers to issue	NA
Trustee	The consent letter from Debenture Trustee, to the extent required, has been obtained.
Solicitors/ advocates	NA
Legal advisors	The engagement letter with the legal advisors has been signed.
Lead manager	NA
Registrar	The consent letter from registrar has been duly obtained.
Lenders	NA
Experts	NA

11 DISCLOSURES PRESCRIBED UNDER FORM PAS 4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

Sr. No.	Disclosure Requirements	Reference
	PART A	
1	**GENERAL INFORMATION**	
i.	Name, address, website and other contact details of the company indicating both registered office and corporate office.	As set out in the cover page of this Key Information Document.
ii.	Date of incorporation of the company	08 January 2008
iii.	Business carried on by the company and its subsidiaries with the details of branches or units, if any	Please refer to General Information Document.
iv.	Brief particulars of the management of the company	Please refer to the General Information Document
v.	Names, addresses, DIN and occupations of the directors	Please refer to the General Information Document
vi.	Management's perception of risk factors;	Please refer to **Section 3** of this KID
vii.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of – (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; (iv) loan from any bank or financial institution and interest thereon.	Please refer to the General Information Document
viii.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process;	As set out in the General Information Document

Sr. No.	Disclosure Requirements	Reference
ix.	Any Default in Annual filing of the Company under the Companies Act, 2013, or the rules made thereunder.	No default.
2	**PARTICULARS OF THE OFFER**	
i.	Financial position of the Company for the last 3 financial years;	Please refer to **Annexure 5**
ii.	Date of passing of board resolution;	Board resolution dated 30 May 2024 (*Certified true copy of the Board Resolution dated* 30th May 2024, *has been annexed in* ***Annexure 6***)
iii.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	Shareholder resolution dated 31 May 2024 *(Certified true copy of the shareholders resolution have been annexed in* ***Annexure* 6*)***
iv.	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued;	Pari-Passu charge on all moveable fixed assets (present and future) including plant and machinery and current assets (present and future) of the company
v.	Price at which the security is being offered including the premium, if any, along with justification of the price	<u>Non Convertible Debentures</u> **Face Value**: INR 100,000 each Debenture **Issue Price**: INR 100,000 per Debenture
vi.	Name and address of the valuer who performed valuation of the security offered/to be offered, and basis on which the price has been arrived at along with report of the registered valuer.	Not Applicable as the Debentures are issued at par
vii.	Relevant date with reference to which the price has been arrived at;	Not applicable
viii.	The class or classes of persons to whom the allotment is proposed to be made;	The allotment is proposed to be made to the Identified Investors.
ix.	Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer (applicable in case they	Not Applicable

Sr. No.	Disclosure Requirements	Reference
	intend to subscribe to the offer);	
x.	The proposed time within which the allotment shall be completed	Refer Issue Schedule mentioned above in this Key Information Document.
xi.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them	Not Applicable
xii.	The change in control, if any, in the company that would occur consequent to the private placement	Not Applicable
xiii.	The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of number of securities as well as price;	None
xiv.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable
xv.	Amount which the Company intends to raise by way of proposed offer of securities	INR 250 Crore
xvi.	Terms of raising of securities: (a) duration; if applicable (b) rate of dividend; (c) rate of interest; (d) mode of payment (e) repayment;	**Non-Convertible Debentures** Duration, if applicable (Tenor): 5 years Deemed Date of Allotment: 18 June 2024 Redemption Date: 18 June 2029 Coupon Rate: 8.45% p.a. Coupon Payment Date(s): Payable annually on 18 June 2025, 18 June 2026, 18 June 2027, 18 June 2028, 18 June 2029

Sr. No.	Disclosure Requirements	Reference
		Redemption Premium: 1.5% payable on early redemption subject to call & put option. Default Interest: Has the meaning set forth in Section 7 (Issue Details) section of this Key Information Document Mode of Payment: NEFT / RTGS / Direct Credit / any other electronic mode / any other permissible mode Mode of Repayment: NEFT / RTGS / Direct Credit / any other electronic mode / any other permissible mode Rating of Debentures: AA+/Stable Redemption Price: Rs. 100,000 (Rupees One Lakh) per Debenture Day Count Basis: Actual/Actual
xviii.	Purposes and objects of the Offer	Has the meaning set forth in Section 7 (*Issue Details)* of this Key Information Document.
xix.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	NIL
xx	Principle terms of assets charged as security, if applicable;	As set forth in Section 7 (*Issue Details*) of this Key Information Document.
xxi	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations;	There are no material orders passed by the regulators, courts and tribunals which impact the going concern status of the Company and its future operations.
xxii	The pre-issue and post-issue shareholding pattern of the company	Please refer to **Annexure 7**
3	**MODE OF PAYMENT FOR SUBSCRIPTION**	Cheque: Not Applicable Demand Draft: Not Applicable

Sr. No.	Disclosure Requirements	Reference
		Identified Investors may use the below payment modes for subscription: • Electronic clearing services (ECS) • Real time gross settlement (RTGS) • Direct credit or national electronic fund transfer (NEFT)
4	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC:**	
i.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	NIL
ii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree Company during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	NIL
iii.	Remuneration of directors (during the current year and last three financial years);	Please refer to the General Information Document
iv.	Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided;	Please refer to **Annexure 8**
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of this Private placement offer	Nil

Sr. No.	Disclosure Requirements	Reference
	letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark;	
vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous Company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries;	Nil
vii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	Nil
5	**FINANCIAL POSITION OF THE COMPANY**	
a.	The capital structure of the company in the following manner in a tabular form the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value); size of the present offer; Paid-up capital after the offer after conversion of convertible	*Please refer to **Annexure 9**.*

<table>
<tr><th>Sr. No.</th><th>Disclosure Requirements</th><th>Reference</th></tr>
<tr><td></td><td>instruments (if applicable)

share premium account (before and after the offer)</td><td></td></tr>
<tr><td>b.</td><td>Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of this Private placement offer letter.</td><td>Please refer to the General Information Document</td></tr>
<tr><td>c.</td><td>Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)</td><td>Company declared interim dividend of INR 14,472.44 Mn in FY 24; details are as follows:

<table>
<tr><td>Amount in Mn</td><td>Remarks</td></tr>
<tr><td>5,325.99</td><td>Out of FY 23 Profit</td></tr>
<tr><td>3,151.53</td><td>Out of H1 FY 24 Profit</td></tr>
<tr><td>5,995.92</td><td>Out of 9M FY 24 Profit</td></tr>
<tr><td>14,472.44</td><td></td></tr>
</table>

Interest Coverage Ratio for Last three years:

<table>
<tr><th>Year</th><th>Interest Coverage Ratio</th></tr>
<tr><td>FY 2023-24</td><td>6.15</td></tr>
<tr><td>FY 2022-23</td><td>2.81</td></tr>
<tr><td>FY 2021-22</td><td>2.03</td></tr>
</table></td></tr>
<tr><td>d.</td><td>A summary of the financial position of the company as in the three audited financial statements immediately preceding the date of issue of private placement offer cum application letter</td><td>Please refer to Annexure 5</td></tr>
<tr><td>e.</td><td>Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter</td><td>Please refer to Annexure 5</td></tr>
<tr><td>f.</td><td>Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company</td><td>Nil</td></tr>
<tr><td colspan="2">PART – B: APPLICATION FORM</td><td>Please refer to section titled ‘Application Form’</td></tr>
<tr><td>6</td><td>A DECLARATION BY THE DIRECTORS</td><td>Please refer to the Section titled ‘Declaration’</td></tr>
</table>

12 PROJECT DETAILS

Not Applicable

13 OTHER CONFIRMATION PERTAINING TO THE ISSUE

NONE

14 PARTICULARS OF THE MATERIAL CONTRACTS

Material Contracts–- By very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts referred to in Para A and Para B below (not being contracts entered into in the ordinary course of the business carried on by the Company) which are or may be deemed to be material for this Issue have been entered into by the Company.

Para A:

(a) Letter dated 09 May 2024 appointing Catalyst Trusteeship Limited as trustee for the benefit of the Debenture Holders ("**Debenture Trustee**").

(b) Debenture Trustee Appointment Agreement dated 03 June 2024.

Para B:

(a) Memorandum and Articles of Association

(b) Credit Rating Letter dated 03 June 2024

(c) Consent of KFin Technologies Ltd to act as Registrar and Transfer Agent vide their Letter dated 22 May 2024.

(d) Audited Annual reports for the last 2 years starting from FY 2022-23.

(e) Certified true copy of resolution dated 30 May 2024, of the Board of Directors under section 179 of the Companies Act.

(f) List of authorized signatories under the resolution set out above.

(g) the Debenture Trust Deed, the Debenture Trustee Agreement, and other documents pertaining to issuance of debentures to the existing debenture holders.

(h) Copy of Tripartite Agreement dated 05 January 2018 between Issuer, NSDL & RTA.

(i) Copy of Tripartite Agreement dated 23 January 2018 between Issuer, CDSL & RTA.

(j) Any other material contract as may specified.

15 DISCLOSURES IN TERMS OF SEBI DEBENTURE TRUSTEE MASTER CIRCULAR

(a) The Debentures shall be considered as secured only if the charge is registered with registrar of companies or CERSAI etc., as applicable, or is independently verifiable by debenture trustee.

(b) Terms and conditions of the Debenture Trustee Appointment Agreement

I. Fees charged by Debenture Trustee

The Company shall pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other

documents executed/to be executed to give effect to the creation of security for securing the Debentures and such any other expenses like advertisement, notices, letters to Debenture Holders, and additional professional fees/expenses that would be incurred in case of default. The remuneration of the Debenture Trustee shall be as per letter dated 09 May 2024 issued by the Debenture Trustee. Arrears of installments of annual service charges, if any, shall carry interest at the rate as applicable under the Micro, Small and Medium Enterprises Development Act, 2006, as amended from time to time.

II. Terms of carrying out due diligence

(1) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Key Information Document and the Relevant Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents/advisors/consultants, shall after giving 2 Business days prior written notice have the power to examine the books of account of the Company and to have the Company's assets (which are made available as security for Debenture) inspected by its officers and/or external auditors / valuers / consultants / lawyers / technical experts/management consultants appointed by the Debenture Trustee.

(2) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets of the Company or any third party security provider for securing the Debentures, are registered / disclosed.

(3) Further, in the event that existing charge holders, the concerned trustee/agent on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders/trustee and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders/trustee about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

(4) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the Relevant Laws;

(5) The Debenture Trustee shall have the power to either independently appoint or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company;

(c) **Other confirmations**

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Debenture Trustee Master Circular. The due diligence certificate in this regard is enclosed as **Annexure 10**.

DECLARATION

SEIL Energy India Limited
(Formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648
Regd. Office: Building 7A, Level 5,
DLF Cyber City, Gurugram – 122002,
Haryana, India
Tel: (91) 124 6846700/701,
Fax: (91) 124 6846710
Email: cs@seilenergy.com
Website: www.seilenergy.com

ANNEXURE E | DECLARATION OF DIRECTOR

The Issuer and each of the directors of the Issuer hereby confirm and declare that:

a) the Issuer has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder;

b) the compliance with the Act and the rules does not imply that payment of dividend or interest or premium or repayment of Debentures, if applicable, is guaranteed by the Central Government;

c) the monies received under the Issue shall be used only for the purposes and objects indicated in the General Information Document; and

d) the permanent account number, Aadhaar number, driving license number, bank account number(s) and passport number of the promoters and permanent account number of directors have been submitted to the stock exchanges on which the non- convertible securities are proposed to be listed, at the time of filing the draft offer document.

I am authorized by the Board of Directors of the Issuer dated 30 May 2024 to sign this General Information Document and declare that all the requirements of Companies Act, 2013 and the applicable rules made thereunder, and the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (each as amended from time to time) in respect of the subject matter of this General Information Document and matters incidental thereto have been complied with. Whatever is stated in this General Information Document and the attachments thereto is true, correct and complete and no information material to the subject matter of this General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this General Information Document.

SIGNED AND DELIVERED
For SEIL Energy India Limited
(Formerly Sembcorp Energy India Limited)

Raghav Trivedi
Whole Time Director & CEO
DIN: 03485063

SEIL ENERGY INDIA LIMITED

Place: Gurugram
Date: June 04, 2024

SEIL Energy India Limited
(Formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648
Regd. Office: Building 7A, Level 5,
DLF Cyber City, Gurugram – 122002,
Haryana, India
Tel: (91) 124 6846700/701,
Fax: (91) 124 6846710
Email: cs@seilenergy.com
Website: www.seilenergy.com

DECLARATION OF DIRECTOR

I, Raghav Trivedi, Whole Time Director & CEO of SEIL Energy India Limited (the 'Company') hereby confirm and declare that:

a) the company has complied with the provisions of the Act and the rules made thereunder;

b) the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;

c) the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.

I am authorized by the Board of Directors of the Company vide resolution dated May 30, 2024 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Offer Letter has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For SEIL Energy India Limited
(Formerly Sembcorp Energy India Limited)

SEIL ENERGY INDIA LIMITED

Raghav Trivedi
Whole Time Director & CEO
DIN: 03485063

Place: Gurugram
Date: June 06, 2024

APPLICATION FORM

SUBSCRIPTION APPLICATION FORM

SEIL Energy India Limited
(A Public Limited Company incorporated under the provisions of the Companies Act, 1956 and validly existing as a Public Company under the Companies Act, 2013)

SERIAL NO: _____ INVESTOR NAME : _____

SUBSCRIPTION APPLICATION FORM

8.45**% SENIOR, SECURED, LISTED, RATED, REDEEMABLE, TRANSFERABLE NON-CONVERTIBLE DEBENTURES**

Date of Application:

Name of the Investor:

Dear Sirs,

We have received, read, reviewed and understood all the contents, terms and conditions and disclosures in this private placement offer letter cum application form (the **"PPOAL"**), issued by SEIL Energy India Limited (the **"Company"**). We have also done all the required due diligence (legal or otherwise). Now, therefore, we hereby agree to accept the Debentures mentioned hereunder, or such smaller number as may be allocated to us, subject to the terms of the PPOAL, this subscription application form. We undertake that we will sign all such other documents and do all such other acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Debentures which may be allotted to us. The amount payable on application as shown below is remitted herewith.

We have attached a filled in Part B of the Subscription Application Form and confirm that all the information provided therein is accurate, true and complete. The bank account details set out by us in Part B is the account from which we are making payment for subscribing to the Issue.

We note that the Company is entitled in its absolute discretion to accept or reject this application in whole or in part without assigning any reason whatsoever.

Yours faithfully,

_____

For *(Name of the Applicant)*

(Name and Signature of Authorized Signatory)

PART A OF THE SUBSCRIPTION APPLICATION FORM

The details of the application are as follows:

SUBSCRIPTION APPLICATION FORM FOR DEBENTURES (CONT.)

DEBENTURES APPLIED FOR:

No. of Debentures (in figures and in words)	**Issue Price per Debenture (INR)**	**Amount (INR)**
Total		

Tax status of the Applicant (please tick one)

1.Non-Exempt 2.Exempt under: Self-declaration Under Statute Certificate from I.T. Authority

Please furnish exemption certificate, if applicable.

We apply as (tick whichever is applicable)

Financial Institution/

Company

Non-Banking Finance Company

Insurance Company

Commercial Bank/RRB/Co-op. Bank/UCB

Body Corporate

Mutual Fund

Others: _____

PAYMENT PREFERENCE

APPLICANT'S NAME IN FULL:

Tax payer's PAN		IT Circle/ Ward/ District	

MAILING ADDRESS IN FULL (Do not repeat name) (Post Box No. alone is not sufficient)

Pin							Tel							Fax					

CONTACT PERSON

NAME

DESIGNATION _____ TEL. NO._____ FAX NO. _____ Email: _____

I / We, the undersigned, want delivery of the Debentures in Electronic Form. Details of my / our Beneficiary (Electronic) account are given below:

Depository Name	NSDL					CDSL		
Depository Participant Name								
DP ID								
Beneficiary Account Number								
Name of Applicant								

We understand that in case of allocation of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allocated Debentures. (Applicants must ensure that the sequence of names as mentioned in the subscription application form matches that of the Account held with the DP).

Name of the Authorized Signatory(ies)	**Designation**	**Signature**

FOR OFFICE USE ONLY

No. of Debentures (in words and figures)			Date of receipt of application							
Amount for Debentures (INR) (in words and figures)			Date of clearance of cheque							
RTGS/Cheque/Fund Transfer/ Demand Draft drawn on (Name of Bank and Branch)	Cheque/Demand Draft No./UTR No. in case of RTGS/ A/c no in case of FT	RTGS/Cheque/ Demand Draft/ fund transfer Date	DP ID No.							
			Client ID No.							

PART B OF THE SUBSCRIPTION APPLICATION FORM

Investor Details

(To be filled by Investor)

SERIAL NO: _____ INVESTOR NAME: _____

(i)	Name	
(ii)	Father's Name	
(iii)	Complete Address including Flat/House Number, Street, Locality, Pin Code	
(iv)	Phone Number, if any	
(v)	Email id, if any	
(vi)	PAN Number	
(vii)	Bank Account Details	
(viii)	Tick if applicable: -	The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares ☐ The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained and is enclosed herewith. ☐

Name of Investor: _____

Signature of Investor: _____

Initial of the officer of the Company designated to keep the record

Instructions to fill Subscription Application Form

1. Application must be completed in full BLOCK LETTER IN ENGLISH except in case of signature. Applications, which are not complete in every respect, are liable to be rejected.

2. Payments must be made by RTGS as per the following details to the designated virtual account provided by the Issuer (the "**Designated Bank Account**").

3. The Subscription Application Form along with relevant documents should be forwarded to the Corporate office of the Issuer, to the attention of Company Secretary, Authorised Person along on the same day the application money is deposited in the Bank or with the clearing corporation. A copy of PAN Card must be attached to the application.

4. In the event of debentures offered being over-subscribed, the same will be allotted in such manner and proportion as may be decided by the Company.

5. The Debentures shall be issued in Demat form only and subscribers may carefully fill in the details of Client ID/ DP ID.

6. In the case of application made under Power of Attorney or by limited companies, corporate bodies, registered societies, trusts etc., following documents (attested by Company Secretary /Directors) must be lodged along with the application or sent directly to the Company at its Corporate office to the attention of Company Secretary, Authorised Person along with a copy of the Subscription Application Form.

   (a) Memorandum and articles of association / documents governing constitution / certificate of incorporation.

   (b) Board resolution of the investor authorising investment.

   (c) Certified true copy of the Power of Attorney.

   (d) Specimen signatures of the authorised signatories duly certified by an appropriate authority.

   (e) PAN (otherwise exemption certificate by IT authorities).

   (f) Specimen signatures of authorised persons.

   (g) SEBI registration certificate, if applicable.

7. Any person who:

   (a) Makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, for its securities; or

   (b) Makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

   (c) otherwise induces directly or indirectly a Company to allot or register any transfer of securities to him or any other person in a fictitious name,

   shall be punishable with imprisonment for a term which shall not be less than 6 months, but which may extend to 10 years and shall also be liable to fine which shall not be less than the amount involved which may extend to 3 times the amount involved.

8. The applicant represents and confirms that it has understood the terms and conditions of the Debentures and is authorised and eligible to invest in the same and perform any obligations related to such investment.

   Any Subscription Application Form received from a person other than an Eligible Investor will be invalid. Further, any incomplete Subscription Application Form not accompanied by the filled in Eligible Investor Details in Part B of the Subscription Application Form will also be treated as invalid.

ANNEXURE 1 |CREDIT RATING

No. CARE/NRO/RL/2024-25/1237
Shri Ajay Bagri
Chief Financial Officer
SEIL Energy India Limited
Building 7A, Level 5,

DLF Cyber City,
Gurugram, Haryana – 122002

June 03, 2024

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of proposed long-term Non-convertible Debenture (NCD) issue aggregating to Rs. 250 crore of your Company. The proposed NCDs would have tenure of 5 years with a bullet repayment at the end of fifth year.

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (₹ crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures	250.00	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Assigned

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is May 31, 2024)

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

7. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as **Annexure 2**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by June 04, 2024, we will proceed on the basis that you have no any comments to offer.

8. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

9. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

10. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

11. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.

12. Our ratings are **not** recommendations to buy, sell or hold any securities.

13. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE Ratings Ltd.

Thanking you,

Yours faithfully,

CARE Ratings Limited

Plot no. C-001 A/2 Sector 16B, Berger Tower, Gautam Budh Nagar, Noida, (UP) - 201301
Phone: +91-120-4452000

Corporate Office :4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022
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CIN-L67190MH1993PLC071691

Yogesh Rochani
Lead Analyst
yogesh.rochani@careedge.in

Agnimitra Kar
Associate Director
agnimitra.kar@careedge.in

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

SEIL Energy India Limited

June 05, 2024

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Non-convertible debentures	250.00	CARE AA+; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The rating assigned to the proposed long-term instrument of SEIL Energy India Limited (SEIL) derives strength from the revenue visibility considering a tie-up of around 63% of net capacity in long-term power purchase agreements (PPA) with state distribution companies (DISCOMs) of Andhra Pradesh and Telangana and Bangladesh Power Development Board (BPDB). The rating also factors in the healthy operational performance of the entire capacities per normative availability defined under the PPAs. The rating also takes comfort of the operational synergies among SEIL and Sembcorp Utilities Pte. Ltd. (wholly owned subsidiary of Sembcorp Industries Limited) considering a Technical Service Agreement. Sembcorp Industries Ltd (SIL) is the flagship Company of Sembcorp Group in which Singapore sovereign wealth fund Temasek is the single largest shareholder holding 49.5% stake. Sembcorp Utilities Pte Ltd (SCU) is wholly owned subsidiary of SIL. Additionally, the rating also derives strength from economic incentive for SUPL which is linked with the asset's ability to generate surplus cash flows.

However, the rating is constrained by its exposure to demand risk and price risk with respect to untied capacity and SEIL's exposure to the counterparty credit risk arising from the existing domestic off-takers having weak financial risk profile and elevated debtors from BPDB. The rating factors in the risk associated with the envisaged debt-funded capex for flue gas desulphurisation (FGD).

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improving total debt / profit before interest, lease rentals, depreciation, and taxation (PBILDT) to less than 1.5x on a sustained basis.

Negative factors

- Material change in Sembcorp Group's interest in SEIL.
- Significantly deteriorating operational performance below normative parameters.
- Deteriorating total debt / PBILDT to more than 3.5x.
- Stretching average collection period beyond 180 days, adversely impacting the liquidity profile.

Analytical approach: Standalone along with factoring in operational linkages with Sembcorp Utilities Pte. Ltd. (wholly owned subsidiary of Sembcorp Industries Limited). This is due to economic incentive linked with SEIL's profitability and operational synergy considering Technical Service Agreement (TSA).

Outlook: Stable.

The 'stable' outlook reflects SEIL's ability to sustain its healthy operational performance, the maintenance of reasonable inventory level, healthy realisation on merchant sales, and a steady level of receivables in the near to medium term.

Detailed description of the key rating drivers:

Key strengths

Operational linkages with Sembcorp Group and incentive attached with profitability of the asset

SEIL was initially promoted by Sembcorp Industries Limited (through a wholly owned subsidiary, Sembcorp Utilities Pte. Ltd.) In FY23, the group executed share purchase agreement (SPA) with an Oman-based consortium for sale of entire stake in SEIL. The deal is structured through deferred payment note wherein the Omani Consortium is required to make yearly payments for purchase consideration in 15-24 years. As a part of the deal, a Technical Service Agreement (TSA) was also signed among the parties wherein Sembcorp will extend technical advisory and operational support to SEIL.

Owing to Deferred Payment Note (DPN) and TSA, Sembcorp continues to remain economically invested in SEIL as the asset performance is directly linked to the payment of purchase consideration. Additionally, post take over of the asset, Sembcorp had extended corporate guarantee to the refinanced rupee term loan, working capital limits, and commercial paper. However, as

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

articulated by the management to CARE Ratings, the guaranteed debt will be replaced with project backed debt in a phased manner.

Majority of capacity tied-up through long-term PPA
Project 1 (P1) has 500 MW (net) of capacity tied up with long-term PPA, whereas the long-term contracted capacity for P2 stood at 1,070 MW (factoring the newly executed agreement with AP Discom for supply of 625 MW). Moreover, majority of the existing PPAs have a residual tenor of around 10 years. CARE Ratings understands, although SEIL aims to tie up remaining capacity, around 15% of the capacity shall remain untied and power will be sold under short-term PPAs/exchange, thereby exposing the company to the vagaries of merchant market. Timely renewal of PPAs post expiry and signing of PPA for untied capacity at a remunerative tariff structure shall remain a key monitorable.

Secured fuel availability through linkage coal and imported coal under agreements at competitive rates
SEIL utilises a blend of domestic coal and imported coal for meeting the fuel requirement. SEIL has a long-term FSA with Mahanadi Coalfields Limited (MCL) for annual contracted quantity (ACQ) of 4.27 million tonnes per annum (MTPA), for P-1 and P-2. Additionally, for both the plants, the company has a long-term contract for the supply of coal with PT Bayan Resources TBK for 2.3 MTPA for 10 years. The remaining fuel requirement is met through short-term contracts.

Satisfactory operational performance
Plant availability factor (PAF) for both P1 and P2 remained above normative in FY24. Plant load factor (PLF) continued to remain well above all-India PLF levels and strong at 82% and 80%, respectively, for P1 and P2 in FY24 (PY: 77% and 70%, respectively). SEIL has relatively comfortable position in merit order dispatch in respective states and hence receives higher scheduling. Moreover, SEIL clocks sizable volume under short-term PPA/ merchant, by virtue of its competitive coal procurement and short-term trading capabilities.

Comfortable financial risk profile
SEIL has comfortable financial risk profile characterised by stable gross cash accruals (GCA) and acceptable leverage offset by comfortable coverage metrics. Owing to stable PAF ensuring fixed cost recovery under contracted capacity and PLF aided by sufficient power demand through short-term/ merchant, cash accrual of the company has been stable in the past. Overall gearing was reasonable at 0.63x as on March 31, 2024 (PY: 0.65x). Interest cover stood at 4.40x in FY24 (PY: 2.29x). The average collection period has marginally improved year-on-year and stood at 137 days in FY24 (PY: 148 days).

Key weaknesses

Exposure to counterparty credit risk, however, payment security in place
The company has exposure to counter party credit risk as a significant share of the total capacity is tied up with discoms of Andhra Pradesh and Telangana which have exhibited weaker financial and operational risk profiles. Although debtors for domestic counterparties have improved slightly post implementation and adaption of EMI scheme and management of receivables through PRAAPTI portal, SEIL is receiving payments from BPDB with a lag of 5-7 months. However, payments from counterparties are secured by LCs submitted by counterparties (including Bangladesh Power Development Board [BPDB]) which alleviates the risk to some extent.

Envisaged debt-funded capex for implementation of FGD
SEIL has been notified to install FGD systems to adhere to new emission norms. The project is expected to be funded through a mix of debt and internal accruals. Moreover, CERC has also allowed the company's petition to accept FGD installation requirement under change in law. It has allowed provisionally approved benchmark cost. Timely execution of FGD within the timeline and allowance of the same under LT PPAs shall remain a key monitorable.

Liquidity: Adequate

The company's liquidity profile is characterised by stable GCA against its debt obligation and bank balance of ₹174 crore as on March 31, 2024. Liquidity is further supported through moderate utilisation of fund-based working capital limits.
Going forward, the company's capex requirement for FGD is expected to be funded through a mix of term loan (yet to be tied up) and internal accrual. SEIL also has a substantial amount of RTL borrowings maturing in FY27 and FY28, which is expected to be refinanced. Given the group's past ability in refinancing and SEIL's flexibility to seek deferment of payment of interest/ principal on deferred payment note for payment of purchase consideration of the asset, SEIL stands comfortable in terms of financial flexibility.

Applicable criteria

Definition of Default
Thermal Power
Factoring Linkages Parent Sub JV Group
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Infrastructure Sector Ratings

About the company and industry

Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Utilities	Power	Power	Power generation

SEIL is currently operating 2,640-MW capacity thermal power plant- P1 (1,320 MW) and P2- (1,320 MW), at Muthukur Mandal, Nellore District, Andhra Pradesh. P1 was completed in FY16 wherein Unit I achieved commercial operation date (COD) on April 11, 2015, and Unit II on September 15, 2015. P2 achieved COD in FY17 with first unit COD on November 17, 2016, and second unit COD on February 21, 2017.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	9,396.28	9,832.32
PBILDT	1,742.41	3,121.99
PAT	621.46	2,280.66
Overall gearing (times)	0.58	0.65
Interest coverage (times)	2.19	4.40

A: Audited; UA: Unaudited; Note: 'these are latest available financial results'

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non-convertible debentures^	-	NA	NA	NA	250.00	CARE AA+; Stable

^Not yet placed

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term loan	LT	-	-	-	-	-	1)CARE AA-; Stable (09-Feb-22) 2)Withdrawn (09-Feb-22)
2	Non-fund-based - LT-Bank guarantee	LT	-	-	-	-	-	1)Withdrawn (09-Feb-22) 2)CARE AA-; Stable (09-Feb-22)
3	Fund-based - LT-Working capital limits	LT	-	-	-	-	-	1)CARE AA-; Stable (09-Feb-22) 2)Withdrawn (09-Feb-22)
4	Non-fund-based - LT-Bank guarantee	LT	-	-	-	-	-	1)Withdrawn (09-Feb-22) 2)CARE AA-; Stable (09-Feb-22)
5	Debentures-Non-convertible debentures	LT	250.00	CARE AA+; Stable				

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non-convertible debentures	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please click here

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

Media Contact	Analytical Contacts
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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

For the detailed Rationale Report and subscription information, please visit www.careedge.in

ANNEXURE 2 | IN PRINCIPLE APPROVAL GRANTED BY THE STOCK EXCHANGE

BSE
The Power of Vibrance

DCS/COMP/BB/IP-PPDI/043/24-25

June 06, 2024

SEIL Energy India Ltd
SEIL Energy India Limited, Building 7A,
Level 5, DLF Cybercity,
Gurugram - 122002
Dear Sir/Madam

Re: Private Placement of Senior/Subordinated, Secured/Unsecured, Listed, Rated, Redeemable, Transferable, Non-Convertible Securities ("NCDs") and Commercial Papers; Under GID No.: SEIL/GID/2024-25/001; Dated June 05, 2024 (The Issue)

We acknowledge receipt of your application on the online portal on June 05, 2024, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Hardik Bhuta
Asst. Gen. Manager

Akshay Arolkar
Deputy Manager

ANNEXURE 3 | CONSENT OF THE REGISTRAR AND TRANSFER AGENT

KFT/SEIL/Consent/2024
Wednesday, May 22, 2024

SEIL ENERGY INDIA LIMITED
BUILDING 7A, LEVEL 5, DLF CYBERCITY, GURUGRAM- 122002, HARYANA.

Sub: Consent to act as RTA for issue Non-Convertible Debentures.

Details of issuance:

Name of the Company	SEIL ENERGY INDIA LIMITED
Issue Size	250,00,00,000 **(250 Crores)**
Security Description	NON-CONVERTIBLE DEBENTURES

****

Dear Sir/Madam,

This has reference to your email dated, Wednesday, May 22, 2024 with regard to the captioned subject. We hereby accord our consent to act as Registrar to the aforesaid issue and have our name included as Registrar and Transfer Agents in the information Memorandum, which your company proposes to issue.

We also authorize you to forward this consent letter to SEBI and the Stock Exchange where the Company proposes to list its NCDs along with the Information Memorandum.

Thanking you,

Yours faithfully,
For **KFin Technologies Limited**

Shaibal Haripada Roy
Corporate Registry

ANNEXURE 4 | CONSENT OF THE DEBENTURE TRUSTEE

CATALYST
Believe in yourself... Trust us!

CL/DEB/24-25/170 **Date: 09-May-2024**

To,
Mr. Ajay Bagri,
Chief Financial Officer,
SEIL ENERGY INDIA LIMITED,
5th Floor, Building No. 7A,
DLF Cybercity, Gurgaon,
Haryana, India 122002.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures of ₹ 250.00 Crores

We refer to your letter dated 09.05.2024, requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing o f Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.
Thanking you.
Yours faithfully,

Catalyst Trusteeship Limited

Name: Suyash Sawant

Designation: Assistant Manager

Ajay Bagri

SEIL ENERGY INDIA LIMITED

Annexure A

Fee Structure for transaction CL/DEB/24-25/170

PERTICULARS	AMOUNT
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 125,000.00
Annually Trusteeship Fees(Amount/Percentage)	₹ 125,000.00

Annually Fees are payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable The taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

For Catalyst Trusteeship Limited

Name: Suyash Sawant

Designation: Assistant Manager

We accept the above terms.

For SEIL ENERGY INDIA LIMITED

Ajay Bagri

Name: AJAY BAGRI

Designation: CHIEF FINANCIAL OFFICER

ANNEXURE 5 | FINANCIAL POSITION OF THE ISSUER

SUMMARY OF FINANCIAL POSITION OF THE COMPANY INCLUDING AUDITED CASH FLOW STATEMENT FOR THE THREE IMMEDIATELY PRECEDING YEARS

B S R & Associates LLP

Chartered Accountants

Telephone: +91 40 7182 2000
Fax: +91 40 7182 2399

Salarpuria Knowledge City
Orwell, B Wing, 6th Floor, Unit-3
Sy No.83/1, Plot No.2, Raidurg
Hyderabad - 500 081,India

INDEPENDENT AUDITORS' REPORT

To the Members of Sembcorp Energy India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Sembcorp Energy India Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (collectively referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 2021, and profit 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 Standalone 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 standalone 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 Standalone financial statements.

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 annual report but does not include the financial statements and our auditors' report thereon. The information included in the annual report is expected to be made available to us after the date of auditor's report.

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.

When we read the other information included in the director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, a s applicable under applicable laws and regulations.

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

Principal Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Management's and Board of Directors' Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the state of affairs, profit 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone financial statements made by the Management and Board of Directors.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements (continued)

- Conclude on the appropriateness of the 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 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

Report on Other Legal and Regulatory Requirements (continued)

f) With respect to the adequacy of the internal financial controls with reference to standalone 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 has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 2.29 to the standalone financial statements;

ii. The Company did not have any material foreseeable losses on long-term contracts. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts. Refer Note 2.29 to the standalone financial statements.

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 standalone 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 2021.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231 W/W- 100024

Hemant Maheshwari

Digitally signed by Hemant Maheshwari
Date: 2021.05.24 21:25:36 +05'30'

Hemant Maheshwari
Partner
Membership No.: 096537
UDIN: 21096537AAAACO7171

Place: Hyderabad
Date: 24 May 2021

Sembcorp Energy India Limited

Annexure A to the Independent Auditors' Report on the standalone financial statements

With reference to Annexure A referred to in the Independent Auditor's Report of even date to the members of Sembcorp Energy India Limited ("the Company") on the standalone financial statements for the year ended 31 March 2021, we report that:

i.(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the program certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in note 2.1 on property, plant and equipment to the standalone financial statements are held in the name of the Company, except for the following land parcels. In respect of immovable property that has been taken on lease, the lease agreements are in the name of the Company.

Particulars of immovable property	Amount (Rs. in millions)	Remarks
Land admeasuring 40.80 acres located at plant, Nellore	36.76	In respect of these lands, the Company had entered into an agreement for purchase dated 08 April 2013 from Andhra Pradesh Industrial Infrastructure Corporation. The registration of such land is still under progress.

ii. The inventories, except materials-in-transit, have been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records have been appropriately adjusted in the books of accounts.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 ('Act'). Thus, paragraph 3(iii) (a), (b) and (c) of the said Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly, compliance under Section 185 of the Act is not applicable to the Company. According to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of the investments made.

v. The Company has not accepted any deposits from public within the meaning of Section 73 to 76 of the Act and Rules framed thereunder.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for maintenance of cost records under Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

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 Provident fund, Income tax, Goods and Services tax, Duty of customs and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the provisions of Employees' State Insurance, Duty of excise and Cess are not applicable to the Company.

According to the information and explanations given to us, there are no undisputed amount payable in respect of Provident fund, Income tax, Goods and Services tax, Duty of customs and other material statutory dues which were in arrears as at 31 March 2021 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 of Income tax, Sales tax, Service tax, Goods and Services tax and Duty of customs which have not been deposited with the appropriate authorities on account of any dispute other than the following:

Name of the statute	**Nature of dues**	**Amount Rs. in millions**	**Period to which the amount relates**	**Forum where dispute is pending**
Income tax Act, 1961	Income tax and interest	82.71 (30.44)*	Assessment year 2012-13	Hon'ble High Court of Telangana
Income tax Act, 1961	Income tax and interest	69.97 (34.99)*	Assessment year 2013-14	Commissioner of Income- tax, Appeals
Income tax Act, 1961	Income tax and interest	118.66 (59.33)*	Assessment year 2014-15	Commissioner of Income- tax, Appeals
Income tax Act, 1961	Income tax and interest	12.99 (1.60)*	Assessment year 2014-15	Income tax Appellate Tribunal
Income tax Act, 1961	Income tax and interest	164.51 (33.32)*	Assessment year 2015-16	Commissioner of Income- tax, Appeals
Income tax Act, 1961	Income tax and interest	115.87 (23.17)*	Financial year 2016-17 to 2017-18	Deputy Commissioner of Income tax, Appeals
Income tax Act, 1961	Income tax and interest	195.61 (54.16)*	Assessment year 2016-17	Commissioner of Income- tax, Appeals
Telangana Tax on Entry of Goods into local areas Act, 2001	Entry tax	43.30 (15.16)*	Financial year 2013-15	Deputy Commercial Tax officer
AP Entry of Goods into local areas Act, 2001	Entry tax	107.32 (13.41)*	Financial year 2015-17	Appellate Deputy Commissioner, Tirupati and Hon'ble High Court of Andhra Pradesh
The Finance Act, 1994	Service tax	798.13 (59.76)*	Financial year 2016-17	Central Excise and Service tax Appellate Tribunal, Hyderabad

* Represent amounts paid under protest.

Sembcorp Energy India Limited
Annexure A to the Independent Auditor's Report on standalone financial statements (continued)

viii. According to the records of the Company examined by us and information and explanation provided to us, the Company has not defaulted in repayment of loans or borrowings to any bank. The Company does not have any loans or borrowings from any financial institution or government, nor has it issued any debentures as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer and further public offer (including debt instruments). According to the information and explanations given to us, the Company has applied the term loans for the purpose for which they were obtained.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Thus, paragraph 3(xii) of the said Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into transactions with related parties which are in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the applicable accounting standards.

xiv. According to the information and explanations given to us and based on examination of the records of the Company, 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 to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the said Order are not applicable to the Company.

xvi. In our opinion and according to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the said Order is not applicable to the Company.

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Hemant Maheshwari

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Date: 2021.05.24 21:26:14 +05'30'

Hemant Maheshwari
Partner
Membership No.: 096537
UDIN: 21096537AAAACO7171

Place: Hyderabad
Date: 24 May 2021

Sembcorp Energy India Limited

Annexure B to the Independent Auditors' report on the standalone financial statements

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('Act')

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Sembcorp Energy India Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone 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 2021, 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 and Board of Directors' Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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 statements were 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 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 such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to financial statements.

Annexure B to the Independent Auditors' report on the standalone Ind AS financial statements (continued)

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone 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 & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231 W/W- 100024

Hemant Maheshwari

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Hemant Maheshwari
Partner
Membership No. 096537
UDIN: 21096537AAAACO7171

Place: Hyderabad
Date: 24 May 2021

Sembcorp Energy India Limited
Standalone balance sheet
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
I **Non-current assets**			
(a) Property, plant and equipment	2.1	153,204.90	160,038.80
(b) Capital work-in-progress	2.1	599.41	722.70
(c) Goodwill	2.2	1,234.20	1,234.20
(d) Other intangible assets	2.2	12.19	0.53
(e) Financial assets			
(i) Investments	2.8	54,770.14	54,770.14
(ii) Derivatives	2.3	-	1,429.63
(iii) Other financial assets	2.4	3,847.31	3,813.04
(f) Non-current tax assets	2.5	835.92	786.98
(g) Other non-current assets	2.6	288.23	343.43
Total non-current assets		**214,792.30**	**223,139.45**
II **Current assets**			
(a) Inventories	2.7	4,580.62	7,680.90
(b) Financial assets			
(i) Investments	2.8	2,483.27	1,164.69
(ii) Trade receivables	2.9	26,594.39	21,439.00
(iii) Cash and cash equivalents	2.10	1,899.04	1,654.08
(iv) Bank balances other than (iii) above	2.10	1,959.34	4,267.40
(v) Derivatives	2.3	1,319.89	1,570.25
(vi) Other financial assets	2.4	6,449.51	5,152.08
(c) Other current assets	2.6	2,817.96	1,877.89
Total current assets		**48,104.02**	**44,806.29**
Total assets		**262,896.32**	**267,945.74**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	2.11	54,336.69	54,336.69
(b) Other equity	2.12	55,245.28	45,735.76
Total equity		**109,581.97**	**100,072.45**
LIABILITIES			
I **Non-current liabilities**			
(a) Financial liabilities			
(i) Borrowings	2.13	104,897.70	126,392.45
(ii) Other financial liabilities	2.15	6,014.98	7,160.70
(b) Provisions	2.16	61.85	52.09
Total non-current liabilities		**110,974.53**	**133,605.24**
II **Current liabilities**			
(a) Financial liabilities			
(i) Borrowings	2.18	7,919.13	12,617.57
(ii) Trade payables	2.19		
Dues to micro and small enterprises		1.32	0.83
Dues to creditors other than micro and small enterprises		1,853.12	4,279.40
(iii) Derivatives	2.14	339.43	146.88
(iv) Other financial liabilities	2.15	27,390.53	12,407.91
(b) Other current liabilities	2.17	4,489.77	4,471.90
(c) Provisions	2.16	10.03	7.07
(d) Current tax liabilities (net)	2.20	336.49	336.49
Total current liabilities		**42,339.82**	**34,268.05**
Total liabilities		**153,314.35**	**167,873.29**
Total equity and liabilities		**262,896.32**	**267,945.74**

Significant accounting policies 1
The accompanying notes form an integral part of the standalone financial statements
As per our report on standalone financial statements of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/ W-100024

Hemant Maheshwari
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Date: 2021.05.24 21:12:17 +05'30'

Hemant Maheshwari
Partner
Membership No: 096537

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103TG2008PLC057031

WONG KIM YIN
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Wong Kim Yin
Chairman
DIN: 08806258

VIPUL TULI
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Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Ashwinkumar Jani
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Juvenil Jani
Chief Financial Officer

NARENDRA ANDE
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Date: 2021.05.26 18:11:10 +05'30'

Narendra Ande
Company Secretary
Membership No: A14603

Place: Hyderabad
Date: 24 May 2021

Place: Gurugram
Date: 24 May 2021

Sembcorp Energy India Limited
Standalone statement of profit and loss
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

		Note	For the year ended 31 March 2021	For the year ended 31 March 2020
I	**Revenue**			
	Revenue from operations	2.21	73,674.19	71,105.36
	Other income	2.22	4,108.20	3,538.06
	Total income		**77,782.39**	**74,643.42**
II	**Expenses**			
	Cost of fuel	2.23	40,519.73	43,118.24
	Transmission charges	2.24	2,378.99	2,731.53
	Employee benefit expenses	2.25	1,652.37	1,675.11
	Finance costs	2.26	13,398.03	14,388.55
	Depreciation and amortisation expenses	2.27	7,457.84	7,468.89
	Operating and other expenses	2.28	3,655.31	4,074.09
	Total expenses		**69,062.27**	**73,456.41**
III	**Profit before tax**		**8,720.12**	**1,187.01**
IV	**Tax expense**			
	Current tax		-	-
	Deferred tax		-	-
V	**Profit for the year**		**8,720.12**	**1,187.01**
VI	**Other comprehensive income**			
(A)	**Items that will not be reclassified to profit or loss**			
	Remeasurement of defined benefit liability, net		(2.46)	(6.54)
			(2.46)	**(6.54)**
(B)	**Items that will be reclassified to profit or loss**			
	Effective portion of changes in fair value of cash flow hedge		557.14	333.57
			557.14	**333.57**
VII	**Total comprehensive income for the year**		**9,274.80**	**1,514.04**
	Earnings per equity share (face value of share Rs.10 each) - Basic and diluted (Rs.)	2.31	1.60	0.22

Significant accounting policies 1

The accompanying notes form an integral part of the standalone financial statements

As per our report on standalone financial statements of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/ W-100024

Hemant Maheshwari
Digitally signed by Hemant Maheshwari
Date: 2021.05.24 21:13:32 +05'30'

Hemant Maheshwari
Partner
Membership No: 096537

Place: Hyderabad
Date: 24 May 2021

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103TG2008PLC057031

WONG KIM YIN
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Wong Kim Yin
Chairman
DIN: 08806258

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Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Ashwinkumar Jani
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Juvenil Jani
Chief Financial Officer

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Date: 2021.05.24 19:18:34 +05'30'

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 24 May 2021

Sembcorp Energy India Limited
Standalone statement of cash flow
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flow from operating activities		
Profit before tax	8,720.12	1,187.01
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	7,457.84	7,468.89
De recognition of property, plant and equipment	-	297.17
Finance costs	13,398.03	14,388.55
Allowance for expected credit losses	217.89	211.40
Interest income	(363.80)	(583.45)
Property, plant and equipment written off	23.99	0.33
Unrealised loss/(gain) on derivatives	39.44	(85.70)
Net gain on fair value changes classified as FVTPL	(76.59)	(78.66)
Net unrealised (gain)/loss on foreign exchange differences	(110.49)	388.68
Doubtful receivables and advances written off	5.06	-
Operating cash flows before working capital changes	**29,311.49**	**23,194.22**
Decrease/(increase) in inventories	3,100.28	(2,252.02)
Increase in trade receivables	(5,428.83)	(2,126.85)
(Increase)/decrease in unbilled revenue	(1,100.11)	3,206.80
Increase in financial and non-financial assets including derivative assets and liabilities	(709.81)	(137.23)
Increase/(decrease) in trade payable, other financial liabilities and current liabilities	(4,565.20)	1,256.69
Increase in provisions	12.72	9.13
Cash generated from operations	**20,620.54**	**23,150.74**
Income-tax paid (net)	(48.94)	(99.69)
Net cash generated from operating activities	**20,571.60**	**23,051.05**
B. Cash flows from investing activities		
Payment for purchase of property, plant and equipment and capital work-in-progress	(557.15)	(509.66)
Proceeds from sale of property, plant and equipment	2.09	-
Interest income received	489.89	688.75
Investment in/(maturity of) bank deposits, net	2,308.06	(51.60)
Purchase of mutual funds, net	(1,241.99)	(441.37)
Investment in subsidiaries	-	(5,170.79)
Net cash generated from / (used in) investing activities	**1,000.90**	**(5,484.67)**
C. Cash flows from financing activities		
Proceeds from issue of shares including securities premium	-	5,169.00
Repayment of long-term borrowings	(4,621.22)	(3,810.63)
Repayment of short-term borrowings, net	(4,632.64)	(4,000.07)
Repayment of lease liabilities	(18.38)	(19.81)
Interest and finance charges paid	(12,055.30)	(13,267.77)
Net cash used in financing activities	**(21,327.54)**	**(15,929.28)**
Net increase in cash and cash equivalents (A+B+C)	244.96	1,637.10
Cash and cash equivalents at the beginning of the year	1,654.08	16.98
Cash and cash equivalents at the end of the year	**1,899.04**	**1,654.08**

Particulars	As at 31 March 2021	As at 31 March 2020
Components of cash and cash equivalents:		
Balance with scheduled banks		
On current accounts	167.43	118.89
Deposits with original maturity of less than three months	1,731.61	1,535.19
Total cash and cash equivalents (Refer note 2.10)	**1,899.04**	**1,654.08**

Sembcorp Energy India Limited
Standalone statement of cash flow (continued)
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Reconciliation between the opening and closing balances in the balance sheet for financial liabilities from financing activities are given below:

Particulars	As at 31 March 2020	Net cash flows	Foreign exchange movement and borrowing cost	As at 31 March 2021
Long-term borrowings	130,950.60	(4,621.22)	(1,875.94)	124,453.44
Short-term borrowings	12,617.57	(4,632.64)	(65.80)	7,919.13
	143,568.17	**(9,253.86)**	**(1,941.74)**	**132,372.57**

Significant accounting policies 1
The accompanying notes form an integral part of the standalone financial statements
As per our report on standalone financial statements of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/ W-100024

Hemant Maheshwari
Digitally signed by Hemant Maheshwari
Date: 2021.05.24 21:14:43 +05'30'

Hemant Maheshwari
Partner
Membership No: 096537

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103TG2008PLC057031

WONG KIM YIN
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Wong Kim Yin
Chairman
DIN: 08806258

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Managing Director
DIN: 07350892

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Juvenil Jani
Chief Financial Officer

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Sembcorp Energy India Limited
Standalone statement of changes in equity
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Equity share capital	Other equity					Total equity
		Reserves and surplus				Other comprehensive income	
		Securities premium	Capital reserve on amalgamation	Fair value of interest free INR denominated notes from holding company	Retained earnings	Effective portion of cash flow hedges	
Balance as at 1 April 2019	**51,587.22**	**37,787.50**	**16,013.56**	**646.26**	**(12,206.69)**	**(932.35)**	**92,895.50**
Transactions with shareholders:							
Equity shares issued during the year	2,749.47	-	-	-	-	-	2,749.47
Securities premium on equity shares issued	-	2,419.53	-	-	-	-	2,419.53
Transition adjustment of Ind AS 116 "Leases"	-	-	-	-	(15.25)	-	(15.25)
	2,749.47	**2,419.53**	**-**	**-**	**(15.25)**	**-**	**5,153.75**
Profit for the year	-	-	-	-	1,187.01	-	1,187.01
Other comprehensive income/(loss)	-	-	-	-	(6.54)	333.57	327.03
Fair value of interest free INR denominated notes from holding company	-	-	-	509.16	-	-	509.16
	-	**-**	**-**	**509.16**	**1,180.47**	**333.57**	**2,023.20**
Balance as at 31 March 2020	**54,336.69**	**40,207.03**	**16,013.56**	**1,155.42**	**(11,041.47)**	**(598.78)**	**100,072.45**
Profit for the year	-	-	-	-	8,720.12	-	**8,720.12**
Other comprehensive income/(loss)	-	-	-	-	(2.46)	557.14	**554.68**
Fair value of interest free INR denominated notes from holding company	-	-	-	234.72	-	-	**234.72**
	-	**-**	**-**	**234.72**	**8,717.66**	**557.14**	**9,509.52**
Balance as at 31 March 2021	**54,336.69**	**40,207.03**	**16,013.56**	**1,390.14**	**(2,323.81)**	**(41.64)**	**109,581.97**

Significant accounting policies 1
The accompanying notes form an integral part of the standalone financial statements
As per our report on standalone financial statements of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/ W-100024

Hemant Maheshwari
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Date: 2021.05.24 21:16:05 +05'30'

Hemant Maheshwari
Partner
Membership No: 096537

Place: Hyderabad
Date: 24 May 2021

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103TG2008PLC057031

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Wong Kim Yin
Chairman
DIN: 08806258

Juvenil Ashwinkumar Jani
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Juvenil Jani
Chief Financial Officer

VIPUL TULI
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Vipul Tuli
Managing Director
DIN: 07350892

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Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 24 May 2021

Corporate information

Sembcorp Energy India Limited ('the Company') was incorporated on 8 January 2008 as a public limited company. The Company has been established for developing, constructing, commissioning, operating and maintaining a 1,320-megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh (hereinafter referred to as "SEIL-P1"). The Company had successfully commenced full commercial operations of SEIL-P1 in September 2015.

On 31 October 2018, the Regional Director (RD), Ministry of Corporate Affairs, Hyderabad had approved the scheme of amalgamation (the Scheme) of Sembcorp Gayatri Power Limited (SGPL), one of the wholly owned subsidiary of the Company. The appointed date as per the Scheme was 1 April 2017. Erstwhile SGPL (hereinafter referred to as "SEIL-P2") has been operating and maintaining a 1,320-megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh. The commercial operations of SEIL-P2 had commenced on 17 November 2016 for unit I and on 21 February 2017 for unit II.

1. Basis of preparation, measurement and significant accounting policies

1.1 Basis of preparation and statement of compliance

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

These financial statements have been prepared by the Company on a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, 31 March 2021.

The financial statements were authorised for issue by the Company's Board of Directors on 24 May 2021.

1.2 Functional and presentation currency

These financial statements are presented in Indian rupees (Rs.) and all the values are rounded off to the nearest million to two decimal places except when otherwise indicated, which is also the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in Indian rupees.

1.3 Basis of measurement

These financial statements have been prepared on the historical cost basis, except for the following:

Items	Measurement basis
Certain financial assets and liabilities	Fair value (refer accounting policy regarding financial instruments)
Derivative instruments	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations.

1.4 Use of estimates and judgements

The preparation of these financial statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities as at the date of the financial statements.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made, if material, their effects are disclosed in the notes to the financial statements. Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

i. Impairment of investments in subsidiaries

In case of investments made by the company in its subsidiaries, the Management assesses whether there is any indication of impairment in the value of investments. The carrying amount is compared with the present value of future net cash flow of the subsidiaries.

1. Significant accounting policies (continued)

ii. Impairment of trade receivable and unbilled receivables

The Company has measured the lifetime expected credit loss by using practical expedients. It has accordingly used a provision matrix derived by using a flow rate model to measure the expected credit losses for trade receivables. Further, need for incremental provisions have been evaluated on a case to case basis where forward-looking information on the financial health of a customer is available and in cases where there is an ongoing litigation/dispute.

iii. Useful lives of property, plant and equipment and intangible assets

The Company reviews the useful life of property, plant and equipment and intangible at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

iv. Valuation of deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent there is reasonable certainty of future taxable income which will be available against the deductible temporary differences, unused tax losses and depreciation carry-forwards.

v. Defined benefit plans

The obligation arising from defined benefit plan is determined based on actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates, and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

vi. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

vii. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

viii. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow

1. Significant accounting policies (continued)

model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ix. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management.

1.5 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. No new standards are notified during the year

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 01 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:
• Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
• Specified format for disclosure of shareholding of promoters.
• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
• Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:
Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the standalone financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

1.6 Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets
An asset is classified as current when it satisfies any of the following criteria:
i) it is expected to be realised in, or is intended for sale or consumption in, the Company’s normal operating cycle.
ii) it is held primarily for the purpose of being traded.
iii) it is expected to be realised within 12 months after the reporting date; or
iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:
i) it is expected to be settled in the Company’s operating cycle.

1. Significant accounting policies (continued)

ii) it is held primarily for the purpose of being traded.
iii) it is due to be settled within 12 months after the reporting date; or
iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. 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 or non-current classification of assets and liabilities.

1.7 Revenue recognition

The Company is engaged in generation and supply of electricity. Revenue from operations are primarily from sale of electricity.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment excluding discounts, rebates, and taxes or duty. When there is uncertainty as to measurement or ultimate collectability of revenue, recognition is postponed until such uncertainty is resolved.

Revenue from the sale of electricity is recognised from the time when production output is delivered to the power network. Revenue from energy units sold as per the terms of the Power Purchase Agreements (‘PPA’) and Letter Of Intent (‘LOI’) (collectively hereinafter referred to as ‘the PPAs’) is recognised on an accrual basis and includes unbilled receivables accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers.
Revenue/charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognised/ charged at rates notified by Central Electricity Regulatory Commission (‘CERC’) from time to time as revenue from sale of electricity and adjusted with revenue from sale of electricity.

Unbilled receivables represent energy units delivered to the power network as per the terms of PPAs and was not invoiced to the Customers on the reporting date. The Company has unconditional right to receive the cash, and only act of invoicing is pending as on balance sheet date, as per contractual terms. Unearned income (contract liability) is recognised when the billing is in excess of revenue earned.

The Company accounts for fuel and power purchase price adjustment claims in case of claims of change in law etc. as and when allowed by the regulatory authorities and truing-up of adjustment claims as and when realised.

Claims for delayed payment charges, insurance claims and any other claims, which the Company is entitled to under the PPAs, are accounted for in the year of acceptance by the customers or on actual receipt of the claim, whichever is earlier, considering the uncertainty as to measurement or ultimate collectability of revenue.

Interest income is recognized based on effective interest rate method (EIR). It is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend income is recognised when the unconditional right to receive the income is established which is generally when shareholders approves the dividend.

1. Significant accounting policies (continued)

1.8 Property, plant and equipment and depreciation

i. Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the assets to its working condition for their intended use, and estimated costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Tangible assets under construction are disclosed as capital work-in-progress. Software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Cost of other item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

ii. Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is recognised in the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Company and its costs can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised as an expense when incurred.

iii. Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale is not depreciated.

Depreciation on property, plant and equipment is provided on straight line method based on the useful life as specified in Schedule II of the Act, except in respect of the following category of assets, in whose case the estimated useful life of the assets has been assessed based on technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance etc.

Category	Life as per Schedule II	Life considered
Thermal power plants	40 years	25 years
Office equipments	5 years	3 years to 5 years
Site equipment (included in plant and machinery)	15 years	3 years to 15 years
Furniture and fixtures	10 years	5 years to 10 years

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate

iv. Disposals

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss on the date of retirement or disposal.

1.9 Intangible assets

Intangible assets other than Goodwill are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets that are acquired are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The intangible assets are amortised over the estimated useful lives as given below:

1. Significant accounting policies (continued)

Category	Life considered
Computer software	3 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in the statement of profit and loss.

Goodwill represents the cost of business acquisition in excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill has indefinite useful life and tested for impairment annually.

1.10 Inventories

Inventories which comprise of fuel, stores and spares are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

1.11 Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss unless it relates to a long term foreign currency monetary item.

Monetary assets and liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resultant exchange differences are recognised in the statement of profit and loss unless it relates to a long-term foreign currency monetary item.

Non-monetary assets are recorded at the rate prevailing on the date of the transaction.

1.12 Employee benefits

Short-term employee benefits

All employee benefits expected to be settled wholly within twelve months from the reporting date are classified as short-term employee benefits. An employee who has rendered services to the Company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense or as required under Ind AS 19 which permits the inclusion of the benefits in the cost to be recognised as an asset. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Company recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.
Defined benefit plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset), which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to the statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

1. Significant accounting policies (continued)

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no legal or constructive obligation to pay any further amounts. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Compensated absences:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

Bonus plans:

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a contractual obligation.

Share based payment transactions:

The Company has not issued any shares / stock options on its shares. The ultimate holding company has however issued certain options on its own shares to certain employees of the Company Restricted Share Plan ("RSP") and Preferential Share Plan ("PSP"). These options are in the nature of cash settled award as well as equity settled award. Under the cash settled scheme, the Company pays cash to the employees based on fair value method. The compensation cost is amortised over the vesting period of the stock option on straight-line basis. Under the equity settled scheme, the Company measures and discloses such costs using fair value method.

1.13 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss over the tenure of the loan.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. Interest income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense on borrowings is recorded using the effective interest rate (EIR). EIR is the rate that discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

1.14 Financial instruments

i. Recognition and initial measurement

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

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

1. Significant accounting policies (continued)

ii. Financial assets - Classification and subsequent measurement:

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order 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.

b) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

iii. Financial liabilities - Classification and subsequent measurement:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities.

a) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the statement of profit and loss.

b) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv. De-recognition of financial instruments

a) Financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right 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.

If the Company enters transaction whereby it transfers assets recognised on its balance sheet but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

b) Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or the same expires.

The Company also derecognise 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

1. Significant accounting policies (continued)

value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the Company has a legally enforceable right to set off the amount and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1.15 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

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

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

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

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

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

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgements is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk volatility and discount rates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.16 Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequently to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement of profit and loss.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

i. Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges.

Any derivative that is either not designated a hedge or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in the statement of profit and loss.

ii. Cash flow hedge accounting

Where a derivative is designated as a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction that could affect profit or loss, the effective portion of

1. Significant accounting policies (continued)

changes in the fair value of the derivative is recognised directly in other comprehensive income and presented in the hedge reserve in equity. The ineffective portion of changes in the fair values of the derivative is recognised immediately in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedge reserve is transferred to the net profit in the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the statement of profit and loss.

1.17 Impairment

i. Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses ('ECL') to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables including unbilled receivables and contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. Goodwill has indefinite useful life and tested for impairment annually.

1.18 Investment in subsidiaries

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

1.19 Leases

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

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

1. Significant accounting policies (continued)

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

1.20 Income taxes

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income). Current tax and deferred tax are recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax reflects the best estimate the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of allowances and disallowances which is exercised while determining the provision for income tax.

Minimum alternate tax (MAT) on the book profits or the Corporate tax payable on taxable profit is charged to the statement of profit and loss as current tax.

ii. 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 amounts used for taxation purposes. Deferred tax is not recognised for:

a) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.
b) Temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.
c) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset with deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

1. Significant accounting policies (continued)

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Future taxable profits are determined based on business plans. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets include Minimum Alternative Tax (MAT) paid, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in the statement of profit and loss.

1.21 Provisions and contingent liabilities

A provision is recognised when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each 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 recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

1.22 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit or loss after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

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

1.23 Cash flow statement

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

1. Significant accounting policies (continued)

1.24 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

1.25 Business combinations

i. Business combinations (other than common control business combinations):

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combinations, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree‘s identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Company acquired a business, it assessed the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of entities comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Company, and fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the statement of profit and loss or other comprehensive income, as appropriate.

ii. Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the preceding period in the financial statements or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the standalone financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

Sembcorp Energy India Limited
Notes to the standalone financial statements (continued)
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2.1 Property, plant and equipment and capital work-in-progress

Particulars	Freehold Land	Land (leased) (sub note 1)	Roads	Right of use assets - Land & Buildings (sub note 1) (refer note 2.32)	Right of use assets- Vehicles (refer note 2.32)	Office buildings	Factory buildings	Furniture and fittings	Vehicles	Office equipment	Electrical installations	Plant and equipment	Computers	Total property, plant and equipment	Capital work-in-progress
Gross carrying amount															
Balance as at 1 April 2019	**2,442.04**	**619.63**	**2,246.29**	**-**	**-**	**1,516.28**	**774.88**	**97.25**	**76.77**	**124.86**	**95.93**	**181,441.16**	**97.76**	**189,532.85**	**754.05**
Transition adjustment of Ind AS 116 "Leases"	-	(619.63)		738.24	-	-	-	-	-	-	-	-	-	**118.61**	-
Additions	-	-	71.52	-	-	10.31	15.67	15.65	3.66	2.87	-	380.00	17.12	**516.80**	444.97
Disposals	-	-	-	-	-	-	-	-	(0.84)	(0.96)	-	(355.63)	(4.06)	**(361.49)**	(0.16)
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	(476.16)
Balance as at 31 March 2020	**2,442.04**	**-**	**2,317.81**	**738.24**	**-**	**1,526.59**	**790.55**	**112.90**	**79.59**	**126.77**	**95.93**	**181,465.53**	**110.82**	**189,806.77**	**722.70**
Additions	171.06	-	-	6.98	11.54	0.27	5.53	0.11	9.14	2.99	-	424.97	16.79	**649.38**	479.57
Disposals	-	-	-	(4.79)	-	(10.20)	-	(22.43)	(1.16)	(16.25)	-	(10.18)	(10.12)	**(75.13)**	(0.88)
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	(601.98)
Balance as at 31 March 2021	**2,613.10**	**-**	**2,317.81**	**740.43**	**11.54**	**1,516.66**	**796.08**	**90.58**	**87.57**	**113.51**	**95.93**	**181,880.32**	**117.49**	**190,381.02**	**599.41**
Accumulated depreciation															
Balance as at 1 April 2019	**-**	**-**	**739.81**	-	-	**81.42**	**104.92**	**31.49**	**25.34**	**94.62**	**53.89**	**21,130.80**	**54.94**	**22,317.23**	**-**
Transition adjustment of Ind AS 116 "Leases"	-	-	-	52.10	-	-	-	-	-	-	-	-	-	52.10	-
Depreciation for the year	-	-	222.18	13.76	-	22.95	**25.39**	10.77	7.88	14.82	6.75	7,115.89	22.24	7,462.63	-
Disposals	-	-	-	-	-	-	-	-	-	(0.08)	-	(59.95)	(3.96)	(63.99)	-
Balance as at 31 March 2020	**-**	**-**	**961.99**	**65.86**	**-**	**104.37**	**130.31**	**42.26**	**33.22**	**109.36**	**60.64**	**28,186.74**	**73.22**	**29,767.97**	**-**
Depreciation for the year	-	-	197.33	11.92	0.96	29.76	25.92	11.19	10.11	9.40	13.43	7,124.30	20.81	**7,455.13**	-
Disposals	-	-	-	(2.72)	-	(0.91)	-	(14.68)	(0.66)	(15.39)	-	(3.01)	(9.61)	**(46.98)**	-
Balance as at 31 March 2021	**-**	**-**	**1,159.32**	**75.06**	**0.96**	**133.22**	**156.23**	**38.77**	**42.67**	**103.37**	**74.07**	**35,308.03**	**84.42**	**37,176.12**	**-**
Carrying amounts (net)															
As at 31 March 2020	**2,442.04**	**-**	**1,355.82**	**672.38**	**-**	**1,422.22**	**660.24**	**70.64**	**46.37**	**17.41**	**35.29**	**153,278.79**	**37.60**	**160,038.80**	**722.70**
As at 31 March 2021	**2,613.10**	**-**	**1,158.49**	**665.37**	**10.58**	**1,383.44**	**639.85**	**51.81**	**44.90**	**10.14**	**21.86**	**146,572.29**	**33.07**	**153,204.90**	**599.41**

Note: 1 In earlier years, the Company had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited. ('APIIC') for occupation of two tranches of land for SEIL-P1. One tranche of land was transferred to the Company as freehold land. For the other tranche of land, admeasuring Acre 680.55 cents, a lease deed for a period of 21 years was entered with APIIC on 25 November 2009. As per the lease deed, APIIC had agreed to sell the land even during the subsistence of the lease deed on securing necessary clearances and approvals for such sale to the Company on such mutually agreed terms and conditions. Further, in the unlikely event of not transferring the land through sale to the Company, APIIC agreed to renew the lease for a further period on such mutually agreed terms and conditions. All the requirements of the agreement including the payment of consideration of Rs. 612.50 million has been complied with by the Company to purchase the land. The said consideration was paid on 12 November 2009 and the same had been considered as cost of land. The Company had complied with all the requirements for purchase of land and paid the full consideration. The delay from APIIC is of administrative in nature and said sale will happen in due course of time.
During the previous year, APIIC had raised a demand amounting to Rs. 19.81 million for lease rentals (including interest) pertaining to previous years which was paid by the Company. On transition to Ind AS 116 the Company had categorized the payment of consideration of Rs. 612.50 million as right of use(ROU) assets and recognized the present value of the remaining lease payment as ROU assets and lease liability accordingly.

Note 2: Free hold land includes Rs. 36.76 million being land parcels purchased from APIIC by SEIL-P2. As per the terms of Agreement for sale of land, sale deed will be issued by APIIC after commissioning. The said sale deed is yet to be executed in the name of the Company on account of certain administrative delays.

Note 3: Refer note 2.13 and 2.18 for assets pledged against the borrowings of the Company

Note 4: Title deeds of certain lands in the name of the Company are under dispute. In respect of such disputes, the Company has been legally advised that it has valid title deeds in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property (refer note 2.29).

2.2 Other intangible assets and Goodwill

Particulars	Other intangible assets (Softwares)	Goodwill
Gross carrying amount		
Balance as at 1 April 2019	**95.84**	**1,234.20**
Additions	0.13	-
Disposals	-	-
Balance as at 31 March 2020	**95.97**	**1,234.20**
Additions	14.37	-
Disposals	-	-
Balance as at 31 March 2021	**110.34**	**1,234.20**
Accumulated amortisation		
Balance as at 1 April 2019	**89.18**	-
Amortisation for the year	6.26	-
Balance as at 31 March 2020	**95.44**	-
Amortisation for the year	2.71	-
Balance as at 31 March 2021	**98.15**	-
Carrying amounts (net)		
As at 31 March 2020	**0.53**	**1,234.20**
As at 31 March 2021	**12.19**	**1,234.20**

Impairment tests for goodwill:

Goodwill is tested for impairment on annual basis whenever there is an indication that the recoverable amount of an asset is less than its carrying amount. The recoverable amount of asset is determined based on higher of value in use and fair value less cost to sell.

The goodwill represents the excess of consideration paid over the net assets acquired under the Scheme of Amalgamation of 'Nelcast Energy Corporation Limited (Nelcast)' with Sembcorp Gayatri Power Limited (SEIL-P2). The Scheme of Amalgamation was approved by the High Court of Madras on 12 October 2011. Nelcast was the 100% subsidiary of SEIL-P2. The recoverable value is determined for the cash generating unit ('CGU') to which the Goodwill belongs. As the recoverable value of CGU is higher than the carrying value of assets of CGU including goodwill, the management did not identify any impairment on the goodwill.

The Company opted to apply Ind AS 103 exemption for the business combinations which occurred prior to transition into Ind AS i.e. 1 April 2015. Accordingly, amalgamation of Nelcast with the Company has not been restated and Goodwill accounted at the time of Amalgamation has been continued and is subject to impairment test on annual basis.

The carrying amount of goodwill as at 31 March 2021 is Rs 1,234.20 million (31 March 2020: Rs 1,234.20 million).

For the purpose of impairment testing, goodwill is allocated to the cash generating units (CGU), which benefit from the synergies of the acquisition.

The Company has two cash generating units SEIL P1 and SEIL P2 with a capacity of 1320 MW each.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Cash Generating unit		
SEIL P2	1,234.20	1,234.20
Total	**1,234.20**	**1,234.20**

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 21 years.

Revenue, margins and cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Key assumptions used in the value-in-use calculations:

Assumption	Basis
Cash flow projections period	Remaining useful life of plants assumed 21 years (31 March 2020: 22 years) The PPA available under the CERC guidelines is for the life of plant capped at 25 years, hence cashflow projection considered based on the remaining useful life.
Terminal value	None
Weighted average cost of capital % (WACC) post tax	9.7% (31 March 2020: 9.45%)
Revenue and margins	Primarily based on the forecasted combination of long-term and short-term contracts and electricity spot prices with reference to estimated demand and supply of electricity as well as margin.

These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

As at 31 March 2021 the estimated recoverable amount of the CGU exceeded its carrying amount and accordingly, no impairment was recognized.
The Company has also performed sensitivity analysis calculations on the projections used and discount rate applied. Given the significant headroom that exists, and the results of the sensitivity analysis performed, it is concluded that there is no significant risk that reasonable changes in any key assumptions would cause the carrying value of goodwill to exceed its value in use.

	As at 31 March 2021	As at 31 March 2020
2.3 Derivative assets		
Non-current		
Derivative designated as cash flow hedge		
- Fair value of cross currency interest rate swaps	-	1,429.63
	-	**1,429.63**
Current		
Derivative designated as cash flow hedge		
- Fair value of forward contracts	-	46.88
- Fair value of cross currency interest rate swaps	1,067.52	-
- Fair value of commodity hedge contracts	251.86	-
Derivatives not designated as cash flow hedge		
- Fair value of forward contracts	0.51	1,523.37
	1,319.89	**1,570.25**
2.4 Other financial assets		
(Unsecured, considered good)		
Non-current		
Margin money deposits and other deposits with banks*	3,830.37	3,712.54
Interest accrued on deposits	-	100.50
Security deposits	16.94	-
	3,847.31	**3,813.04**
Current		
Unbilled receivables	5,930.93	4,830.82
Less: Loss allowance	(4.28)	(1.64)
Interest accrued on deposits	155.57	181.16
Security deposits	-	7.11
Premium on forward contracts	325.06	134.63
Other receivables	42.23	-
	6,449.51	**5,152.08**

* Reserved against margin money for bank guarantees, other commitments and debt service reserves on long-term borrowings as at the year end, hence termed as non-current.

2.5 Non-current tax assets		
Advance income taxes*	835.92	786.98
	835.92	**786.98**

* Net of provision for taxes Rs. Nil (31 March 2020: Rs. Nil)

2.6 Other assets		
(Unsecured, considered good)		
Non-current		
Capital advances	150.82	124.87
Balance with government authorities paid under protest (refer note 2.29)	119.98	206.68
Contribution to gratuity fund (refer note 2.34)	15.29	10.71
Prepayments	2.14	1.17
	288.23	**343.43**
Current		
Advance to suppliers and service providers	793.67	645.56
Balance with government authorities (refer note 2.44)	1,547.44	719.27
Prepayments	476.85	513.06
	2,817.96	**1,877.89**
2.7 Inventories		
(Valued at lower of cost and net realisable value)		
Fuel*	2,493.59	5,853.92
Stores and spares	2,087.03	1,826.98
	4,580.62	**7,680.90**

* includes materials-in-transit amounting to Rs. 1,065.38 million, (31 March 2020: Rs. 2,482.81 million).

	Number of shares/ units		As at	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
2.8 Investments				
A) Non-current investments:				
Investments in subsidiaries				
(Unquoted, valued at cost unless stated otherwise)				
Equity instruments:				
TPCIL Singapore Pte Limited	49,000	49,000	2.92	2.92
Sembcorp Green Infra Limited	349,210,001	349,210,001	54,767.22	54,767.22
			54,770.14	**54,770.14**
B) Current investments:				
Investments in mutual funds (Debt securities):				
(Quoted, valued at fair value through profit or loss)				
UTI Liquid Cash Fund - Direct Plan - Growth	153,836	118,446	518.50	385.12
Axis Liquid Fund - Direct Plan - Growth	210,016	60,163	479.84	132.63
SBI Liquid Fund - Direct Plan - Growth	144,528	139,632	465.61	434.11
Baroda Liquid Fund Plan B - Direct Plan - Growth	-	92,970	-	212.83
Nippon India Liquid Fund - Direct Plan - Growth	100,611	-	506.34	-
IDFC Cash Fund - Direct Plan - Growth	206,348	-	512.98	-
			2,483.27	**1,164.69**
Aggregate fair value of unquoted investments			54,770.14	54,770.14
Aggregate fair value of quoted investments			2,483.27	1,164.69
Aggregate provision for impairment in value of investments			-	-
2.9 Trade receivables				
(Unsecured)				
Trade receivables				
- considered good			26,594.39	21,439.00
- which have significant increase in credit risk			537.11	321.86
Less: Loss allowance			(537.11)	(321.86)
- credit impaired			-	-
Less: Loss allowance			-	-
			26,594.39	**21,439.00**

Notes:

(i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

(ii) The Company's exposure to credit and currency risk and loss allowance related to trade receivables are disclosed in note 2.40

2.10 Cash and bank balances

Cash and cash equivalents:		
Balance with banks:		
On current accounts	167.43	118.89
Deposits with original maturity of less than three months**	1,731.61	1,535.19
	1,899.04	**1,654.08**
Bank balances other than those disclosed above		
Deposits due to mature after three months but before twelve months from the reporting date**	1,959.34	4,267.40
	1,959.34	**4,267.40**

** Includes Rs. 1,012.65 million (31 March 2020: Rs. 203.78 million) held as margin money towards bank guarantees and other commitments.

	As at 31 March 2021	As at 31 March 2020
2.11 Share capital		
Authorised		
Equity shares		
15,000,000,000 (31 March 2020: 15,000,000,000) equity shares of Rs.10 each	150,000.00	150,000.00
	150,000.00	**150,000.00**
Issued, Subscribed and fully paid up		
5,433,668,574 (31 March 2020: 5,433,668,574) equity shares of Rs.10 each, fully paid up (refer note below)	54,336.69	54,336.69
	54,336.69	**54,336.69**

Of the above issued, subscribed and fully paid up equity share capital, 5,433,668,574 (31 March 2020: 5,433,668,574) equity shares of Rs. 10 each, fully paid-up are held by Sembcorp Utilities Pte Ltd, the holding company.

Notes:
643,970,442 (31 March 2020: 643,970,442) equity shares of Rs. 10 each, fully paid-up are pledged against secured term loans from banks by SEIL-P1 and pledged 408,480,080 (31 March 2020: 408,480,080) equity shares of the Company for loans availed by SEIL-P2.

The reconciliation of shares outstanding at the beginning and at the end of reporting year is set out as below:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year	5,433,668,574	54,336.69	5,158,721,764	51,587.22
Shares issued during the year	-	-	274,946,810	2,749.47
Shares outstanding at the end of the year	**5,433,668,574**	**54,336.69**	**5,433,668,574**	**54,336.69**

The details of shareholders holding more than 5% shares along with number of equity shares held is set below:

Name of shareholders	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,433,668,574	100.00%	5,433,668,574	100.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Terms and rights attached to equity shares:
Equity shares of the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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.

Aggregate number of bonus shares issued and shares issued for consideration other than cash during the five years immediately preceding the reporting date:
For the year ended 31 March 2018, the Company has issued 2,568,750,000 equity shares of Rs. 10 each fully paid at a premium of Rs. 8.80 per share to the shareholders of Sembcorp Gayatri Power Limited and Sembcorp Green Infra Limited as a consideration for acquisition of these entities on 15 February 2018.

2.12 Other equity

	As at 31 March 2021	As at 31 March 2020
Securities premium		
Balance at the beginning of the year	40,207.03	37,787.50
Add: Additions during the year	-	2,419.53
Balance at end of the year	**40,207.03**	**40,207.03**
Capital reserve on amalgamation		
Balance at the beginning of the year	16,013.56	16,013.56
Add: Additions during the year	-	-
Balance at end of the year	**16,013.56**	**16,013.56**
Fair value of interest free INR denominated notes from holding company		
Balance at the beginning of the year	1,155.42	646.26
Add: Additions during the year	234.72	509.16
Balance at end of the year	**1,390.14**	**1,155.42**
Retained earnings		
Balance at the beginning of the year	(11,041.47)	(12,206.69)
Less: Transition adjustment of Ind AS 116 "Leases"	-	(15.25)
Add: Profit for the year	8,720.12	1,187.01
Items that will not be reclassified subsequently to profit or loss		
- Remeasurement of post employment benefit obligations, net of tax	(2.46)	(6.54)
Balance at end of the year	**(2,323.81)**	**(11,041.47)**

	As at 31 March 2021	As at 31 March 2020
Other comprehensive income (OCI)		
Balance at the beginning of the year	(598.78)	(932.35)
Add: Change in fair value, net of tax	557.14	333.57
Less: Utilisation	-	-
Total other comprehensive income	**(41.64)**	**(598.78)**
Total Other Equity	**55,245.28**	**45,735.76**

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Capital reserve on amalgamation

Capital reserve on amalgamation is the difference between the consideration for acquisition of Sembcorp Gayatri Power Limited (SEIL-P2) and the amount of share capital and security premium of SEIL-P2 as per Ind AS 103 (Appendix C), Business combinations of entities under common control

Other reserves

Other reserves include all other transactions with the owners in their capacity as owners, impact of changes in the ownership interest do not result in loss of control and fair value adjustments

Retained earnings

Retained earnings mainly represents all current and prior periods profits as disclosed in the statement of profit and loss less dividend distribution, transfers to general reserve and remeasurement gain/(loss) relating to defined benefit liability.

Other items of other comprehensive income - Effective portion of cash flow hedges

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instrument related to hedged transactions that have not yet occurred.

	As at 31 March 2021	As at 31 March 2020
2.13 Borrowings		
Non-current borrowings:		
Secured From banks		
Rupee term loans	35,244.78	39,528.56
Foreign currency non repatriable (FCNR) term loan*	27,534.84	28,987.21
External commercial borrowings	-	15,819.23
Unsecured From related party (refer note 2.41)		
INR denominated notes	42,400.00	42,400.00
	105,179.62	**126,735.00**
Less: Unamortised part of loan origination cost	(281.92)	(342.55)
	104,897.70	**126,392.45**

* During the current year, the Company had converted Rupee term loan of Rs. 26,589.25 million of SEIL-P1 for a period of 365 days and Rupee term loan of Rs. 1,850.00 million of SEIL-P2 into FCNR Loans for a period 364 days.

Details of securities given, repayment terms and other details are given below:

a) Rupee term loans and FCNR term loans:

Rupee Term loans and FCNR term loans obtained by SEIL-P1 from banks are secured by way of:

1. First ranking pari passu charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh.
2. First ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL-P1.
3. Pledge of 643,970,442 (31 March 2020: 643,970,442) fully paid equity shares of Rs. 10 each held by the holding Company.

Rupee Term loans and FCNR term loans obtained by SEIL-P2 from banks are secured by way of:

1. First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh.
2. First ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL-P2.
3. Pledge of 408,480,080 (31 March 2020: 408,480,080) fully paid up equity shares of Rs. 10 each held by the holding Company.
4. The holding company has given corporate guarantee to cover the outstanding exposure.

Terms of repayment and rate of interest for Rupee Term loans by SEIL-P1:

Rupee Term Loan facility -I from banks are repayable in 79 quarterly structured unequal instalments commenced from 31 December 2016 and Rupee Term Loan facility - II from banks are repayable in 77 quarterly structured unequal instalments commenced from 30 June 2017. The Rupee Term Loans in respect of facility - I and II carry an interest of SBI MCLR plus 1.25% p.a. Interest rate applicable during the year was 8.20% to 9.25% p.a (31 March 2020: 9.25% to 9.75% p.a.)

Terms of repayment and rate of interest for Rupee Term loans by SEIL-P2:

Rupee term loans facilities are repayable in 78 quarterly structured unequal instalments commenced from 30 September 2017. Rupee term loans carry an interest of SBI one year MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.25% to 9.70% p.a.(31 March 2020: 9.50% to 9.70% p.a.)

Terms of repayment and rate of interest for FCNR Term loans by SEIL-P1 and SEIL-P2:
FCNR term loans tenure is 7 to 365 days from the date of conversion and these loans are repayable in one lump sum on the date of maturity. As per the terms of FCNR term loan agreements, the Company can rollover the facility (or) can convert it into Rupee term loans. The business model of the Company is either to rollover or conversion into Rupee term loans. The Company has classified the borrowings in the financial statements as per the original Rupee term loan agreement and repayments during the year have been honoured as per original Rupee term loan agreement. The rate of interest applicable on these FCNR term loans is at 12 months LIBOR plus Spread plus Hedging cost plus upfront conversion cost (All in cost is in range of 7.73% to 7.81% p.a.) (31 March 2020: 8.74% to 8.88% p.a.)

b) External commercial borrowings
1. The external commercial borrowings ('ECB') are payable in 20 quarterly structured unequal instalments commenced from 30 June 2017. ECB are guaranteed by Sembcorp Utilities Pte Ltd, the holding company. ECB carry interest at 3 month LIBOR plus 1.15% p.a. The Company has entered into cross currency interest rate swaps and the applicable interest rate under hedge agreement is 8.36% p.a.(31 March 2020: 8.36%).
2. The entire outstanding amount as at 31 March 2021 is shown under current maturities as final maturity date falls on 31 March 2022
3. The holding company has given corporate guarantee to cover the outstanding exposure.

c) INR denominated Notes
INR denominated Notes are unsecured and these notes have been subscribed fully by holding company, Sembcorp Utilities Pte Ltd. Terms of repayment, interest rate, interest accrued and outstanding are given below. Interest is payable on semi annual basis.

Tranche	Amount	Date of receipt	Interest coupon	Maturity period	Interest accrued on borrowings	Due dates for payment of interest
1	7,893.90	9 December 2016	12%	30 September 2022	293.26	30 September 2022
2	9,000.00	27 March 2017	10%	27 March 2027	431.53	30 September 2022
3	9,000.00	6 April 2017	10%	6 April 2027	2,138.45	30 September 2022
4	9,000.00	7 April 2017	10%	7 April 2027	2,140.68	30 September 2022
5	7,506.10	7 April 2017	10%	7 April 2027	1,659.06	30 September 2022
	42,400.00				**6,662.98**	

The holding company has deferred the repayment of tranche 1 principal amount and interest accrued as at 31 March 2021 to 30 September 2022 at the request of the Company. Finance component on account of interest free deferment is recognised at fair value in other equity.

	As at 31 March 2021	As at 31 March 2020
2.14 Derivatives		
Current		
Derivatives designated as cash flow hedge		
- Fair value of commodity hedge contracts	-	146.88
- Fair value of forward contracts	5.55	-
Derivatives not designated as cash flow hedge		
- Fair value of forward contracts	333.88	-
	339.43	**146.88**
2.15 Other financial liabilities		
Non-current		
Interest accrued on INR denominated notes (refer note 2.13(c))	5,956.52	7,100.96
Lease liabilities (refer note 2.32)	58.46	59.74
	6,014.98	**7,160.70**
Current		
Current maturities of long-term borrowings (refer note 2.13)	19,555.74	4,558.15
Capital creditors (refer note 2.30)	458.92	466.11
Interest accrued on borrowings (refer note 2.13)	332.87	296.44
Retention bonus payable	-	21.91
Retention money payable (refer note 2.30)	6,796.47	6,906.73
Payable to employees	131.28	102.34
Lease liabilities (refer note 2.32)	14.31	9.35
Other payables	100.94	46.88
	27,390.53	**12,407.91**
2.16 Provisions		
Non-current		
Provision for employee benefits		
- Compensated absences	61.85	52.09
	61.85	**52.09**
Current		
Provision for employee benefits		
- Compensated absences	10.03	7.07
	10.03	**7.07**

	As at 31 March 2021	As at 31 March 2020
2.17 Other liabilities		
Current		
Advance from customers	17.15	6.47
Unearned income	296.32	298.99
Dues to statutory authorities	252.00	241.15
Other payables (refer note 2.30)	3,924.30	3,925.29
	4,489.77	**4,471.90**
2.18 Short-term borrowings		
Secured		
Working capital demand loans	5,780.00	7,687.87
Cash credit accounts	0.63	0.42
Buyers credit	2,138.50	1,473.84
Unsecured		
Commercial papers	-	3,455.44
	7,919.13	**12,617.57**

a) Terms and nature of security:

Loans from banks by SEIL-P1

i) Borrowings from banks are secured by mortgage pari passu first charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh.

ii) First pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL-P1.

iii) Borrowings to the extent of Rs. 2,000 million from Development Bank of Singapore Limited is secured by corporate bank guarantee from Sembcorp Utilities Pte Ltd.

Loans from banks by SEIL-P2

i) First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs at Village Zaap, Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh.

ii) First ranking pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL-P2.

iii) The fund based working capital facilities from State Bank of India, Development Bank of Singapore, Hong Kong and Shanghai Banking Corporation bank are secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd.

b) Term of interest and repayments:

Repayment terms: Work capital demand loans and buyers credit tenure is 180 days from the date of draw down and cash credits are repayable on demand for both the projects. The Company during the year has availed short-term loans by way commercial paper as part of working capital for a period upto 90 days.

Rate of interest: Working capital loans and Cash Credit loans outstanding's carries interest rate at the range of 6.85% to 8.70% p.a. (31 March 2020: 7.55% to 9.10% p.a.) buyers credit outstanding's carries LIBOR based interest rate including spread in the range of 1.50% to 1.64% p.a (31 March 2020: 1.67% to 2.82% p.a) and Commercial Paper outstanding's having carrying rate 4.11% to 6.5% p.a (31 March 2020: 6.5% p.a)

2.19 Trade payables		
Total outstanding dues to micro and small enterprises (refer note 2.35)	1.32	0.83
Total outstanding dues to other than micro and small enterprises		
- related parties (refer note 2.41)	24.06	48.07
- others	1,829.06	4,231.33
	1,854.44	**4,280.23**
2.20 Current tax liabilities		
Provision for taxes (net of advance tax)	336.49	336.49
	336.49	**336.49**

	For the year ended 31 March 2021	For the year ended 31 March 2020
2.21 Revenue from operations		
Sale of electricity (refer note 2.45)	73,591.41	71,069.43
Other operating revenues:		
-Sale of fly ash	82.78	35.93
	73,674.19	**71,105.36**
a. Reconciliation of revenue from electricity recognised with the contracted price is as follows:		
Contract price	73,868.41	71,577.89
Adjustments for:		
Rebates	(141.98)	(321.87)
Deviation charges	(137.69)	(179.91)
Unearned income	2.67	(6.68)
Sale of electricity	**73,591.41**	**71,069.43**
b. Changes in contract liabilities*		
Balance at the beginning of the year	305.46	300.84
Less: Amount recognised as revenue/other adjustments during the year	(9.14)	(1.85)
Add: Amount received during the year	17.15	6.47
Balance at the end of the year	**313.47**	**305.46**

* Contract liabilities include unearned income and advance from customer.

c. Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

d. Refer note 2.33 for Revenue disaggregation by geography

e. Contract balances	As at 31 March 2021	As at 31 March 2020
Trade receivables	26,594.39	21,439.00
Unbilled receivables	5,926.65	4,829.18
Contract liabilities	313.47	305.46

	For the year ended 31 March 2021	For the year ended 31 March 2020
2.22 Other income		
Interest income	363.80	583.45
Income from mutual fund measured at FVTPL	76.59	78.66
Late payment surcharges from customers (refer note 2.45 and 2.47)	2,846.56	946.45
Income from insurance claims (refer note 2.43)	790.70	1,057.19
Gain on derivative contracts, net	-	191.81
Miscellaneous income (refer note 2.46)	30.55	680.50
	4,108.20	**3,538.06**
2.23 Cost of fuel		
Coal and alternative fuel cost	40,519.73	43,118.24
	40,519.73	**43,118.24**
2.24 Transmission charges		
Transmission charges	2,378.99	2,731.53
	2,378.99	**2,731.53**
2.25 Employee benefit expenses		
Salaries, wages and bonus	1,425.66	1,475.25
Contribution to provident and other funds (refer note 2.34)	86.00	78.90
Employee shared based expenses (refer note 2.42)	56.35	30.21
Staff welfare expenses	84.36	90.75
	1,652.37	**1,675.11**

	For the year ended 31 March 2021	For the year ended 31 March 2020
2.26 Finance costs		
Interest expense on financial liabilities measured at amortised cost	12,676.12	13,693.12
Unwinding of discount on lease liabilities (refer note 2.32)	6.81	7.15
Other borrowing costs	715.10	688.28
	13,398.03	**14,388.55**
2.27 Depreciation and amortisation expense		
Depreciation on property, plant and equipment	7,442.25	7,448.87
Depreciation on right to use assets (refer note 2.32)	12.88	13.76
Amortisation on intangible assets	2.71	6.26
	7,457.84	**7,468.89**
2.28 Operating and other expenses		
Consumption of stores, spares and consumables	777.67	719.48
Repairs and maintenance		
- Buildings and civil works	48.89	53.29
- Plant and equipment	885.12	926.91
- Others	83.59	114.98
Travelling and conveyance	11.01	72.55
Insurance	563.89	532.77
Vehicle hire charges	47.91	65.20
Security charges	56.79	63.21
Legal and professional expenses (refer note 2.37)	276.55	477.65
Health and safety expenses	37.91	42.47
Expenditure on corporate social responsibility (refer note 2.36)	18.29	11.95
Rates and taxes	287.34	13.09
Rent (refer note 2.32)	3.50	18.26
Training and seminar	1.62	9.62
Printing and stationery	3.89	5.05
Directors' sitting fee	5.37	6.61
Commission charges	15.15	8.02
Communication expenses	15.07	17.16
Advertisement expenses	5.41	8.13
Loss on derivative contract	117.07	-
Loss on foreign currency transactions and translation (net)	93.83	592.42
Property, plant and equipment written off	23.99	0.33
Allowance for expected credit loss	217.89	211.40
Doubtful receivables and advances written off	5.06	-
Miscellaneous expenses	52.50	103.54
	3,655.31	**4,074.09**

2.29 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31 March 2021	As at 31 March 2020
I) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	222.53	315.60
	222.53	**315.60**
II) Claims against the Company not acknowledged as debt in respect of:		
(i) Income tax* (refer note a below)	749.53	1,183.04
(ii) Stamp duty (refer note b below)	-	-
(iii) Buildings and other construction works cess (BOCW Cess)	287.21	287.21
(iv) Entry tax **	150.62	150.62
(v) Works contract tax (refer note c below)	-	861.69
(vi) Service tax (refer note d below) ***	798.13	798.13
(vii) Demand for fly ash disposal (National Green Tribunal) #	85.31	85.31
(viii) Township construction contract works ##	149.92	-
(ix) Others (refer note e below)	Amount not ascertainable	Amount not ascertainable
	2,220.72	**3,366.00**

* Tax paid under protest as at 31 March 2021: Rs. 445.88 million (31 March 2020: Rs. 532.58 million) (including advance tax and tax deducted at source for respective years).
During the year the Company has received draft order u/s 144C for AY 2017-18 under Income tax act, 1961. The Company has filed reply against the draft order and awaits the final order.

** Entry tax paid under protest as at 31 March 2021: Rs. 28.56 million (31 March 2020: Rs. 28.56 million).
*** Service tax paid under protest as at 31 March 2021 Rs. 59.86 million (31 March 2020 Rs. 59.86 million)

During the previous year, the Company has received a demand order from National Green Tribunal (NGT) levying environmental compensation charges towards non utilization/disposal of 100.00% fly ash. The estimated liability is Rs. 85.31 million as per order and the order is subject to similar proceedings pending before the Hon'ble Supreme Court where stay is operative.

Company had entered into contract with Koneru Constructions Private Limited ('Koneru') for construction of Township at Nellore for an amount Rs. 454.06 million. The contract was completed on 31 October 2017, the full and final settlement was agreed with Koneru on 15 December 2017 and the final payment was released by the Company on 15 November 2018.

During the year, Koneru has sought additional compensation of Rs. 149.91 million (approx.) from the Company for additional work executed, damages, loss of profits, recovery of liquidated damages etc. and also sought appointment of an arbitrator. Koneru has also filed proceedings application under Section 11 of Arbitration and Conciliation Act , 1996 against SEIL before the Honbl'e High Court of Telangana.

Company is contesting the matter and has obtained legal opinion on the validity of the claims by Koneru. As per the legal opinion, company has a good arguable case in its favor on the basis of the following grounds:
a. Full and final settlement agreement was agreed between the parties and settled
b.majority of the claims by Koneru are barred in terms of the laws of limitation in India.
On the basis of the above and the legal opinion received, management is of the view that no provision is required in the books of accounts.

III) Bank guarantees with customs and others		
Bank guarantees with customs and excise	8,387.81	8,932.02
Bank guarantees for PPA and other commitments	6,487.14	8,995.41
	14,874.95	**17,927.43**

Notes:

a. During the year, the Company has opted under Vivaad Se Vishwas Scheme (VSVS) for settlement of withholding tax litigations for the previous years (from 2011-12 to 2015-16) pertaining to tax on guarantee fees to banks on buyer's credit and on service contracts pertaining to a vendor.

b. Based on the NCC Limited ('NCCL') Warranty and Indemnity agreement dated 1 February 2014 entered between SEIL- P2, NCCL and other counterparts, the liability, if any arising on account of dispute relating to SEIL-P2, would be to the account of NCCL. Accordingly, there would not be any impact on the financial position of the Company on account of Stamp duty relating to SEIL-P2.

c. During the year the Company received favourable order from Commercial Taxes department, Government of Andhra Pradesh for works contract tax.

d. During the previous year, order has been passed by the office of the Principal Commissioner of Central Tax, Hyderabad consequent to the audit memo and show cause notice issued in the previous years towards levy of service tax on liquidated damages claim on NCCL by SEIL. The order was issued for tax demand, interest and penalty of Rs. 796.80 million and Rs. 1.33 million respectively towards service tax on liquidated damages and reimbursement of expenses to SCU respectively. The Company has filed appeal with the appellate tribunal on 20 March 2020 and also deposited 7.5% tax thereon and the hearing is currently awaited.

e. The Company is contesting legal cases in the local courts against the claims made on certain portion of the project lands, under dispute and amount is not ascertainable.

The Company has a process whereby periodically all long-term contracts including derivative contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that there are no material foreseeable losses on such long term contracts which needs to be provided for in the books of account and the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts.

On 28 February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, considering that there are numerous interpretative issues relating to retrospective application of this judgement, the Company has assessed the impact of the matter and concluded that there is no material impact on the financial statements. The Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject.

2.30 Liquidated damages and bank guarantee encashment:

SEIL-P2 had raised a claim for an amount of Rs. 2,882.50 million and of US$ 9.04 million, towards liquidated damages on its EPC contractor, NCC Limited ('NCCL'), delay in the achievement of Provisional Acceptance on account of this delay, SEIL- P2 had to incur additional costs to commence the operations. Also a claim of US$ 40.97 million was raised on China National Technical I&E Corporation and Tianjin Electric Power Construction Company (CTC) Consortium towards the delay in agreed delivery schedule and non-achievement of Project Provisional Acceptance.

The Company had encashed performance bank guarantee (BGs) of Rs. 516.00 million on 19 April 2017 and Rs. 2,915.00 million on 3 November 2017 given by NCCL. NCCL had invoked Arbitration proceedings on 27 May 2017. NCCL had filed its statement of claims for Rs. 15,579.00 million with interest. SEIL- P2 had filed its statement of defence along with its counter claims to the tune of Rs. 10,127.00 million and US$ 9.04 million.

The matter is pending for disposal as of date and accordingly, no related adjustments have been made in these financial statements. Since the levy and encashment of BGs has been challenged by NCCL on the ground that liquidated damages are not payable by them, the recovery will be appropriately adjusted based on outcome of the arbitration proceeding.

2.31 Earnings per share

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net profit for the year	8,720.12	1,187.01
Number of equity shares		
Number of shares at the beginning of the year	5,433,668,574	5,158,721,764
Weighted average number of equity shares issued during the year	-	200,372,196
Weighted average number of equity shares outstanding during the year	**5,433,668,574**	**5,359,093,960**
Earnings per equity share (face value of share Rs.10 each)		
- Basic and diluted (refer note)	1.60	0.22

Note: The Company did not have any potentially dilutive securities in any of the periods presented.

2.32 Right-of-use assets and leases

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain Ind AS. The Standard/amendments are applicable to the Company with effect from 1 April 2019.

The Company has adopted Ind AS 116 "Lease", effective from 1 April 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1 April 2019) under modified retrospective approach. Accordingly, the Company has not restated corresponding year figures, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. Accordingly, a right-of-use asset of Rs. 738.24 million and a corresponding lease liability of Rs. 81.75 million has been recognized. The cumulative effect on transition in retained earnings net off taxes is Rs. 15.25 million (including a deferred tax of Nil). The principal portion of the lease payments have been disclosed under cash flow from financing activities. The weighted average incremental borrowing rate of 9.50% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

The amount recognised in the Balance Sheet for the right-of-use assets and lease liability are as follows:

Particulars	Gross carrying amount	Accumulated depreciation	Net carrying amount
As at 31 March 2021			
Leasehold land and buildings	740.43	75.07	665.36
Vehicle	11.54	0.96	10.58
Total	**751.97**	**76.03**	**675.94**

As at 31 March 2020			
Leasehold land and buildings	738.24	65.86	672.38
Vehicle	-	-	-
Total	**738.24**	**65.86**	**672.38**

Lease liability (Financial liability)	**As at 31 March 2021**	**As at 31 March 2020**
Present value of lease liability		
Current	14.31	9.35
Non- current	58.46	59.74
Maturity analysis		
0 - 1 year	20.35	15.52
1 - 5 years	66.19	67.05
More than 5 years	2.72	7.37

The amount recognised in the statement of profit and loss for the year ended 31 March 2021 for the right-of-use assets and lease liability are as follows:

Leasehold land and buildings	**Vehicle**	**Leasehold land and buildings**	**Total**
Depreciation charged on right-of-use assets	0.96	11.92	12.88
Unwinding of Interest expense on lease liabilities	0.34	6.47	6.81

The amount recognised in the statement of profit and loss for the year ended 31 March 2020 for the right-of-use assets and lease liability are as follows:

Leasehold land and buildings	**Vehicle**	**Leasehold land and buildings**	**Total**
Depreciation charged on right-of-use assets	-	13.76	13.76
Unwinding of Interest expense on lease liabilities	-	7.15	7.15

Further, the Company incurred Rs. 3.50 million (31 March 2020: Rs. 18.26 million) towards expenses relating to short-term leases and leases of low-value assets for the year ended 31 March 2021.

Lease contracts entered by the Company majorly pertains to land taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is Rs. 18.38 million (31 March 2020: Rs. 19.81 million) for the year ended 31 March 2021.

2.33 Segment reporting

The Company is engaged in the business of generation of power, which in the context of Ind AS 108 - "Operating Segments", notified by the Companies (Indian Accounting Standards) Rules, 2015 is considered the only operating segment. Since the operations of the Company exist in India and Bangladesh and all its assets are located only in India, disclosures under paragraphs 32-34 of Ind AS 108 are not required. Revenue to specific customers exceeding 10% of total revenue for the years ended 31 March 2021 and 31 March 2020 were as follows:

Customer name	**For the year ended 31 March 2021**		**For the year ended 31 March 2020**	
	Revenue	**%**	**Revenue**	**%**
Telangana State Government utilities	29,994.00	40.71%	30,015.41	42.23%
Indian Energy Exchange (IEX)	13,977.07	18.97%	12,263.18	17.26%
Andhra Pradesh State Government utilities	8,932.19	12.12%	7,015.88	9.87%
Bangladesh Power Development Board	9,545.43	12.96%	6,958.73	9.79%

Geographical segments

Revenues, net	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
India	64,128.76	64,146.63
Bangladesh	9,545.43	6,958.73
Total	**73,674.19**	**71,105.36**

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2.34 Assets and liabilities relating to employee benefits

i) Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contribution to provident fund charged to the statement of profit and loss is Rs. 66.08 million (31 March 2020: Rs. 62.22 million).

ii) Defined benefit plan

The Company provides gratuity for its employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. Liability with regard to this plan is determined by an actuarial valuation as at the end of the period and are charged to the statement of profit and loss.

A. Funding

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Particulars	As at 31 March 2021	As at 31 March 2020
B. Reconciliation of the present value of defined benefit obligation		
Balance at the beginning of the year (As reported earlier)	77.15	58.41
Current service cost	14.79	12.83
Past service cost	5.88	-
Interest cost	5.28	4.26
Benefits paid	(4.21)	(3.82)
Actuarial (gains)/loss recognised in the other comprehensive income		
- experience adjustments	3.20	2.99
- changes in financial assumptions	(1.14)	2.48
Balance at the end of the year	**100.95**	**77.15**
C. Reconciliation of the present value of plan assets		
Balance at the beginning of the year	87.86	71.79
Contributions made into the plan by employer	26.96	18.01
Benefits paid	(4.21)	(6.13)
Expected return on plan assets	6.03	5.26
Actuarial loss on plan assets	(0.40)	(1.07)
Balance at the end of the year	**116.24**	**87.86**
Net defined benefit obligation/(asset)	**(15.29)**	**(10.71)**
Disclosure in the balance sheet:		
Non-current	**15.29**	**10.71**
Current	**-**	**-**

D. Expense recognized in the statement of profit and loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current service cost	14.79	12.83
Past service cost	5.88	-
Interest cost on obligation	5.28	4.26
Interest income on plan assets	(6.03)	(5.26)
	19.92	**11.83**
Remeasurements recognised in Other comprehensive income		
Actuarial loss on defined benefit obligation	2.06	5.47
Actuarial loss on planned asset	0.40	1.07
	2.46	**6.54**

E. Plan assets comprise of the following:

Particulars	As at 31 March 2021	As at 31 March 2020
New Group Gratuity Cash Accumulation Plan with LIC	116.24	87.86

F. Summary of actuarial assumptions

Demographic assumptions

Particulars	As at 31 March 2021	As at 31 March 2020
Attrition rate		
21 - 30 years	10.00%	10.00%
31 - 40 years	5.00%	5.00%
41 year and above	1.00%	1.00%
Financial assumptions		
Discount rate	7.05%	6.95%
Future salary growth rate	5.00%	5.00%

The estimates of future salary increase considered in actuarial valuation, takes account of inflation seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amount shown below:

	31 March 2021		31 March 2020	
Particulars	**Increase**	**Decrease**	**Increase**	**Decrease**
Sensitivity factor (%)	0.50%	0.50%	0.50%	0.50%
Change in discount rate (%)	(5.43)	5.94	(5.53)	6.03
Change in salary growth rate (%)	5.83	(5.42)	6.12	(5.66)

G. Asset-liability matching strategy

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity payables falling due during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

H. Maturity profile of the defined benefit obligation

Expected cash flows for the following years (valued on undiscounted basis) :

Particulars	As at 31 March 2021	As at 31 March 2020
Within 1 year	7.67	6.91
2 to 5 years	23.71	17.45
6 to 9 years	39.32	24.25
For year 10 and above	201.00	165.31

iii) Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the statement of profit and loss amounting to Rs.24.84 million (31 March 2020: Rs. 17.99 million).

2.35 Details of dues to micro and small enterprises as defined under Micro, Small and Medium Enterprises Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2021 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier under the said MSMED Act.

Particulars	As at 31 March 2021	As at 31 March 2020
the amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	1.32	0.83
- Interest	-	-
the amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006);	-	-
the amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year;	-	-
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purposes of disallowances as a deductible expenditure under the MSMED Act, 2006;	-	-

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

2.36 Details of Corporate social responsibility expenditure

As per Section 135 of the Companies Act 2013, the Company has formed a Corporate Social Responsibility ('CSR') Committee. The CSR Committee approved CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, have been identified to incur CSR expenditure.

The Company has spent Rs. 18.29 million (31 March 2020 Rs. 11.94 million) during the year as per the provisions of Section 135 of the Companies Act, 2013 towards CSR activities

a. Gross amount required to be spent by the Company during the year Rs. 13.53 million (31 March 2020 Rs. 8.32 million)
b. Amount spent during the year on:

Particulars	Amount spent in cash	Amount yet to paid in cash	Total
Year ended 31 March 2021			
i) Construction/ Acquisition of any Asset	-	-	-
ii) On purpose other than (i) above*	18.29	-	**18.29**
Year ended 31 March 2020			
i) Construction/ Acquisition of any Asset	-	-	-
ii) On purpose other than (i) above	11.94	-	**11.94**

* Excess CSR amount spent has not been carried forward during the year

Particulars	As at 31 March 2021	As at 31 March 2020
2.37 Auditor's remuneration (including taxes)		
- Statutory audit fee	4.13	4.13
- Other services	8.48	10.35
- Reimbursement of expenses	0.56	1.14
	13.17	**15.62**

2.38 Deferred tax

i) Deferred tax asset and liabilities attributable to the following

Deferred tax liability		
Excess of depreciation on assets under Income Tax law over depreciation provided in accounts	14,229.25	12,606.06
Unamortised part of borrowing costs	104.88	126.72
Fair value adjustment of current investments	10.13	7.14
	14,344.26	**12,739.92**
Deferred tax asset		
Allowance for expected credit loss	195.42	137.63
Provision for employee benefits	46.22	41.87
Expenses to be allowed as deductible in future	3,495.69	3,448.88
Unabsorbed loss and depreciation as per Income Tax law#	10,606.93	9,111.54
	14,344.26	**12,739.92**
Net unrecognised deferred tax asset(DTA) at the end of the year	**-**	**-**

Deferred tax assets are recognised on unabsorbed depreciation/carried forward tax losses only if, there is reasonable certainty that such deferred tax assets can be realised against future taxable profits in the Company.

ii) Movement in temporary differences

Particulars	As at 1 April 2020	Impact in Profit and loss	Impact in OCI	As at 31 March 2021
Excess of depreciation allowable under Income-tax law over depreciation provided in books	12,606.06	1,623.19	-	14,229.25
Unamortised part of borrowing costs	126.72	(21.84)	-	104.88
Fair value adjustment of current investments	7.14	2.99	-	10.13
	12,739.92	**1,604.34**	**-**	**14,344.26**
Deferred tax asset (DTA)				
Allowance for expected credit loss	137.63	57.79	-	195.42
Provision for employee benefits	41.87	4.35	-	46.22
Interest carried forward under Section 94B of the Income-tax law	3,448.88	46.81	-	3,495.69
Unabsorbed depreciation/carried forward tax losses	9,111.54	1,495.39	-	10,606.93
	12,739.92	**1,604.34**	**-**	**14,344.26**
Net deferred tax assets and liabilities	**-**	**-**	**-**	**-**

Particulars	As at 1 April 2019	Impact in Profit and loss	Impact in OCI	As at 31 March 2020
Deferred tax liability (DTL)				
Excess of depreciation allowable under Income-tax law over depreciation provided in books	12,504.03	102.03	-	12,606.06
Unamortised part of borrowing costs	-	126.72	-	126.72
Fair value adjustment of current investments	-	7.14	-	7.14
	12,504.03	**235.89**	**-**	**12,739.92**
Deferred tax asset (DTA)				
Allowance for expected credit loss	39.17	98.46	-	137.63
Provision for employee benefits	17.48	24.39	-	41.87
Interest carried forward under Section 94B of the Income-tax law	6,209.98	(2,761.10)	-	3,448.88
Unabsorbed depreciation/carried forward tax losses	6,237.40	2,874.14	-	9,111.54
	12,504.03	**235.89**	**-**	**12,739.92**
Net deferred tax assets and liabilities	**-**	**-**	**-**	**-**

iii) Reconciliation of effective tax rate

Particulars	As at 31 March 2021	As at 31 March 2020
Profit before tax (a)	8,720.12	1,187.01
Domestic tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	**2,194.68**	**298.75**
Effect of		
Non deductible expenses(i.e., deemed interest expenses masala bond, loss on sale of assets)	112.57	63.70
Deferred Tax asset not created on temporary differences / unabsorbed depreciation or carried forward losses	(2,307.25)	(362.45)
Income tax expense (b)	**-**	**-**
Effective tax rate (b/a)	0%	0%

During the year ended 31 March 2021, the Company did not recognise deferred tax assets of Rs.256.56 million (31 March 2020 Rs. 2,565.39 million) in absence of reasonable certainty of future taxable profits (Unused tax loss and depreciation for deferred tax asset: Rs. 1,019.38 million (31 March 2020 Rs. 10,193.04 million)).

2.39 Capital management

The Company aims to maintain sound capital base so as to maintain investor, creditor and market confidence and to sustain future development and growth of its business, while at the same time maintaining an appropriate dividend policy to reward shareholders. The Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company seeks to maintain a balance between the higher returns that might be possible with highest levels of borrowings and the advantages and security afforded by a sound capital position. Capital is defined as equity attributable to the equity holders. Debt consists of non-current borrowings, current borrowings and current maturities of long-term borrowings.

The Company's debt to equity ratio as at the balance sheet date is as follows:

Particulars		As at 31 March 2021	As at 31 March 2020
Debt	**A**	132,372.57	143,568.17
Total equity	**B**	109,581.97	100,072.45
Total debt and equity		**241,954.54**	**243,640.62**
Debt-to-equity ratio	**(A/B)**	**1.21**	**1.43**

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2.40 Financial instruments - Fair values and risk management

A) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows:

As at 31 March 2021:		**Carrying amount**				**Fair value**		
	Note	**FVTPL**	**FVTOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets								
Investments - Mutual funds	2.8	2,483.27	-	-	2,483.27	2,483.27	-	-
Derivative assets	2.3	0.51	1,319.38	-	1,319.89	-	1,319.89	-
Trade receivables	2.9	-	-	26,594.39	26,594.39	-	-	-
Cash and cash equivalents	2.10	-	-	1,899.04	1,899.04	-	-	-
Other bank balances	2.10	-	-	1,959.34	1,959.34	-	-	-
Other financial assets	2.4	-	-	10,296.82	10,296.82	-	-	-
		2,483.78	**1,319.38**	**40,749.59**	**44,552.75**	**2,483.27**	**1,319.89**	**-**
Financial liabilities								
Derivative liabilities	2.14	333.88	5.55	-	339.43	-	339.43	-
Borrowings (excluding current maturities)	2.13 & 2.18	-	-	112,816.83	112,816.83	-	-	-
Trade payables	2.19	-	-	1,854.44	1,854.44	-	-	-
Other financial liabilities (including current maturities)	2.15	-	-	33,405.51	33,405.51	-	-	-
		333.88	**5.55**	**148,076.78**	**148,416.21**	**-**	**339.43**	**-**

As at 31 March 2020:		**Carrying amount**				**Fair value**		
	Note	**FVTPL**	**FVTOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets								
Investments - Mutual funds	2.8	1,164.69	-	-	1,164.69	1,164.69	-	-
Derivative assets	2.3	85.71	2,914.17	-	2,999.88	-	2,999.88	-
Trade receivables	2.9	-	-	21,439.00	21,439.00	-	-	-
Cash and cash equivalents	2.10	-	-	1,654.08	1,654.08	-	-	-
Other bank balances	2.10	-	-	4,267.40	4,267.40	-	-	-
Other financial assets	2.4	-	-	8,965.12	8,965.12	-	-	-
		1,250.40	**2,914.17**	**36,325.60**	**40,490.17**	**1,164.69**	**2,999.88**	**-**
Financial liabilities								
Derivative liabilities		-	146.88	-	146.88	-	146.88	-
Borrowings (excluding current maturities)	2.13 & 2.18	-	-	139,010.02	139,010.02	-	-	-
Trade payables	2.19	-	-	4,280.23	4,280.23	-	-	-
Other financial liabilities (including current maturities)	2.15	-	-	19,568.61	19,568.61	-	-	-
		-	**146.88**	**162,858.86**	**163,005.74**	**-**	**146.88**	**-**

Note:
Investments in subsidiaries have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purpose of measurement, the same are not disclosed in the table above.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;
Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.
Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

2.40 Financial instruments - Fair values and risk management (continued)

Valuation techniques and significant unobservable inputs

Investment in mutual funds:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Forward exchange/ option contracts, Swap contracts and Commodity hedge contracts:

Foreign exchange forward/ option contracts, Interest rate swaps and commodity hedge contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

B) Financial risk management objectives and policies

The Company's activities exposed it to market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk and liquidity risk.

As part of the Company's Enterprise Risk Management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Company's liquidity, counterparty risk, foreign exchange and derivative transactions and financing.

The Company uses foreign exchange contracts, foreign exchange swaps, interest rate swaps, and various financial instruments to manage exposures to interest rate and foreign exchange risks arising from operating and financing activities. The Company uses commodity hedge contract to manage exposure for international coal prices. All such transactions must involve underlying assets or liabilities and no speculative transactions are allowed.

The financial authority limits/seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and commodity prices (coal) will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and reduce market risk exposures within acceptable parameters.

(i) Interest rate risk

The Company's exposure to market risk for changes in interest rate environment mainly relates to its debt obligations.

The Company's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts and long-term and short-term borrowings.

The Company enters into cross currency interest rate swaps to reduce its exposure to interest rate volatility. In accordance with the Company's policy the duration of such cross currency interest rate swaps must not exceed the tenure of the underlying debt.

The Company has entered into cross currency interest rate swap to hedge the interest rate exposure and currency exposure for external commercial borrowings and forward contracts / options for payments of interest and principle for FCNR term loans.

The Company's borrowings majorly consists of project funding loans and working capital loans having variable rate of interest.

The interest rate profile of the Company's interest-bearing instruments as reported to management is as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Fixed rate instruments		
Non-current and current borrowings	50,318.50	55,017.57
Effect of interest rate swaps	15,362.90	16,475.70
	65,681.40	**71,493.27**
Variable rate instruments		
Non-current and current borrowings	82,054.07	88,550.60
Effect of interest rate swaps (Hedge portion)	(15,362.90)	(16,475.70)
	66,691.17	**72,074.90**
	132,372.57	**143,568.17**

2.40 Financial instruments - Fair values and risk management (continued)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Company's assets are located in India. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating and financing activities. The functional currency of the Company is Indian rupee. The currencies in which these transactions are primarily denominated in US dollars (USD) and Singapore dollar (SGD).
The Company evaluates the exposure and enters into foreign currency derivative instruments like forward contracts, cross currency swaps to mitigate the exposure.

The summary quantitative data about the Company's exposure to currency risk (based on notional reports) is as follows:

Particulars	Currency	As at 31 March 2021		As at 31 March 2020	
		Indian Rupees	Foreign currency	Indian Rupees	Foreign currency
Financial assets					
Trade receivables	USD	722.55	9.83	1,147.37	15.22
Other financial assets (unbilled receivables)	USD	986.43	13.42	934.79	12.40
Total financial assets		**1,708.98**		**2,082.16**	
Financial liabilities					
Borrowings - ECB, FCNR and Buyer's credit	USD	(45,966.50)	(627.44)	(47,092.58)	(623.87)
Trade payables	USD	(998.19)	(13.58)	(935.54)	(12.41)
Trade payables	SGD	-	-	(25.07)	(0.48)
Other financial liabilities	SGD	(100.94)	(1.87)	(44.59)	(0.85)
Other financial liabilities	USD	(3,871.49)	(52.67)	(3,969.07)	(52.65)
Total financial liabilities		**(50,937.12)**		**(52,066.85)**	
Net financial liabilities		**(49,228.14)**		**(49,984.69)**	
Less: Derivatives					
Foreign exchange forward contracts (against Buyer's credit)	USD	2,138.25	29.09	1,473.79	19.55
Foreign exchange forward contracts (against FCNR)	USD	28,428.76	388.85	29,071.58	384.82
Cross currency interest rate swaps	USD	15,399.23	209.50	16,547.21	219.50
		45,966.24		**47,092.58**	
Net exposure in respect of recognised assets/ (liabilities)		**(3,261.90)**		**(2,892.11)**	

Sensitivity analysis:

A reasonably possible strengthening /(weakening) of Indian rupee against US dollar as at balance sheet date would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Particulars	Profit/(loss)		Equity increase/(decrease), net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)				
As at 31 March 2021	158.05	(158.05)	158.05	(158.05)
As at 31 March 2020	141.12	(141.12)	141.12	(141.12)
SGD (5% movement)				
As at 31 March 2021	5.05	(5.05)	5.05	(5.05)
As at 31 March 2020	3.48	(3.48)	3.48	(3.48)

(iii) Commodity price risk

The prices of imported coal purchases are linked to price fluctuations in international coal market. Significant portion of cost and inventories are exposed to the risk of price fluctuations in international coal markets. The Company uses commodity hedge contracts to hedge the price risk of forecasted transactions.
The Company operates a risk management desk that uses hedging instruments to seek to reduce the impact of market volatility in coal prices on the Company's profitability. The Company's risk management desk uses coal commodity hedge contracts that are available in the commodity derivative markets. (The derivative instruments used for hedging purposes typically do not expose the Company to market risk because the change in their market value is usually offset by an equal and opposite change in the market value of the underlying asset, liability or transaction being hedged). The Company's open positions in commodity hedge contracts are monitored and managed on a regular basis to ensure compliance with its stated risk management policy which has been approved by the management.

Break-up of commodity hedge contracts entered into by the Company and outstanding as at balance sheet date:

Particulars	Contracts currency	Quantity of open contracts (MT)		Fair value of derivative asset/ (liability) (Rs.)	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Coal commodity hedge contracts	USD	156,850	461,385	251.86	(146.88)

iv) Derivative financial instruments

Cash flow hedges:

Cross currency interest rate swaps:
The Company has entered into currency swap contracts to cover the currency risk on USD external commercial borrowings. The Company has also entered into interest rate swap contracts, under which the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

2.40 Financial instruments - Fair values and risk management (continued)

Commodity hedge contracts:
The Company uses commodity hedge contracts to hedge the price risk of forecasted coal purchase transactions. The prices of imported coal purchases are linked to price fluctuations in international coal market. These contracts enable the Company to mitigate the risk of changing coal prices and corresponding cash outflows.

Fair value hedges:

Forward contracts
The fair value of foreign exchange contracts which are not designated as cash flow hedges are accounted for based on the difference between the contractual price and the current market price.
The following table gives details in respect of outstanding nominal value and hedge contract details:

Particulars	Fair value of derivative asset/ (liability) (Rs.)		Nominal values in Foreign currency (USD)		Nominal values Indian Rupees	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Derivatives designated as cash flow hedges:						
Cross currency interest rate swaps						
In USD	1,067.52	1,429.63	209.50	219.50	13,984.13	16,547.21
Commodity hedge contracts						
In USD	251.86	(146.88)	12.60	32.44	926.07	2,445.29
Forward options						
In USD	(5.55)	46.88	6.54	12.20	481.04	922.93
Derivatives not designated as cash flow hedge:						
Forward contracts and swaps						
In USD	(333.37)	1,523.37	438.90	410.99	32,261.03	30,983.04

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer, employee or counterparty to a financial instrument fails to meet it contractual obligation leading to financial loss. The Company is exposed to credit risk from its operating activities primarily for trade and unbilled receivables, and from its financing activities, including short-term deposits with banks, and other financial assets.

The carrying amounts of the financial assets as disclosed in note 2.4 and 2.9 represent the maximum credit risk exposure.

Trade receivables and unbilled receivables
The Company has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e. sale of power. The Company ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed undertakings which are sovereign backed and other large corporates.
Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Company has adopted a policy of dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit worthiness of its customers are continuously monitored.
As at 31 March 2021 and 31 March 2020, the Company has 2 customers that owed the Company more than 90% of the trade receivable outstanding.

The Company also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade receivables.

Impairment
The movement in Allowance for expected credit loss in respect of trade receivables and unbilled revenue during the year is as follows:

Particulars	Allowance for expected credit loss	
	As at 31 March 2021	As at 31 March 2020
Trade and unbilled receivables		
Balance at the beginning of the year	323.50	112.10
Movement in loss allowance	217.89	211.40
Balance at the end of the year	**541.39**	**323.50**

Other financial assets/ derivative assets
Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks and financial institutions (including derivatives contracts), investments in mutual funds.

Credit risk on cash and cash equivalents, other bank balances and derivative assets are limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks and financial institution, the Company does not expect these banks and financial institutions to fail in meeting their obligations.

Credit risk arising from investment in mutual funds is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The mutual funds are valued at market price prevailing at reporting date which represents the fair value.

The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price. The fair value of interest rate swaps and cross currency swaps are the indicative amounts that the Company is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

2.40 Financial instruments - Fair values and risk management (continued)

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Company is exposed to this risk from its operating activities and financing activities. The Company's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liability when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Company to meet its obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as of the reporting date.

As at 31 March 2021

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	130,742.83	25,040.21	68,810.16	103,800.70	197,651.07
Borrowings - short-term	7,919.13	7,919.13	-	-	7,919.13
Trade payables	1,854.44	1,854.44	-	-	1,854.44
Other financial liabilities (excluding current maturities and interest accrued on borrowings)	7,560.38	7,507.96	66.19	2.72	7,576.87
Derivatives	339.43	339.43	-	-	339.43
	148,416.21	**42,661.17**	**68,876.35**	**103,803.42**	**215,340.94**

As at 31 March 2020

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	138,348.00	12,460.85	89,085.29	118,740.60	220,286.74
Borrowings - short-term	12,617.57	12,617.57	-	-	12,617.57
Trade payables	4,280.23	4,280.23	-	-	4,280.23
Other financial liabilities (excluding current maturities and interest accrued on borrowings)	7,613.06	7,559.49	67.05	7.37	7,633.91
Derivatives	146.88	146.88	-	-	146.88
	163,005.74	**37,065.02**	**89,152.34**	**118,747.97**	**244,965.33**

*Contractual cash flows includes contractual interest payments based on the interest rate prevailing at the reporting date.

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2.41 Related party disclosure

a) List of related parties

Name of the party	Nature of relationship
Sembcorp Industries Ltd, Singapore	Ultimate holding company
Sembcorp Utilities Pte Ltd, Singapore	Holding company
TPCIL Singapore Pte Ltd, Singapore	Subsidiary
Sembcorp Green Infra Limited, India	Subsidiary
Sembcorp India Private Limited, India	Entity under common control
Gayatri Projects Limited, India	Key management personnel having significant influence (Up to 30 December 2019)
Gayatri Energy Ventures Private Limited, India	
Deep Corporation Private Limited, India	
Gayatri Hi-Tech Hotels Limited, India	
Wong Kim Yin	Chairman (w.e.f 11 August 2020)
Neil Mcgregor	Chairman (Upto 30 June 2020)
T V Sandeep Kumar Reddy	Director (Upto 31 December 2019)
Vipul Tuli	Managing Director
Radhey Shyam Sharma	Independent Director
Kalaikuruchi Jairaj	Independent Director
Sangeeta Talwar	Independent Director
Bobby Kanubhai Parikh	Independent Director (Upto 01 September 2020)
Looi Lee Hwa	Director
Juvenil Jani	Chief Financial Officer
Narendra Ande	Company Secretary

b) The following are the transactions with related parties during the year

	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent and utility expense		
Deep Corporation Private Limited	-	9.09
Gayatri Hi-Tech Hotels Limited	-	0.88
Sembcorp India Private Limited	18.92	20.35
Consultancy expenses		
Sembcorp Utilities Pte Ltd	196.03	199.21
Bank guarantee fees/ commission		
Sembcorp Utilities Pte Ltd	223.55	222.13
Interest expense on INR Denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	4,397.88	4,409.93
Purchase of property, plant and equipment		
Sembcorp India Private Limited	-	20.17
Purchase of Other intangible assets		
Sembcorp Utilities Pte Ltd	13.10	-
Reimbursement of expenses		
Sembcorp Green Infra Limited	-	0.81
Sembcorp India Private Limited	0.30	5.22
Sembcorp Utilities Pte Ltd	8.46	18.80
Sembcorp Industries Ltd	0.41	0.02
Share based payments reimbursement		
Sembcorp Utilities Pte Ltd	56.35	30.21
Margin money recovered		
Gayatri Projects Limited	-	564.73
Amount received and paid to Statutory Authorities on behalf		
Sembcorp Utilities Pte Ltd	-	136.01

2.41 Related party disclosure

b) The following are the transactions with related parties during the year (continued)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Equity shares issued during the year		
Sembcorp Utilities Pte Ltd	-	5,169.00
Interest received on margin money recovered		
Gayatri Projects Limited	-	219.43
Interest received		
Gayatri Energy Ventures Private Limited	-	320.07
Other reimbursements received		
Sembcorp Green Infra Ltd	0.71	-
Interest paid on INR Denominated notes(Net of TDS)		
Sembcorp Utilities Pte Ltd	5,498.15	3,515.94
Investment in subsidiaries		
TPCIL Singapore Pte Ltd	-	1.78
Sembcorp Green Infra Limited	-	5,169.00
Salaries to Key managerial person*		
Vipul Tuli	61.49	63.21
Juvenil Jani	21.00	24.18
Narendra Ande	5.60	5.35
Sitting fees to Directors (including taxes)		
Radhey Shyam Sharma	1.65	1.89
Kalaikuruchi Jairaj	1.62	1.89
Sangeeta Talwar	1.62	1.89
Bobby Kanubhai Parikh	0.47	0.94

* Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

c) Details of related party balances is as under:

	As at 31 March 2021	As at 31 March 2020
Related party receivables		
Sembcorp Green Infra Limited	0.84	-
Related party payables		
Sembcorp India Private Limited (Trade payables)	0.11	1.61
Sembcorp Utilities Pte Ltd (Trade payables)	23.95	46.46
Sembcorp Utilities Pte Ltd (Other payables)	100.94	44.59
Related party borrowings		
Sembcorp Utilities Pte Ltd	42,400.00	42,400.00
Interest accrued on INR denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	6,662.98	8,003.62
Corporate guarantee given for external commercial borrowings/term loans		
Sembcorp Utilities Pte Ltd (Represents the amount of facility outstanding)	42,718.33	45,539.13
Corporate guarantee given for short-term borrowings		
Sembcorp Utilities Pte Ltd (Represents the amount of facility outstanding)	-	4,752.04

2.42 **Share-based Payments**

The Company participates in Share based plans of parent Company, Sembcorp Industries Limited (SCI) for its share-based remuneration arrangements which include Performance Share Plan (SCI PSP) and Restricted Share Plan (SCI RSP), collectively known as 'Share Plans 2010 and Share Plans 2020'. During the current year, shareholders of SCI have approved the SCI Share Plans 2020 to replace existing Share Plans 2010 which expired in April 2020. The SCI RSP is for directors and employees of the Company, whereas the SCI PSP is primarily for key executives of the Company. The detail of Share Plan are as follows:

a) SCI Performance Share Plan (PSP)

The SCI PSP 2010 is targeted at senior management who shoulder the responsibility for the Company's performance and who are able to drive the growth of the Company to deliver long-term shareholder value. Senior management participants are required to hold a minimum percentage of the shares released to them under the SCI PSP 2010 to maintain a stake in the Company, for the duration of their employment or tenure with the Company.

b) SCI Restricted Share Plan (RSP)

Restricted shares will be granted to eligible employees based on financial performance and corporate objectives achieved in the preceding year. The performance criteria for FY2020 and FY2019 restricted shares awards granted are calibrated based on Earnings Before Interest Tax Depreciation and Amortisation (EBITDA), Return On Equity (ROE) (excluding Sembcorp Marine Ltd), and non-financial performance targets, comprising transformation milestones and adherence to environment, health and safety standards achieved by the SCI for the respective preceding financing year.

For prior years till financial year 2019-20, for managerial participants, depending on achievement of criteria outlined above, a quarter of the SCI RSP awards granted will vest immediately with the remaining three-quarters vest over the following three years in equal tranches, subject to individual performance and fulfilment of service conditions at vesting.

In financial year 2020-21 shares under SCI RSP 2020 will form part of the incentives for selected management level employees. Under the Plan, a specified number of RSP shares will be awarded at the end of the financial period depending on the achievement of the Group, business unit and individual performance level. Each grant will vest in three equal tranches, with the first tranche vesting in the grant year. Subsequent tranches will vest over next two years following the year of the grant.

A participant's award under the 2020 & 2010 Share Plans are determined by the Executive Resource & Compensation Committee (ERCC) of SCI taking into account, inter alia, the participant's performance during the relevant period, and his / her capability, entrepreneurship, scope of responsibility and skill set. For 2020, the ERCC decided not to grant any PSP Share attributed in part to the significant changes to the strategy of the business.

The details of the movement of PSP and RSP shares of SCI awarded during the year to employees of the Company are as follows:
The following are the summary of movement in PSP and RSP during the year ended 31 March 2021

Particulars	SCI PSP 2010	SCI RSP 2010	SCI RSP 2020
Outstanding at the beginning of the year	326,000	476,470	-
Granted during the year	323,636	448,018	589,042
Vested during the year	-	(369,121)	(153,974)
Forfeited / lapsed during the year	(190,884)	-	-
Outstanding at the end of the year	**458,752**	**555,367**	**435,068**

The following are the summary of movement in PSP and RSP during the year ended 31 March 2020

Particulars	SCI PSP 2010	SCI RSP 2010
Outstanding at the beginning of the year	136,000	208,408
Granted during the year	230,000	475,262
Vested during the year	-	(207,200)
Forfeited / lapsed during the year	(40,000)	-
Outstanding at the end of the year	**326,000**	**476,470**

The fair values of the PSP and RSP shares are estimated using a Monte Carlo simulation and weighted average cost methodology at the grant dates along with other factors as below.

Information on outstanding and exercisable options is set out below for the year ended 31 March 2021

Particulars	SCI PSP 2010	SCI RSP 2010	SCI RSP 2020
Options outstanding at the end of the year			
Number of options outstanding	458,752	555,367	435,068
Remaining contractual life in years	1.62	1.83	2.44
Risk free interest rate (depending on maturity)	0.77% – 0.96%	0.77% – 0.96%	0.77% – 0.96%
Expected dividend yield shares	3.50%	3.50%	3.50%
Weighted average price (SGD)	1.24	1.33	1.93

Information on outstanding and exercisable options is set out below for the year ended 31 March 2020

Particulars	SCI PSP 2010	SCI RSP 2010
Options outstanding at the end of the year		
Number of options outstanding	326,000	476,470
Remaining contractual life in years	2.62	2.67
Risk free interest rate (depending on maturity)	1.90%	1.90%
Expected dividend yield shares	3.20%	3.20%
Weighted average price (SGD)	1.26	2.17

The Company had charged Rs. 56.35 million (31 March 2020: Rs. 30.21 million) on account of share based payment based on the fair value of the performance shares and restricted shares at the grant date and is being expensed over the vesting period.

2.43 During the previous years, the Company had filed insurance claim for damage and business interruption on account of breakdown of stator and repair of rotor with New India Assurance Company Limited. The Company has received insurance claim approval of Rs 2,139.81 million i.e., Rs 658.09 million for stator and rotor damage claim and Rs 1,481.72 million for Business Interruption Insurance claim. During the year the Company has received an insurance claim amounting to Rs 781.72 million (31 March 2020: Rs 1,358.09 million) and the same has been accounted as insurance income.

2.44 The Company has receivable of Rs. 1,543.88 million (31 March 2020: Rs 711.03 million) related to GST input refund against the export of electricity made to Bangladesh. However, the input credit receivable has been challenged by GST Authorities for which an application has been filed by the Company with Ministry of Revenue and the process for refund is at various stages with GST authorities.

2.45 The Company had in earlier year filed a petition under Section 79 of the Electricity Act, 2003 seeking compensation on account of Change in Law events in terms of its Power Purchase Agreement (PPA) entered into with Andhra Pradesh and Telangana DISCOMs for supply of 500 MW power from its power generation plant. Central Electricity Regulatory Commission (CERC) vide its order dated August 21, 2020, had accepted the events and claims set out by the Company as Change in Law events. Accordingly, during the period, the Company has accounted an amount of Rs 6,478.22 million for change in law claims up to 31 March 2021 of which Rs. 5,225.90 million has been accounted as revenue from operations while Rs. 1,252.31 million related to carrying cost has been classified as Other income.

2.46 During the previous year, Gayatri Energy Ventures Private Limited ('GEVPL') who was having 5.95% shareholding in SEIL has sold off its stake to Sembcorp Utilities Pte. Limited. As part of the definitive agreement, Gayatri Energy Ventures Limited ('GEVPL) and Gayatri Projects Limited ('GPL') repaid the balance outstanding amount to the Company with interest. Hence, the Company has received Rs. 1,002.91 million against outstanding advance and reimbursement of interest cost. Accordingly, the Company has recognized Rs. 320.07 million received from GEVPL as miscellaneous income in the previous year.

2.47 During the year ended 31 March 21, the Company has accounted Late payment surcharges from customers Rs. 2,846.56 million which includes Rs.686.94 million as an adjusting event inline with the guidance under Ind AS 10 ('Events after the reporting period').

2.48 In view of recent surge in COVID-19 cases, few states reintroduced some restrictions and the Company continues to be vigilant and cautious. The Company has considered the possible impact of COVID-19 in preparation of the financial statements. The impact of the global health pandemic may be different from that estimated as at the date of approval of financial statements. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.

2.49 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

As per our report on standalone financial statements of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/ W-100024

Hemant Maheshwari
Digitally signed by Hemant Maheshwari
Date: 2021.05.24 21:18:33 +05'30'

Hemant Maheshwari
Partner
Membership No: 096537

Place: Hyderabad
Date: 24 May 2021

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103TG2008PLC057031

WONG KIM YIN
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street=152 PASIR RIS ROAD, o=Personal, cn=WONG KIM
YIN, pseudonym=c4bd3f39876c633047f7131dffc48e9d
Date: 2021.05.24 19:51:29 +05'30'

Wong Kim Yin
Chairman
DIN: 08806258

VIPUL TULI
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Date: 2021.05.24 20:03:52 +05'30'

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Ashwinkumar Jani
Digitally signed by Juvenil Ashwinkumar Jani
Date: 2021.05.24 19:32:25 +05'30'

Juvenil Jani
Chief Financial Officer

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serialNumber=d320d0d377dfb4501a1d6423941e0d6be56833a3d4e3
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email=NARENDRA.ANDE@SEMBCORP.COM
Date: 2021.05.24 19:20:05 +05'30'

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 24 May 2021

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Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Sembcorp Energy India Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Sembcorp Energy India Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon. The information included in the annual report are expected to be made available to us after the date of auditor's report.

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

Principal Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Other Information (continued)

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

When we read the other information included in the annual report, If we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance and take necessary actions, as applicable under applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company, and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the Companies included in the Group is responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Other Matters

(a) We did not audit the financial statements of two step-down subsidiaries whose financial statements reflect total assets of Rs. 19,363.87 million as at 31 March 2021, total revenues of Rs. 2,660.42 million and net cash outflows amounting to Rs. 143.19 million for the year ended on that date, as considered in the consolidated financial statements of the Group. These consolidated 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 of the Group, in so far as it relates to the amounts and disclosures included in respect of these step-down subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid step-down subsidiaries is based solely on the audit reports of the other auditors.

(b) We did not audit the financial statements of a subsidiary incorporated outside India, whose financial statements reflect total assets of Rs. 1.01 million as at 31 March 2021, total revenues of Rs. Nil and net cash outflows amounting to Rs. 0.35 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditor. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as is relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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 auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such step-down subsidiaries, as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its step-down subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary Company and step-down subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the step-down subsidiaries, as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group. Refer Note 3.38 to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts. Refer Note 3.15 to the consolidated financial statements.

Report on Other Legal and Regulatory Requirements (continued)

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary Company and step-down subsidiary companies incorporated in India during the year ended 31 March 2021.

iv. The disclosures in the consolidated 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 the financial statements since they do not pertain to the financial year ended 31 March 2021

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 and based on the reports of the statutory auditors of such step-down subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary Company and step-down subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary Company and step-down subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **BSR & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 116231 W/W- 100024

Hemant Maheshwari

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Date: 2021.05.24 21:21:54 +05'30'

Hemant Maheshwari
Partner
Membership No.: 096537
UDIN: 21096537AAAACP3917

Place: Hyderabad
Date: 24 May 2021

Annexure A to the Independent Auditors' report on the consolidated financial statements of Sembcorp Energy India Limited for the period ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('Act')

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of as the Company of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Sembcorp Energy India Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls 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 and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated 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 consolidated 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 consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness.

Annexure A to the Independent Auditors' report on the consolidated financial statements of Sembcorp Energy India Limited for the period ended 31 March 2021 (continued)

Auditors' Responsibility (continued)

Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated 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 consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Annexure A to the Independent Auditors' report on the consolidated financial statements of Sembcorp Energy India Limited for the period ended 31 March 2021 (continued)

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to the two-step down subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

*f*or **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 116231 W/W- 100024

Hemant Maheshwari

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Date: 2021.05.24 21:22:26 +05'30'

Hemant Maheshwari
Partner
Membership No.: 096537

Place: Hyderabad
Date: 24 May 2021

Sembcorp Energy India Limited
Consolidated Balance Sheet
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
I **Non-current assets**			
(a) Property, plant and equipment	3.1	239,424.94	246,315.92
(b) Capital work-in-progress	3.1	703.18	4,637.45
(c) Goodwill	3.2	1,234.20	1,234.20
(d) Other intangible assets	3.2	19.96	10.36
(e) Financial assets			
(i) Derivative assets	3.3	332.54	1,899.35
(ii) Other financial assets	3.4	7,017.55	5,991.67
(f) Non-current tax assets (net)	3.5	1,133.43	1,146.67
(g) Deferred tax assets (net)	3.6	243.68	186.66
(h) Other non-current assets	3.7	939.02	1,415.01
Total non-current assets		**251,048.50**	**262,837.29**
II **Current assets**			
(a) Inventories	3.8	4,780.58	7,787.23
(b) Financial assets			
(i) Investments	3.9	4,438.65	3,230.07
(ii) Trade receivables	3.10	29,761.96	22,928.57
(iii) Cash and cash equivalents	3.11	3,191.68	4,422.65
(iv) Bank balances other than (iii) above	3.11	3,637.21	4,293.48
(v) Derivative assets	3.3	1,341.69	1,597.51
(vi) Other financial assets	3.4	8,058.45	6,756.33
(c) Other current assets	3.7	3,528.59	2,850.74
Total current assets		**58,738.81**	**53,866.58**
Total assets		**309,787.31**	**316,703.87**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	3.12	54,336.69	54,336.69
(b) Other equity	3.13	29,428.40	20,150.37
(c) Non-controlling interests		132.30	185.76
Total equity		**83,897.39**	**74,672.82**
LIABILITIES			
I **Non-current liabilities**			
(a) Financial liabilities			
(i) Borrowings	3.14	167,869.81	182,166.56
(ii) Derivatives	3.15	5.58	9.85
(iii) Other financial liabilities	3.16	6,155.57	7,335.38
(b) Provisions	3.17	448.97	377.23
(c) Deferred tax liabilities (net)	3.6	724.42	780.27
(d) Other non-current liabilities	3.18	495.39	405.92
Total non-current liabilities		**175,699.74**	**191,075.21**
II **Current liabilities**			
(a) Financial liabilities			
(i) Borrowings	3.19	9,309.13	23,993.82
(ii) Trade payables	3.20		
Dues to micro and small enterprises		8.25	8.25
Dues to creditors other than micro and small enterprises		2,199.47	4,530.13
(iii) Derivatives	3.15	339.76	146.98
(iv) Other financial liabilities	3.16	33,361.02	17,254.82
(b) Other current liabilities	3.18	4,620.84	4,638.26
(c) Provisions	3.17	12.47	9.47
(d) Current tax liabilities (net)	3.21	339.24	374.11
Total current liabilities		**50,190.18**	**50,955.84**
Total liabilities		**225,889.92**	**242,031.05**
Total equity and liabilities		**309,787.31**	**316,703.87**

Significant accounting policies 2

The accompanying notes form an integral part of the consolidated financial statements
As per our report on consolidated financial statements of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/ W-100024

Hemant Maheshwari
Digitally signed by Hemant Maheshwari
Date: 2021.05.24 21:02:39 +05'30'

Hemant Maheshwari
Partner
Membership No: 096537

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103TG2008PLC057031

WONG KIN YIN
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Wong Kim Yin
Chairman
DIN: 08806258

VIPUL TULI
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Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Ashwinkumar Jani
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Juvenil Jani
Chief Financial Officer

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Sembcorp Energy India Limited
Consolidated Statement of profit and loss
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

		Note	For the year ended 31 March 2021	For the year ended 31 March 2020
I	**Income**			
	Revenue from operations	3.22	87,559.30	84,634.59
	Other income	3.23	4,629.58	5,033.82
	Total income		**92,188.88**	**89,668.41**
II	**Expenses**			
	Cost of fuel	3.24	40,519.73	43,118.24
	Transmission charges	3.25	2,503.48	2,859.14
	Employee benefits expense	3.26	2,182.03	2,095.37
	Finance costs	3.27	19,970.03	20,413.01
	Depreciation and amortisation expenses	3.28	12,487.04	12,016.27
	Operating and other expenses	3.29	6,151.85	6,091.95
	Total expenses		**83,814.16**	**86,593.98**
III	**Profit before tax**		**8,374.72**	**3,074.43**
IV	**Tax expense**	3.30		
	Current tax expense		50.71	128.55
	Deferred tax credit		(112.56)	(136.31)
	Total tax credit		**(61.85)**	**(7.76)**
V	**Profit for the year**		**8,436.57**	**3,082.19**
VI	**Other comprehensive income/(loss)**			
(A)	**Items that will not be reclassified to profit or loss**			
	Remeasurement of defined benefit liabilities, net		(3.67)	(9.48)
	Tax effect on above item	3.30	0.31	0.40
			(3.36)	**(9.08)**
(B)	**Items that will be reclassified to profit or loss**			
	Effective portion of changes in fair value of cash flow hedge		557.14	333.57
	Tax effect on above item	3.30	-	-
			557.14	**333.57**
VII	**Total comprehensive income for the year**		**8,990.35**	**3,406.68**
	Attributable to:			
	Shareholders of the Company		9,045.77	3,451.31
	Non-controlling interests		(55.42)	(44.63)
			8,990.35	**3,406.68**
	Profit for the year attributable to:			
	Shareholders of the Company		8,491.91	3,126.72
	Non-controlling interests		(55.34)	(44.53)
			8,436.57	**3,082.19**
	Other comprehensive income attributable to:			
	Shareholders of the Company		553.86	324.59
	Non-controlling interests		(0.08)	(0.10)
			553.78	**324.49**
	Earnings per equity share	3.31		
	(face value of share Rs.10 each)			
	- Basic and diluted (Rs.)		1.56	0.58

Significant accounting policies 2

The accompanying notes form an integral part of the consolidated financial statements
As per our report on consolidated financial statements of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/ W-100024

Hemant Maheshwari
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Hemant Maheshwari
Partner
Membership No: 096537

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103TG2008PLC057031

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Wong Kim Yin
Chairman
DIN: 08806258

VIPUL TULI
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Date: 2021.05.24 20:05:09 +05'30'

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Ashwinkumar Jani
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Date: 2021.05.24 19:34:38 +05'30'

Juvenil Jani
Chief Financial Officer

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Narendra Ande
Company Secretary
Membership No: A14603

Place: Hyderabad
Date: 24 May 2021

Place: Gurugram
Date: 24 May 2021

Sembcorp Energy India Limited
Consolidated Statement of Cash Flow
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flow from operating activities		
Profit before tax	**8,374.72**	**3,074.43**
Non-cash adjustment to reconcile profit before tax to net cash flows		
- Depreciation and amortisation expenses	12,487.04	12,016.27
- De recognition of property, plant and equipment	54.27	315.44
- Impairment of capital work-in-progress and deposits	-	327.08
- Net unrealised (gain)/loss on foreign exchange differences	(110.49)	390.10
- Doubtful receivables and advance written off	5.06	0.35
- Allowance for expected credit losses, net	246.65	376.12
- Unrealised loss/(gain) on derivatives, net	178.04	(167.49)
Finance costs	19,970.03	20,413.01
Net gain on fair value changes classified as FVTPL	(161.87)	(270.71)
Interest income	(614.86)	(887.63)
Operating cash flows before working capital changes	**40,428.59**	**35,586.97**
Movements in working capital:		
Decrease/(increase) in inventories	3,006.65	(2,319.09)
Increase in trade receivables	(7,133.40)	(2,264.08)
(Increase)/decrease in financial and non-financial assets including derivative assets and liabilities	(1,380.82)	3,027.38
(Decrease)/increase in trade payables and other financial liabilities	(4,448.68)	1,279.00
Increase/(decrease) in other liabilities	54.18	(49.44)
Increase in provisions	40.73	28.24
Cash generated from operations	**30,567.25**	**35,288.98**
Income-tax paid (net)	(51.77)	(290.88)
Net cash generated from operating activities	**30,515.48**	**34,998.10**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress), capital advances and payment to capital vendors	(1,549.19)	(16,542.41)
Proceeds from sale of property, plant and equipment	2.09	-
Purchase of mutual funds, net	(1,045.06)	(75.09)
Investment in bank deposits, net	(322.63)	(143.25)
Interest income received	690.35	974.11
Acquisition of shares in subsidiaries from non-controlling interest	(0.98)	(1.30)
Sale of shares in subsidiaries to non-controlling interest	0.48	0.60
Net cash used in investing activities	**(2,224.94)**	**(15,787.34)**
C. Cash flows from financing activities		
Proceeds from issue of shares including securities premium	-	5,169.00
Payment for expenses incurred in relation to issuance of shares	-	(13.59)
Proceeds from long-term borrowings	13,693.96	18,410.63
Repayment of long-term borrowings	(19,233.11)	(15,038.75)
Net repayment of short-term borrowings	(5,142.64)	(7,197.35)
Repayment of lease liabilities	(18.38)	(51.28)
Interest and finance charges paid	(18,821.34)	(20,070.61)
Net cash used in financing activities	**(29,521.51)**	**(18,791.95)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(1,230.97)	418.81
Cash and cash equivalents at the beginning of the year	4,422.65	4,003.84
Cash and cash equivalents at the end of the year	**3,191.68**	**4,422.65**

Sembcorp Energy India Limited
Consolidated Statement of Cash Flow (continued)
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
Components of cash and cash equivalents comprise:		
Balance with scheduled banks		
On current accounts	507.65	1,645.19
Deposits with original maturity of less than three months	2,684.03	2,777.46
Total cash and cash equivalents	**3,191.68**	**4,422.65**

Reconciliation between the opening and closing balances in the balance sheet for liabilities and financial assets arising from financing activities are given below:

Particulars	As at 31 March 2020	Net cash flows	Foreign exchange movement, reclassification and borrowing cost	As at 31 March 2021
Long-term borrowings	189,954.67	(5,539.15)	7,375.00	191,790.52
Short-term borrowings	23,993.82	(5,142.64)	(9,542.05)	9,309.13
	213,948.49	**(10,681.79)**	**(2,167.05)**	**201,099.65**

Significant accounting policies 2

The accompanying notes form an integral part of the consolidated financial statements
As per our report on consolidated financial statements of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/ W-100024

Hemant Maheshwari
Digitally signed by Hemant Maheshwari
Date: 2021.05.24 21:05:11 +05'30'

Hemant Maheshwari
Partner
Membership No: 096537

Place: Hyderabad
Date: 24 May 2021

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103TG2008PLC057031

WONG KIM YIN
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Date: 2021.05.24 19:45:00 +05'30'

Wong Kim Yin
Chairman
DIN: 08806258

Juvenil Ashwinkumar Jani
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Date: 2021.05.24 19:35:14 +05'30'

Juvenil Jani
Chief Financial Officer

Place: Gurugram
Date: 24 May 2021

VIPUL TULI
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Date: 2021.05.24 20:05:36 +05'30'

Vipul Tuli
Managing Director
DIN: 07350892

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Date: 2021.05.24 19:09:16 +05'30'

Narendra Ande
Company Secretary
Membership No: A14603

Sembcorp Energy India Limited
Consolidated Statement of Changes in Equity for the year ended 31 March 2021
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Equity share capital	Reserves and surplus								Other items of other comprehensive income	Equity attributable to shareholder of the Company	Non-controlling interest	Total
		Securities premium	Capital reserve on acquisition	Capital reserve	Capital redemption reserve	Debenture redemption reserve	General reserve	Other reserves	Retained earnings	Effective portion of cash flow hedges			
Balance as at 1 April 2019	**51,587.22**	**37,787.50**	**(14,550.18)**	**1,121.58**	**1.01**	**125.00**	**74.00**	**650.95**	**(10,472.48)**	**(932.35)**	**65,392.25**	**238.17**	**65,630.42**
Equity shares issued during the year	2,749.47	-	-	-	-	-	-	-	-	-	**2,749.47**	-	**2,749.47**
Securities premium on equity shares issued	-	2,419.53	-	-	-	-	-	-	-	-	**2,419.53**	-	**2,419.53**
Expenses incurred on issuance of shares	-	-	-	-	-	-	-	-	(13.59)	-	**(13.59)**	-	**(13.59)**
Transfers to reserves (refer note 3.13)	-	-	-	-	0.85	(125.00)	125.00	-	(0.85)	-	**-**	-	**-**
Transition adjustment of Ind AS 116 "Leases"	-	-	-	-	-	-	-	-	(28.15)	-	**(28.15)**	-	**(28.15)**
Change in stake of step-down subsidiaries	-	-	-	-	-	-	-	7.08	-	-	**7.08**	(7.78)	**(0.70)**
Profit for the year	-	-	-	-	-	-	-	-	3,126.72	-	**3,126.72**	(44.53)	**3,082.19**
Other comprehensive income/(loss)	-	-	-	-	-	-	-	-	(8.98)	333.57	**324.59**	(0.10)	**324.49**
Fair value of interest free INR denominated notes from holding company	-	-	-	-	-	-	-	509.16	-	-	**509.16**	-	**509.16**
Balance as at 31 March 2020	**54,336.69**	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.86**	**-**	**199.00**	**1,167.19**	**(7,397.33)**	**(598.78)**	**74,487.06**	**185.76**	**74,672.82**
Transfers to reserves (refer note 3.13)	-	-	-	-	0.32	-	-	-	**(0.32)**	-	**-**	-	**-**
Change in stake of step-down subsidiaries	-	-	-	-	-	-	-	(2.46)	-	-	**(2.46)**	1.96	**(0.50)**
Profit for the year	-	-	-	-	-	-	-	-	8,491.91	-	**8,491.91**	**-**	**8,491.91**
Other comprehensive income/(loss)	-	-	-	-	-	-	-	-	(3.28)	557.14	**553.86**	(55.34)	**498.52**
Fair value of interest free INR denominated notes from holding company	-	-	-	-	-	-	-	234.72	-	-	**234.72**	(0.08)	**234.64**
Balance as at 31 March 2021	**54,336.69**	**40,207.03**	**(14,550.18)**	**1,121.58**	**2.18**	**-**	**199.00**	**1,399.45**	**1,090.98**	**(41.64)**	**83,765.09**	**132.30**	**83,897.39**

Significant accounting policies 2
The accompanying notes form an integral part of the consolidated financial statements
As per our report on consolidated financial statements of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/ W-100024

Hemant Maheshwari
Digitally signed by Hemant Maheshwari
Date: 2021.05.24 21:06:21 +05'30'

Hemant Maheshwari
Partner
Membership No: 096537

Place: Hyderabad
Date: 24 May 2021

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103TG2008PLC057031

WONG KIM YIN
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postalCode=498993, street=32 PIER ROAD,
title=Personal, cn=WONG KIM YIN,
email=wong.kimyin@sembcorp.com
Date: 2021.05.24 18:54:44 +05'30'

Wong Kim Yin
Chairman
DIN: 08806258

Place: Gurugram
Date: 24 May 2021

VIPUL TULI
Digitally signed by VIPUL TULI
Date: 2021.05.24 20:06:02 +05'30'

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Ashwinkumar Jani
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Date: 2021.05.24 19:35:51 +05'30'

Juvenil Jani
Chief Financial Officer

NARENDRA ANDE
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cn=NARENDRA ANDE, l=JAIPUR,
pseudonym=d39920fa6e6c140848548a6827 6a3128b908,
email=NARENDRA.ANDE@SEMBCORP.COM
Date: 2021.05.24 19:09:49 +05'30'

Narendra Ande
Company Secretary
Membership No: A14603

1. Corporate information

Sembcorp Energy India Limited ('the Company') was incorporated on 8 January 2008 as a public limited company. The Company has been established for developing, constructing, commissioning, operating and maintaining a 1,320 megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh (hereinafter referred to as "SEIL-P1"). The Company had successfully commenced full commercial operations of SEIL-P1 in September 2015.

On 31 October 2018, the Regional Director (RD), Ministry of Corporate Affairs, Hyderabad had approved the scheme of amalgamation (the Scheme) of Sembcorp Gayatri Power Limited (SGPL), one of the wholly owned subsidiary of the Company. The appointed date as per the Scheme was 1 April 2017. Erstwhile SGPL (hereinafter referred to as "SEIL-P2") has been operating and maintaining a 1,320 megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh. The commercial operations of SEIL-P2 had commenced on 17 November 2016 for unit I and on 21 February 2017 for unit II.

The Group through its subsidiaries owns and operates various renewable energy power projects with installed capacity of 1,694.7 MW of wind power projects and 35.00 MW of solar power projects and another 400.0 MW solar project under construction. These projects are intended to sell the power generated, under long-term Power Purchase Agreements (PPAs) with state electricity boards, group captive users and other authorities who award PPAs under competitive bidding.

The consolidated financial statements comprise of the Company and its subsidiaries (collectively referred as the 'Group').

2. Basis of preparation, measurement and significant accounting policies

2.1 Basis of preparation and statement of compliance

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

The consolidated financial statements have been prepared by the Company on a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, 31 March 2021.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on 24 May 2021.

2.2 Functional and presentation currency

These consolidated financial statements are presented in Indian rupees (Rs.) and all the values are rounded off to the nearest million to two decimal places except when otherwise indicated, which is also the functional currency of the Group and the currency of the primary economic environment in which the Group operates. All financial information presented in Indian rupees.

2.3 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following.

Items	Measurement basis
Certain financial assets and liabilities	Fair value (refer accounting policy regarding financial instruments)
Derivative instruments	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.4 Principles of consolidation

The Group consolidates the entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences (other than entities acquired fall under common control) until the date control ceases.

2. Significant accounting policies (continued)

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year. The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31 March. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits / losses, unless cost/revenue cannot be recovered.

The difference between the cost of investment in subsidiaries (investee company) to the Group and the proportionate share in the equity of the investee Company as at the date of acquisition of stake is recognised in the Consolidated Financial Statements as goodwill or capital reserve, as the case may be. Goodwill arising on consolidation is tested for impairment at the Balance Sheet date. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated statement of profit and loss.

The consolidated financial statements are presented, to the extent possible, is in the same format as that adopted by the Company for its standalone financial statements.

2.5 Details of the Group's subsidiaries in the preparation of consolidated financial statements are as follows:

Name of entity	Date of Incorporation	Country of Incorporation	% of Ownership interest and voting power as at	
			31 March 2021	31 March 2020
Direct subsidiaries				
Sembcorp Green Infra Limited (SGIL)	3 April 2008	India	100.00%	100.00%
TPCIL Singapore Pte. Ltd (TPCIL SG)	18 November 2014	Singapore	100.00%	100.00%
Indirect subsidiaries				
Green Infra Wind Energy Limited (GIWEL)	6 June 2005	India	100.00%	100.00%
Green Infra Wind Assets Limited (GIWAL)	14 October 2008	India	100.00%	100.00%
Green Infra Corporate Wind Limited (GICWL)	14 October 2008	India	100.00%	100.00%
Green Infra Solar Energy Limited (GISEL)	29 April 2010	India	100.00%	100.00%
Green Infra Solar Farms Limited (GISFL)	29 April 2010	India	100.00%	100.00%
Green Infra Wind Power Limited (GIWPL)	3 May 2010	India	100.00%	100.00%
Green Infra Wind Ventures Limited (GIWVL)	28 December 2010	India	100.00%	100.00%
Green Infra Wind Limited (GIWL)	23 February 2011	India	100.00%	100.00%
Green Infra Corporate Solar Limited (GICSL)	12 September 2011	India	100.00%	100.00%
Green Infra Wind Energy Project Limited (GIWEPL)	4 July 2011	India	100.00%	100.00%
Green Infra Solar Projects Limited (GISPL)	12 September 2011	India	100.00%	100.00%
Green Infra Wind Energy Assets Limited (GIWEAL)	14 September 2011	India	100.00%	100.00%
Green Infra Wind Farm Assets Limited (GIWFAL)	14 September 2011	India	100.00%	100.00%
Green Infra Wind Solutions Limited (GIWSL)	22 May 2012	India	100.00%	100.00%
Green Infra Wind Technology Limited (GIWTL)	22 May 2012	India	100.00%	100.00%
Green Infra BTV Limited (GIBTVL)	1 September 2008	India	90.46%	90.46%
Green Infra Wind Farms Limited (GIWFL)	14 October 2008	India	60.93%	60.93%
Green Infra Wind Power Generation Ltd. (GIWPGL)	4 July 2011	India	72.09%	71.16%
Green Infra Wind Power Projects Limited (GIWPPL)	4 July 2011	India	69.06%	69.06%
Green Infra Wind Generation Limited (GIWGL)	4 July 2011	India	70.55%	70.55%
Green Infra Wind Energy Theni Limited (GIWETL)	6 January 2011	India	73.02%	73.02%
Green Infra Wind Power Theni Limited (GIWPTL)	6 January 2011	India	73.21%	73.21%
Mulanur Renewable Energy Limited (MREL)	29 January 2016	India	67.30%	67.30%
Green Infra Renewable Energy Limited (GIREL)	2 March 2017	India	100.00%	100.00%
Green Infra Renewable Projects Limited (GIRPL)	18 February 2020	India	100.00%	100.00%

2. Significant accounting policies (continued)

2.6 Use of estimates and judgements

The preparation of these consolidated financial statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities as at the date of the consolidated financial statements.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the consolidated financial statements in the year in which changes are made, if material, their effects are disclosed in the notes to the consolidated financial statements.

Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

i. Impairment of investments

The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

ii. Impairment of trade receivable and unbilled receivables

The Group has measured the lifetime expected credit loss by using practical expedients. It has accordingly used a provision matrix derived by using a flow rate model to measure the expected credit losses for trade receivables. Further, need for incremental provisions have been evaluated on a case to case basis where forward-looking information on the financial health of a customer is available and in cases where there is an ongoing litigation/dispute.

iii. Useful lives of property, plant and equipment and intangible assets

The Group reviews the useful life of property, plant and equipment and intangible at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

iv. Valuation of deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forward and tax credits. Deferred tax assets are recognized to the extent there is reasonable certainty of future taxable income which will be available against the deductible temporary differences, unused tax losses and depreciation carry-forward.

v. Defined benefit plans

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

vi. Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Group uses significant judgements to disclose contingent liabilities. 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 Group 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2. Significant accounting policies (continued)

vii. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

viii. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ix. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management.

2.7 Recent pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. No new standards are notified during the year.

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. These amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

2. Significant accounting policies (continued)

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

2.8 Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:
i) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle.
ii) it is held primarily for the purpose of being traded.
iii) it is expected to be realised within 12 months after the reporting date; or
iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:
i) it is expected to be settled in the Group's operating cycle.
ii) it is held primarily for the purpose of being traded.
iii) it is due to be settled within 12 months after the reporting date; or
iv) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. 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 Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.9 Business combinations and goodwill

i) Business combinations (other than common control business combinations):

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combinations, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

2. Significant accounting policies (continued)

When the Group acquired a business, it assessed the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of entities comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, and fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the consolidated statement of profit and loss or other comprehensive income, as appropriate.

ii) Common control business combinations

Business combinations arising from transfers of interests in entities by way of acquisition, amalgamation or merger (combination) that are under the control of the shareholder that controls the Group are accounted for as if the acquisition, amalgamation or merger had occurred at the beginning of the earliest comparative years presented or, if later, at the date that common control was established. The Group has followed pooling of interest method to account acquisition of entities under common control in its consolidated financial statements as per para 9 of Ind AS 103 (Appendix C).

- The assets and liabilities of the combining entities are recognised at their carrying amounts.
- The identity of the reserves is preserved, and they appear in the consolidated financial statements of the Company in the same form in which they appeared in the financial statements of the combining entities.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve on acquisition.

As per para 9(iii) of Ind AS 103 (Appendix C), the financial information in the consolidated financial statements in respect of prior years should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

2.10 Revenue recognition

The Group is engaged in generation and supply of electricity. Revenue from operations are primarily from sale of electricity.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment excluding discounts, rebates, and taxes or duty. When there is uncertainty as to measurement or ultimate collectability of revenue, recognition is postponed until such uncertainty is resolved.

Revenue from the sale of electricity is recognised from the time when production output is delivered to the power network. Revenue from energy units sold as per the terms of the Power Purchase Agreements (‘PPA’) and Letter Of Intent (‘LOI’) (collectively hereinafter referred to as ‘the PPAs’) is recognised on an accrual basis and includes unbilled receivables accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers.

2. Significant accounting policies (continued)

Revenue/charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognised/ charged at rates notified by Central Electricity Regulatory Commission ('CERC') from time to time as revenue from sale of electricity and adjusted with revenue from sale of electricity.

Unbilled receivables represent energy units delivered to the power network as per the terms of PPAs and was not invoiced to the Customers on the reporting date. The Group has unconditional right to receive the cash, and only act of invoicing is pending as on balance sheet date, as per contractual terms. Unearned income (contract liability) is recognised when the billing is in excess of revenue earned.

The Group accounts for fuel and power purchase price adjustment claims in case of claims change in law and etc., as and when allowed by the regulatory authorities and truing-up adjustment claims as and when realised.

Income from generation-based incentive (GBI) is recognised on the basis of supply of units generated by the Group to the Electricity Board in respect of the eligible projects in accordance with the scheme of 'Generation Based Incentive for Grid Interactive Wind Power Projects'.

Revenue from sale of renewable energy certificates (RECs) and voluntary emission reduction certificates (VERs) are recognised when the control has been passed to the buyer, which generally coincides with the delivery of RECs or VERs.

Claims for delayed payment charges, insurance claims and any other claims, which the Group is entitled to under the PPAs, are accounted for in the year of acceptance by the customers or on actual receipt of the claim, whichever is earlier, considering the uncertainty as to measurement or ultimate collectability of revenue.

Interest income is recognized based on effective interest rate method (EIR). It is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend income is recognised when the unconditional right to receive the income is established which is generally when shareholders approves the dividend.

2.11 Property, plant and equipment and depreciation

i. Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the assets to its working condition for their intended use, and estimated costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Tangible assets under construction are disclosed as capital work-in-progress. Software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Cost of other item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

ii. Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is recognised in the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and its costs can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised as an expense when incurred.

2. Significant accounting policies (continued)

iii. Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale is not depreciated.

Regulated assets

Depreciation on the renewable power plants included under plant and machinery are provided at the rates as well as methodology notified (i.e. assets is depreciated at the rate of 5.83% per annum for first 12 years from commissioning date of the assets and remaining value of the asset is depreciated over the next 13 years) by the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2012.

Non-regulated assets

Depreciation on property, plant and equipment is provided on straight line method based on the useful life as specified in Schedule II of the Act, except in respect of the following category of assets, in whose case the estimated useful life of the assets has been assessed based on technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance etc.

Category	Life as per Schedule II	Life considered
Thermal power plants	40 years	25 years
Renewable power plants (won under competitive bidding)	22 years	30 years
Office equipments	5 years	3 years to 5 years
Site equipment (included in plant and machinery)	15 years	3 years to 15 years
Furniture and fixtures	10 years	5 years to 10 years

Leasehold land and improvements are amortised over the lease-term including the optional period, if any, available to the Group, where it is reasonably certain at the inception of lease that such option would be exercised by the Group.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

iv. Disposals

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss on the date of retirement or disposal.

2.12 Intangible assets

Intangible assets other than Goodwill are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets that are acquired are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The intangible assets are amortised over the estimated useful lives as given below:

Category	Life considered
Computer software	3 years
Customer contracts	5 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in the consolidated statement of profit and loss.

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill has indefinite useful life and tested for impairment annually.

2. Significant accounting policies (continued)

2.13 Inventories

Inventories which comprise of fuel, stores and spares are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

2.14 Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss unless it relates to a long-term foreign currency monetary item.

Monetary assets and liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resultant exchange differences are recognised in the consolidated statement of profit and loss unless it relates to a long-term foreign currency monetary item.

Non-monetary assets are recorded at the rate prevailing on the date of the transaction.

Under Indian GAAP, paragraph 46/46A of AS 11, The Effects of Changes in Foreign Exchange Rates, provide accounting treatment with respect to exchange differences arising on restatement of long-term foreign currency monetary items. Ind AS 101 provides an optional exemption that allows to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the consolidated financial statements as on transition date. Certain subsidiaries in the Group have had adopted such exemption with respect of long-term foreign currency borrowings taken in past. Therefore, exchange differences (favorable as well as unfavorable) arising in respect of translation/settlement of long-term foreign currency borrowings attributable to the acquisition of a depreciable asset is added or deducted from the cost of the asset, which would be depreciated over the balance life of the asset.

2.15 Employee benefits

Short-term employee benefits

All employee benefits expected to be settled wholly within twelve months from the reporting date are classified as short-term employee benefits. An employee who has rendered services to the Group during an accounting period, the Group recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense or as required under Ind AS 19 which permits the inclusion of the benefits in the cost to be recognised as an asset. Benefits such as salaries, wages and bonus etc. are recognised in the consolidated statement of profit and loss in the period in which the employee renders the related service.

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Group recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Defined benefit plans

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Group recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset), which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to the consolidated statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no legal or constructive obligation to pay any further amounts. The Group has no obligation, other

2. Significant accounting policies (continued)

than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the consolidated balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the consolidated balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

Bonus plans

The Group recognises a liability and an expense for bonus. The Group recognises a provision where contractually obliged or where there is a contractual obligation.

Share based payment transactions

The Group has not issued any shares / stock options on its shares. The ultimate holding company has however issued certain options on its own shares to certain employees of the Group in the nature of Restricted Share Plan (RSP) and Preferential Share Plan (PSP). These options are in the nature of cash settled award as well as equity settled award. Under the cash settled scheme, the Group pays cash to the employees based on fair value method. The compensation cost is amortised over the vesting period of the stock option on straight-line basis. Under the equity settled scheme, the Group measures and discloses such costs using fair value method.

2.16 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and unwinding of discount on asset retirement obligation. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the consolidated statement of profit and loss over the tenure of the loan.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the consolidated statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. Interest income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense on borrowings is recorded using the effective interest rate (EIR). EIR is the rate that discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.17 Financial instruments

i. Recognition and initial measurement

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

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

2. Significant accounting policies (continued)

ii. Financial assets - Classification and subsequent measurement:

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order 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.

b) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the consolidated statement of profit and loss.

iii. Financial liabilities - Classification and subsequent measurement:

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

a) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the consolidated statement of profit and loss.

b) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv. De-recognition of financial instruments

a) Financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transaction whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

2. Significant accounting policies (continued)

b) Financial liability

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or the same expires.

The Group also derecognise 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 the consolidated statement of profit and loss.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the Group has a legally enforceable right to set off the amount and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.18 Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequently to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the consolidated statement of profit and loss.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

i. Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is either not designated a hedge or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the consolidated statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in the consolidated statement of profit and loss.

ii. Cash flow hedge accounting

Where a derivative is designated as a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised directly in other comprehensive income and presented in the hedge reserve in equity. The ineffective portion of changes in the fair values of the derivative is recognised immediately in the consolidated statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedge reserve is transferred to the net profit in the consolidated statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the consolidated statement of profit and loss.

2.19 Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

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

2. Significant accounting policies (continued)

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

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

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

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

When the fair values of financial assets and financial liabilities recorded in the consolidated financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgements is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk volatility and discount rates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.20 Impairment

i. Financial assets (other than at fair value)

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses ('ECL') to be measured through a loss allowance. The Group recognises lifetime expected losses for trade receivables including unbilled receivables and contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Goodwill has indefinite useful life and tested for impairment annually.

2.21 Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset

2. Significant accounting policies (continued)

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

2.22 Income taxes

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income). Current tax and deferred tax are recognised in the consolidated statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax reflects the best estimate the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit and loss.

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of allowances and disallowances which is exercised while determining the provision for income tax.

Minimum alternate tax (MAT) on the book profits or corporate tax payable on taxable profit is charged to the consolidated statement of profit and loss as current tax.

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 amounts used for taxation purposes. Deferred tax is not recognised for:

a) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.
b) Temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.
c) Taxable temporary differences arising on the initial recognition of goodwill.

2. Significant accounting policies (continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset with deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

In situations where any entity under the Group is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the said company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Future taxable profits are determined based on business plans. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets include Minimum Alternative Tax (MAT) paid, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised. The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in the consolidated statement of profit and loss.

2.23 Provisions and contingent liabilities

A provision is recognised when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each 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 recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

In case of provision for asset retirement obligation, the Group estimates the expected amount that it may have to incur in respect of asset retirement where the Group has its projects / operations. The management obtains quotes from vendors in respect of the estimated expense that it may have to incur in this respect considering the term of Power Purchase Agreement, lease period and inflation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the

2. Significant accounting policies (continued)

obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

2.24 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit or loss after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

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

2.25 Cash flow statement

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

2.26 Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

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Sembcorp Energy India Limited
Notes to the consolidated financial statements for the year ended 31 March 2021
(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.1 Property, plant and equipment and capital work-in-progress

Particulars	Freehold land (owned)	Land (leased) (subnote 1)	Roads	Right of use assets (refer note 3.34)	Office building	Factory building	Furniture and fittings	Vehicles	Office equipment	Electrical installations	Plant and machinery	Computers	Leasehold improvements	Total property, plant and equipment	Capital work-in-progress
Gross carrying amount															
Balance as at 1 April 2019	**3,548.66**	**1,200.80**	**2,246.29**	**-**	**1,519.95**	**774.88**	**97.25**	**76.77**	**203.87**	**95.93**	**251,986.18**	**119.21**	**36.91**	**261,906.70**	**19,720.84**
Transition adjustment of Ind AS 116 "Leases"	-	(619.63)	-	941.23	-	-	-	-	-	-	-	-	-	**321.60**	-
Additions	173.96	6.08	71.52	-	10.31	15.67	15.65	3.66	22.80	-	30,786.51	23.42	0.35	**31,129.93**	16,834.05
Disposals/adjustments	(2.32)	-	-	-	-	-	-	(0.84)	(1.03)	-	(400.73)	(6.67)	-	**(411.59)**	(1,072.46)
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	(30,547.12)
Balance as at 31 March 2020	**3,720.30**	**587.25**	**2,317.81**	**941.23**	**1,530.26**	**790.55**	**112.90**	**79.59**	**225.64**	**95.93**	**282,371.96**	**135.96**	**37.26**	**292,946.64**	**4,935.31**
Additions	245.16	-	-	21.77	0.27	5.53	0.11	9.14	5.65	-	5,486.04	30.24	0.21	**5,804.12**	1,715.86
Disposals/adjustments	-	-	-	(9.19)	(10.20)	-	(22.43)	(1.16)	(16.47)	-	(238.42)	(13.58)	-	**(311.45)**	(0.88)
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	(5,649.25)
Balance as at 31 March 2021	**3,965.46**	**587.25**	**2,317.81**	**953.81**	**1,520.33**	**796.08**	**90.58**	**87.57**	**214.82**	**95.93**	**287,619.58**	**152.62**	**37.47**	**298,439.31**	**1,001.04**
Accumulated depreciation															
Balance as at 1 April 2019	**-**	**82.55**	**739.81**	**-**	**81.97**	**104.92**	**31.49**	**25.34**	**110.91**	**53.89**	**33,281.36**	**68.96**	**10.16**	**34,591.36**	**-**
Transition adjustment of Ind AS 116 "Leases"	-	-	-	105.00	-	-	-	-	-	-	-	-	-	**105.00**	-
Depreciation for the year	-	24.57	222.18	33.21	23.09	25.39	10.77	7.88	34.75	6.75	11,583.37	27.14	4.13	**12,003.23**	-
Disposals/adjustments	-	-	-	-	-	-	-	-	(0.15)	-	(87.27)	(6.57)	-	**(93.99)**	-
Provision for impairment	25.12	-	-	-	-	-	-	-	-	-	-	-	-	**25.12**	**297.86**
Balance as at 31 March 2020	**25.12**	**107.12**	**961.99**	**138.21**	**105.06**	**130.31**	**42.26**	**33.22**	**145.51**	**60.64**	**44,777.46**	**89.53**	**14.29**	**46,630.72**	**297.86**
Depreciation for the year	-	24.66	197.33	32.32	29.90	25.92	11.19	10.11	30.21	13.43	12,071.73	26.25	4.21	**12,477.26**	-
Disposals/adjustments	-	-	-	(2.72)	(0.91)	-	(14.68)	(0.66)	(15.39)	-	(46.18)	(13.07)	-	**(93.61)**	-
Balance as at 31 March 2021	**25.12**	**131.78**	**1,159.32**	**167.81**	**134.05**	**156.23**	**38.77**	**42.67**	**160.33**	**74.07**	**56,803.01**	**102.71**	**18.50**	**59,014.37**	**297.86**
Carrying amounts (net)															
As at 31 March 2020	**3,695.18**	**480.13**	**1,355.82**	**803.02**	**1,425.20**	**660.24**	**70.64**	**46.37**	**80.13**	**35.29**	**237,594.50**	**46.43**	**22.97**	**246,315.92**	**4,637.45**
As at 31 March 2021	**3,940.34**	**455.47**	**1,158.49**	**786.00**	**1,386.28**	**639.85**	**51.81**	**44.90**	**54.49**	**21.86**	**230,816.57**	**49.91**	**18.97**	**239,424.94**	**703.18**

1. In earlier years, the Group had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited. ('APIIC') for occupation of two tranches of land for SEIL-P1. One tranche of land was transferred to the Group as freehold land. For the other tranche of land, admeasuring Acre 680.55 cents, a lease deed for a period of 21 years was entered with APIIC on 25 November 2009. As per the lease deed, APIIC had agreed to sell the land even during the subsistence of the lease deed on securing necessary clearances and approvals for such sale to the Group on such mutually agreed terms and conditions. Further, in the unlikely event of not transferring the land through sale to the Group, APIIC agreed to renew the lease for a further period on such mutually agreed terms and conditions. All the requirements of the agreement including the payment of consideration of Rs. 612.50 million has been complied with by the Group to purchase the land. The said consideration was paid on 12 November 2009 and the same had been considered as cost of land. The Group had complied with all the requirements for purchase of land and paid the full consideration. The delay from APIIC is of administrative in nature and said sale will happen in due course of time.
During an previous year, APIIC had raised a demand amounting to Rs. 19.81 million for lease rentals (including interest) pertaining to earlier years which was paid by the Group. On transition to Ind AS 116 "Leases", the Group had categorized the payment of consideration of Rs. 612.50 million as right of use (ROU) assets and recognized the present value of the remaining lease payments as ROU assets and lease liability accordingly.

2. Free hold land includes Rs. 36.76 million (31 March 2020: Rs. 36.76 million) being lands purchased from APIIC by SEIL-P2. As per the terms of Agreement for sale of land, sale deed will be issued by APIIC after commissioning. The said sale deed is yet to be made in the name of the Group on account of certain administrative delays.

3. Title deeds of certain lands in the name of the Group are under dispute. In respect of such disputes, the Group has been legally advised that it has valid title deeds in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property. (refer note 3.38)

4. As per the terms of EPC contract with the vendor, its scope of work includes operation and maintenance (O&M) activities for the wind power plants at its own cost for the first few years from the date of commissioning of the projects. Accordingly, an amount of Nil (31 March 2020: Rs. 1,072.30 million) has been reclassified from the capital work-in-progress to prepayment towards O&M cost.

5. Refer note 3.14 and 3.19 for assets pledged against the borrowings of the Group.

3.2 Other intangible assets and Goodwill

Particulars	Customer contracts	Softwares and licenses	Total of other intangible assets	Goodwill
Gross carrying amount				
Balance as at 1 April 2019	**32.10**	**111.11**	**143.21**	**1,234.20**
Additions	-	1.05	**1.05**	**-**
Disposals	-	(1.70)	**(1.70)**	-
Balance as at 31 March 2020	**32.10**	**110.46**	**142.56**	**1,234.20**
Additions	**-**	19.38	**19.38**	**-**
Disposals	**-**	-	**-**	**-**
Balance as at 31 March 2021	**32.10**	**129.84**	**161.94**	**1,234.20**
Accumulated amortisation				
Balance as at 1 April 2019	**17.17**	**103.69**	**120.86**	**-**
Amortisation for the year	6.42	6.62	**13.04**	**-**
Disposals	-	(1.70)	**(1.70)**	**-**
Balance as at 31 March 2020	**23.59**	**108.61**	**132.20**	**-**
Amortisation for the year	6.42	3.36	**9.78**	-
Disposals	-	-	**-**	-
Balance as at 31 March 2021	**30.01**	**111.97**	**141.98**	**-**
Carrying amounts (net)				
As at 31 March 2020	**8.51**	**1.85**	**10.36**	**1,234.20**
As at 31 March 2021	**2.09**	**17.87**	**19.96**	**1,234.20**

Impairment tests for goodwill:
Goodwill is tested for impairment on annual basis whenever there is an indication that the recoverable amount of an asset is less than its carrying amount. The recoverable amount of asset is determined based on higher of value in use and fair value less cost to sell.
The goodwill represents the excess of consideration paid over the net assets acquired under the Scheme of Amalgamation of the 'Nelcast Energy Corporation Limited (Nelcast)' with Sembcorp Gayatri Power Limited (SEIL-P2). The Scheme of Amalgamation was approved by the High Court of Madras on 12 October 2011. Nelcast was the 100% subsidiary of Sembcorp Gayatri Power Limited. The recoverable value is determined for the cash generating unit ('CGU') to which the Goodwill belongs. As the recoverable value of CGU is higher than the carrying value of assets of CGU including goodwill, the management did not identify any impairment on the goodwill.

The Group opted to apply Ind AS 103 exemption for the business combinations which occurred prior to transition into Ind AS i.e. 1 April 2015. Accordingly, amalgamation of Nelcast with the Company has not been restated and Goodwill accounted at the time of Amalgamation has been continued and is subject to impairment test on annual basis.
The carrying amount of goodwill as at 31 March 2021 is Rs 1,234.20 million (31 March 2020: Rs 1,234.20 million).

For the purpose of impairment testing, goodwill is allocated to the cash generating units (CGU), which benefit from the synergies of the acquisition.

The Group has two cash generating units SEIL P1 and SEIL P2 with a capacity of 1320 MW each.
The aggregate carrying amounts of goodwill allocated to each unit are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Cash Generating unit		
SEIL-P2	1,234.20	1,234.20
Total	**1,234.20**	**1,234.20**

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 21 years.

Revenue, margins and cash flow projections have been estimated based on past experience and after considering the financial budgets forecasts approved by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Key assumptions used in the value-in-use calculation:

Assumption	Basis
Cash flow projections period	Remaining useful life of plants assumed 21 years (31 March 2020: 22 years) The PPA available under the CERC guidelines is for the life of plant capped at 25 years, hence cashflow projection considered based on the remaining useful life.
Terminal value	None
Weighted average cost of capital % (WACC) post tax	9.7% (31 March 2020: 9.45%)
Revenue and margins	Primarily based on the forecasted combination of long-term and short-term contracts and electricity spot prices with reference to estimated demand and supply of electricity as well as margin.

These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

As at 31 March 2021 the estimated recoverable amount of the CGU exceeded its carrying amount and accordingly, no impairment was recognized.

The Group has also performed sensitivity analysis calculations on the projections used and discount rate applied. Given the significant headroom that exists, and the results of the sensitivity analysis performed, it is concluded that there is no significant risk that reasonable changes in any key assumptions would cause the carrying value of goodwill to exceed its value in use.

3.3 Derivative assets

	As at 31 March 2021	As at 31 March 2020
Non-current		
Derivative designated as cash flow hedge		
- Fair value of cross currency interest rate swaps	-	1,429.63
Derivatives not designated as cashflow hedge		
- Fair value of cross currency interest rate swaps	332.54	449.99
- Fair value of foreign exchange option contracts	-	19.73
	332.54	**1,899.35**
Current		
Derivative designated as cash flow hedge		
- Fair value of commodity hedge contracts	251.86	-
- Fair value of cross currency interest rate swaps	1,067.52	-
- Fair value of forward contracts	-	46.88
Derivatives not designated as cash flow hedge		
- Fair value of forward contracts	17.00	1,523.37
- Foreign exchange option contracts	5.31	-
- Fair value of cross currency interest rate swaps	-	27.20
- Fair value of interest rate swaps	-	0.06
	1,341.69	**1,597.51**

The Group's exposure to currency and liquidity risk related to above derivative assets are disclosed in note 3.32.

3.4 Other financial assets

	As at 31 March 2021	As at 31 March 2020
(Unsecured, considered good)		
Non-current		
Margin money deposits and other deposits with banks *	6,905.46	5,808.73
Interest accrued on deposits	58.83	161.98
Security deposits	53.26	20.96
	7,017.55	**5,991.67**
Current		
Unbilled receivables	6,890.06	5,768.14
Less: Allowance for expected credit loss	(17.30)	(12.47)
Income accrued on generation based incentive	243.77	305.99
Interest accrued on deposits	190.51	183.42
Amount recoverable from related party (refer note 3.37)	-	0.06
Advance given for purchase of mutual funds	40.00	42.50
Security deposits	16.52	23.01
Premium on forward contracts	325.06	134.63
Other recoverable (refer note 3.38 (IV))	369.83	311.05
	8,058.45	**6,756.33**

* Reserved against margin money for bank guarantee, other commitments and debt service reserves on long-term borrowings as at the year end, hence termed as non-current.

3.5 Non-current tax assets

	As at 31 March 2021	As at 31 March 2020
Advance income taxes (net of provision for tax)	685.38	614.09
Taxes paid under protest (refer note 3.38)	448.05	532.58
	1,133.43	**1,146.67**

3.6 Deferred tax assets and liabilities

i) Deferred tax asset and liabilities attributable to the following

	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities on:		
Excess of depreciation on assets under Income Tax law over depreciation provided in accounts	22,215.32	17,888.25
Fair value adjustment of current investments	13.42	11.92
Unamortised part of prepayment expenses	209.05	341.81
Unamortised part of borrowing costs	106.55	128.57
Fair value adjustment of derivatives	4.15	-
	22,548.49	**18,370.55**
Deferred tax assets on:		
Provision for asset retirement obligation	81.47	73.05
Allowance for expected credit loss	250.38	185.31
Lease liabilities	39.91	43.96
Operation and maintenance expenses equalization	134.79	112.45
MAT credit entitlement	586.24	560.78
Expenses to be allowed as deductible in future	3,571.70	3,506.65
Unabsorbed depreciation/tax losses #	17,403.26	13,294.74
	22,067.75	**17,776.94**
Net deferred tax assets and liabilities	**480.74**	**593.61**

Deferred tax assets are recognised on unabsorbed depreciation/carried forward tax losses only if, there is a reasonable certainty that such deferred tax assets can be realised against future taxable profit.

3.6 Deferred tax assets and liabilities (continued)

During the year ended 31 March 2021, the Group did not recognise deferred tax assets of Rs. 769.33 million (31 Mar 2020: Rs. 3,442.25 million) on unused tax loss and unabsorbed depreciation in absence of reasonable certainty that such deferred tax assets can be realised against future taxable profit at each entity.

Classification of deferred tax assets and liabilities:

	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities (net)	724.42	780.27
Deferred tax assets (net)	243.68	186.66
	480.74	**593.61**

ii) Movement in temporary differences

Particulars	As at 1 April 2020	Impact in Statement of profit and loss	Impact in other comprehensive income	As at 31 March 2021
Deferred tax liabilities on:				
Excess of depreciation on assets under Income Tax law over depreciation provided in accounts	17,888.25	4,327.07	-	22,215.32
Fair value adjustment of current investments	11.92	1.50	-	13.42
Unamortised part of prepayment expenses	341.81	(132.76)	-	209.05
Unamortised part of borrowing costs	128.57	(22.02)	-	106.55
Fair value adjustment of derivatives	-	4.15	-	4.15
	18,370.55	**4,177.94**	**-**	**22,548.49**
Deferred tax assets on:				
Provision for asset retirement obligation	73.05	8.42	-	81.47
Allowance for expected credit loss	185.31	65.07	-	250.38
Lease liabilities	43.96	(4.05)	-	39.91
Operation and maintenance expenses equalization	112.45	22.34	-	134.79
MAT credit entitlement	560.78	25.46	-	586.24
Expenses to be allowed as deductible in future	3,506.65	64.74	0.31	3,571.70
Unabsorbed depreciation/tax losses #	13,294.74	4,108.52	-	17,403.26
	17,776.94	**4,290.50**	**0.31**	**22,067.75**
Net deferred tax assets and liabilities	**593.61**	**(112.56)**	**(0.31)**	**480.74**

Particulars	As at 1 April 2019	Impact in Statement of profit and loss	Impact in other comprehensive income	As at 31 March 2020
Deferred tax liabilities on:				
Excess of depreciation on assets under Income Tax law over depreciation provided in accounts	16,741.34	1,146.91	-	17,888.25
Fair value adjustment of current investments	11.50	0.42	-	11.92
Unamortised part of prepayment expenses	189.30	152.51	-	341.81
Unamortised part of borrowing costs	0.39	128.18	-	128.57
	16,942.53	**1,428.02**	**-**	**18,370.55**
Deferred tax assets on:				
Provision for asset retirement obligation	49.55	23.50	-	73.05
Allowance for expected credit loss	44.49	140.82	-	185.31
Lease liabilities	-	43.96	-	43.96
Operation and maintenance expenses equalization	116.22	(3.77)	-	112.45
MAT credit entitlement	-	560.78	-	560.78
Expenses to be allowed as deductible in future	6,249.39	(2,743.14)	0.40	3,506.65
Unabsorbed depreciation/tax losses #	9,752.56	3,542.18	-	13,294.74
	16,212.21	**1,564.33**	**0.40**	**17,776.94**
Net deferred tax assets and liabilities	**730.32**	**(136.31)**	**(0.40)**	**593.61**

3.7 Other assets

	As at 31 March 2021	As at 31 March 2020
(Unsecured, considered good)		
Non-current		
Capital advances	197.85	336.95
Balance with government authorities paid under protest (refer note 3.38)	119.98	206.68
Contribution to gratuity fund (refer note 3.36)	15.29	10.71
Prepayments	605.90	860.67
	939.02	**1,415.01**
Current		
Advance to suppliers and service providers	1,186.52	932.54
Balance with government authorities (refer note 3.46)	1,556.16	724.33
Staff advances	0.22	0.82
Prepayments	785.69	1,193.05
	3,528.59	**2,850.74**

3.8 Inventories

	As at 31 March 2021	As at 31 March 2020
(Valued at lower of cost and net realisable value)		
Fuel*	2,493.59	5,853.92
Stores and spares	2,286.99	1,933.31
	4,780.58	**7,787.23**

* includes materials-in-transit amounting to Rs. 1,065.38 million (31 March 2020: Rs. 2,482.81 million).

3.9 Current investments

	Number of units		As at	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Investment in mutual funds (debt securities)				
Quoted, valued at fair value through profit or loss				
IDFC Cash Fund-Direct Plan-Growth	206,348	26,317	512.98	63.21
DSP Liquidity Fund-Direct Plan-Growth	100,247	70,132	294.84	199.22
L&T Liquid Fund-Direct Plan-Growth	91,933	59,244	259.15	161.24
Kotak Liquid Fund-Direct Plan-Growth	37,868	76,521	157.50	307.22
TATA Liquid Fund-Direct Plan-Growth	142,269	59,613	462.04	186.71
Sundram Money Fund-Direct Plan-Growth	-	10,779,730	-	451.35
UTI Liquid Cash Fund-Direct Plan-Growth	153,836	118,446	518.50	385.12
Axis Liquid Fund-Direct Plan-Growth	210,016	60,163	479.84	132.63
SBI Liquid Fund-Direct Plan-Growth	144,528	139,632	465.61	434.11
Aditya Birla Sun Life Liquid Fund-Direct Plan-Growth	1,175,904	437,986	389.85	139.96
ICICI Prudential Liquid Fund-Direct Plan-Growth	1,158,239	706,265	352.96	207.49
Nippon India liquid fund -Direct plan-Growth	100,611	-	506.34	-
Invesco India Liquid Fund-Direct Plan-Growth	13,815	-	39.04	-
Baroda Liquid Fund Plan B-Direct Plan-Growth	-	92,970	-	212.83
Mahindra Liquid Fund-Direct Plan-Growth	-	13,327	-	17.17
Mirae Asset Cash Management Fund-Direct Plan-Growth	-	9,829	-	20.59
Franklin India Liquid Fund-Super Institutional-Direct Plan-Growth	-	104,320	-	311.22
			4,438.65	**3,230.07**
Aggregate fair value of quoted investments			4,438.65	3,230.07
Aggregate provision for impairment in value of investments			-	-

3.10 Trade receivables

	As at 31 March 2021	As at 31 March 2020
(Unsecured)		
Trade receivables		
- considered good	29,761.96	22,928.57
- which have significant increase in credit risk	736.69	494.87
Less: loss allowance	(736.69)	(494.87)
- credit impaired	-	-
Less: loss allowance	-	-
	29,761.96	**22,928.57**

Notes:

(i) No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person nor any trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

(ii) The Group's exposure to credit and currency risk and loss allowance related to trade receivables are disclosed in note 3.32.

3.11 Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020
Cash and cash equivalents:		
Balance with banks:		
On current accounts	507.65	1,645.19
Deposits with original maturity of less than three months *	2,684.03	2,777.46
	3,191.68	**4,422.65**
Bank balances other than those disclosed above		
Deposits due to mature after three months but before twelve months from the reporting date *	3,637.21	4,293.48
	3,637.21	**4,293.48**

* Includes Rs. 1,012.65 million (31 March 2020: Rs. 203.78 million) held as margin money towards bank guarantees and other commitments.

3.12 Share capital

	As at 31 March 2021	As at 31 March 2020
Authorised		
Equity shares		
15,000,000,000 (31 March 2020: 15,000,000,000) equity shares of Rs.10 each	150,000.00	150,000.00
	150,000.00	**150,000.00**
Issued, Subscribed and fully paid up		
5,433,668,574 (31 March 2020: 5,433,668,574) equity shares of Rs.10 each, fully paid up (refer note below)	54,336.69	54,336.69
	54,336.69	**54,336.69**

Of the above issued, subscribed and fully paid up equity share capital, 5,433,668,574 (31 March 2021: 5,433,668,574) equity shares of Rs. 10 each, fully paid-up are held by Sembcorp Utilities Pte Ltd, the holding company.

Notes:

643,970,442 (31 March 2020: 643,970,442) equity shares of Rs. 10 each, fully paid-up are pledged against secured term loans from banks by SEIL-P1 and pledged 408,480,080 (31 March 2020: 408,480,080) equity shares of the Company for loans availed by SEIL-P2.

The reconciliation of shares outstanding at the beginning and at the end of reporting year is set out as below:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Outstanding at the beginning of the year	5,433,668,574	54,336.69	5,158,721,764	51,587.22
Shares issued during the year	-	-	274,946,810	2,749.47
Outstanding at the end of the year	**5,433,668,574**	**54,336.69**	**5,433,668,574**	**54,336.69**

3.12 Share capital (continued)

The details of shareholders holding more than 5% shares along with number of equity shares held is set below:

Name of shareholders	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,433,668,574	100.00%	5,433,668,574	100.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Terms and rights attached to equity shares:

Equity shares of the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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.

Aggregate number of bonus shares issued and shares issued for consideration other than cash during the five years immediately preceding the reporting date:

For the year ended 31 March 2018, the Company has issued 2,568,750,000 equity shares of Rs. 10 each fully paid at a premium of Rs. 8.80 per share to the shareholders of Sembcorp Gayatri Power Limited and Sembcorp Green Infra Limited as a consideration for acquisition of these entities on 15 February 2018.

3.13. Other equity

	As at 31 March 2021	As at 31 March 2020
Securities premium		
Balance at the beginning of the year	40,207.03	37,787.50
Add: Additions during the year	-	2,419.53
Balance at the end of the year	**40,207.03**	**40,207.03**
Capital reserve on acquisition		
Balance at the beginning of the year	(14,550.18)	(14,550.18)
Add: Additions during the year	-	-
Balance at the end of the year	**(14,550.18)**	**(14,550.18)**
Capital reserve		
Balance at the beginning of the year	1,121.58	1,121.58
Add: Additions during the year	-	-
Balance at the end of the year	**1,121.58**	**1,121.58**
Capital redemption reserve		
Balance at the beginning of the year	1.86	1.01
Add: Transfers from retained earnings	0.32	0.85
Balance at the end of the year	**2.18**	**1.86**
Debenture redemption reserve		
Balance at the beginning of the year	-	125.00
Less: Transfers to general reserves	-	(125.00)
Balance at the end of the year	**-**	**-**
General reserve		
Balance at the beginning of the year	199.00	74.00
Add: Transfers from debenture redemption reserve	-	125.00
Balance at the end of the year	**199.00**	**199.00**

3.13. Other equity (continued)

	As at 31 March 2021	As at 31 March 2020
Other reserves		
Balance at the beginning of the year	1,167.19	650.95
Add: Adjustments due to change in stake of step-down subsidiaries	(2.46)	7.08
Add: Fair value of interest free INR denominated notes from holding company	234.72	509.16
Balance at the end of the year	**1,399.45**	**1,167.19**
Retained earnings		
Balance at the beginning of the year	(7,397.33)	(10,472.48)
Less: Expenses incurred on issuance of shares	-	(13.59)
Less: Transfers to capital redemption reserve	(0.32)	(0.85)
Less: Transition adjustment of Ind AS 116 "Leases"	-	(28.15)
Add: Profit for the year	8,491.91	3,126.72
Items that will not be reclassified to profit or loss		
- Remeasurement of defined benefit liabilities, net of tax	(3.28)	(8.98)
Balance at the end of the year	**1,090.98**	**(7,397.33)**
Other items of other comprehensive income		
Effective portion of cash flow hedges		
Balance at the beginning of the year	(598.78)	(932.35)
Add: Change in fair value, net of tax	557.14	333.57
Less: Utilisation	-	-
Balance at the end of the year	**(41.64)**	**(598.78)**
Total other equity	**29,428.40**	**20,150.37**

Nature and purpose of other equity

Securities premium
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Capital reserve on acquisition
Capital reserve on acquisition is the difference between the consideration for acquisition of Sembcorp Gayatri Power Limited (SGPL) and Sembcorp Green Infra Limited (SGIL) and the amount of share capital and security premium of SGPL and SGIL as per Ind AS 103 (Appendix C), Business combinations of entities under common control.

Capital reserve
Capital reserve is the excess of fair value of net identified assets acquired over the purchase consideration of the business acquired by the Group from other than business combination of entities under common control.

Capital redemption reserve
Capital redemption reserve represents amounts set aside out of retained earnings on redemption of preference shares by the subsidiaries namely Green Infra Wind Farm Limited and Green Infra Wind Power Projects Limited.

Debenture redemption reserve
In earlier year, one of the subsidiary, GIWFAL allotted 500, 12% non-convertible debentures of face value of Rs. 1.00 million each. GIWFAL had transferred Rs. 125.00 million to 'Debenture redemption reserve' (DRR) out of profits available for distribution of dividends, as required under section 71 of the Companies Act, 2013. Subsequently, the same had been transferred to general reserve as per the Companies (Share capital and Debentures) Rules, 2019 in the previous year.

General reserve
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to retained earnings.

Other reserves
Other reserves include all other transactions with the owners in their capacity as owners, impact of changes in the ownership interest do not result in loss of control and fair value adjustments.

3.13. Other equity (continued)

Retained earnings
Retained earnings mainly represents all current and prior year profits as disclosed in the consolidated statement of profit and loss and other comprehensive income less dividend distribution and transfers to general reserve and remeasurement gain/(loss) relating to defined benefit liability.

Other items of other comprehensive income

Effective portion of cash flow hedges
This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instrument related to hedged transactions that have not yet occurred.

3.14 Long-term borrowings

	As at 31 March 2021	As at 31 March 2020
Secured		
From banks		
External commercial borrowings	954.14	17,273.99
Term loans	69,379.54	62,972.69
Foreign currency non repatriable (FCNR) term loan	27,534.84	28,987.21
From financial institutions		
External commercial borrowings	2,205.59	2,441.56
Term loans	16,967.22	18,671.25
From others		
10,000 (31 March 2020: 10,000) 9.65% Non-convertible debentures of face value of Rs. 1.00 million each	9,100.00	9,700.00
Nil (31 March 2020: 500) 12% Non-convertible debentures of face value of Rs. 1.00 million each	-	400.00
Unsecured		
From related party (refer note 3.37)		
INR denominated notes	42,400.00	42,400.00
	168,541.33	**182,846.70**
Less: Unamortised part of loan origination cost	(671.52)	(680.14)
	167,869.81	**182,166.56**

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Long-term borrowings in the Group	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
External commercial borrowings (ECB) of Rs. 15,399.29 million (31 March 2020: Rs. 16,475.70 million) from banks for SEIL – P1	ECB loans carry interest at 3-month LIBOR plus 1.15% p.a. (31 March 2020: 3-month LIBOR plus 1.15% p.a.) These ECB loans are payable in 20 quarterly structured unequal instalments starting from 30 June 2017. The Company has entered into cross currency interest rate swaps and the applicable interest rate under the hedge agreement is 8.36% p.a. (31 March 2020: 8.36% p.a.)	ECB loans are guaranteed by Sembcorp Utilities Pte Ltd, the holding company.
Rupee term loans of Rs. 13,818.01 million (31 March 2020: 21,894.26 million) from banks for SEIL – P1	The rupee term loans in respect of facility I and II carries an interest of SBI MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.20% - 9.25% p.a. (31 March 2020: 9.25% - 9.75% p.a.) Rupee Term Loan facility - I is repayable in 79 quarterly structured unequal instalments starting from 31 December 2016 and Rupee Term Loan facility - II is repayable in 77 quarterly structured unequal instalments starting from 30 June 2017.	First ranking pari passu charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of lease land situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL P1. 643,970,442 (31 March 2020: 643,970,442) equity shares of Rs.10 each of the Company, fully paid up are pledged by the holding company.
Rupee term loans of Rs. 25,718.04 million (31 March 2020: 21,193.43 million) from banks for SEIL - P2	The term loans carry an interest of SBI one-year MCLR plus 1.25% p.a. The term loans carry an interest rate of 8.25% - 9.70% p.a. (31 March 2020: 9.50% - 9.70% p.a.) The term loans facility is repayable in 78 quarterly structured unequal installments starting from 30 September 2017.	First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL - P2. Further, the holding company has pledged 408,480,080 (31 March 2020: 408,480,080) equity shares of Rs. 10 each of the Company for borrowings availed by SEIL – P2 and also have given corporate guarantees to cover the outstanding exposure. All securities rank pari passu on first charge basis inter se amongst all the term loan lenders and created in favour of SBICAP Trustee Company Limited, acting as security trustee for term loan lenders.
Rs. 42,400.00 million (31 March 2020: 42,400.00 million) INR denominated notes for SEIL - P2.	INR denominated notes are repayable in structured unequal tranche and interest are payable on quarterly basis. Terms of repayment, interest rate and interest accrued are given below:	These notes are unsecured and subscribed by holding company i.e. Sembcorp Utilities Pte Ltd.

Tranche	Amount	Date of receipt	Interest coupon	Maturity date	Interest outstanding as on reporting date	Due dates for payment of interest accrued but not due
1	7,893.90	9 December 2016	12.00% p.a.	30 September 2022	293.26	30 September 2022
2	9,000.00	27 March 2017	10.00% p.a.	27 March 2027	431.53	30 September 2022
3	9,000.00	6 April 2017	10.00% p.a.	6 April 2027	2,138.45	30 September 2022
4	9,000.00	7 April 2017	10.00% p.a.	7 April 2027	2,140.68	30 September 2022
5	7,506.10	7 April 2017	10.00% p.a.	7 April 2027	1,659.06	30 September 2022
	42,400.00				**6,662.98**	

The holding company has deferred the repayment of tranche 1 principle amount and interest accrued as at 31 March 2021 to 30 September 2022 at the request of the Company. Finance component on account of interest free deferment is recognised at fair value as other equity.

Foreign currency non repatriable (FCNR) term loan of Rs. 27,534.84 million (31 March 2020: 28,987.21 million) for SEIL - P1 and P2	FCNR term loans tenure is 7 to 365 days (31 March 2020: 126 to 360 days) from the date of conversion and these loans are repayable in one lump sum on the date of maturity. However, as per the terms of FCNR term loan agreements, the	The FCNR is secured as per the rupee term loan with respective lenders as mentioned above.

Long-term borrowings in the Group	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
During the current year, the Company has converted Rupee term loan of Rs. 26,589.25 million of SEIL-P1 for a period of 365 days and Rupee term loan of Rs. 1,850.00 million of SEIL-P2 into FCNR Loans for a period 364 days.	Company can rollover the facility or can convert it into Rupee term loans. The business model of the Company is either to rollover or conversion into Rupee term loans. Accordingly, the Company has classified the borrowings in the financial statements as per the original Rupee term loan agreement. The rate of interest applicable on these FCNR term loans is at 12 months LIBOR plus Spread plus Hedging cost plus upfront conversion cost. All in cost is at 7.73% - 7.81% p.a. (31 March 2020: 8.74% - 8.88% p.a.). The Company has obtained hedge contract on principle and interest payable.	
Term loans of Rs. 24,674.08 million (31 March 2020: Rs. 12,770.00 million) from banks in GIWEL	Interest rates on loans are in the range of 7.75% - 9.65% p.a. (31 March 2020: 8.50% - 9.65% p.a.). These loans are repayable in 12 unequal quarterly installments starting from 30 June 2020, 76 unequal quarterly installments starting from 31 January 2021 and 19 unequal quarterly installments starting from 31 December 2020. During the year ended 31 March 2021 and 31 March 2020, one of the existing loans having interest rate in the range of 8.65% - 9.65% p.a. (31 March 2020: 9.65% - 10.30% p.a.) has been partially refinanced by another long-term borrowings.	Secured by pari passu first charge on all immovable properties and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures of the respective projects, and other assets of project, intangibles relating to the project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits of respective project in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of the respective projects under GIWEL in favour of the Security Trustee
10,000 numbers (31 March 2020: 10,000 numbers) of 9.65% Non-convertible debentures of Rs. 1.00 million each of value Rs. 9,700.00 million (31 March 2020: Rs. 10,000.00 million) in GIWEL	Non-convertible debentures are repayable in 12 quarterly unequal installments starting from 31 October 2020 and carry an interest rate of 9.65% p.a. (31 March 2020: 9.65% p.a.)	Secured by providing charge/assignment on the all assets including land and movable assets, cash flows, project documents for the 248.90 MW wind projects installed in various States in GIWEL as security for the securing NCDs.
(i) Term loans of Rs. 7,435.80 million (31 March 2020: Rs. 7,584.62 million) from banks in GIREL (ii) Term loans of Rs. 5,236.90 million (31 March 2020: Rs. 5,363.73 million) from financial institutions in GIREL	Interest rates are in the range of 8.35% - 9.85% p.a. (31 March 2020: 9.60% - 9.85% p.a.) and are repayable in 71 structured unequal quarterly installments starting from 31 December 2019. During the current year, the Company has made prepayment one of its existing borrowings from financial institution entirely and refinanced by another long-term borrowings from another financial institutions.	Secured by charge on all immovable properties, the entire movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles and intangible assets along with first charge on the goodwill, uncalled capital, cash flows, receivables, book debts, revenues, first charge on all bank accounts, debt service reserve account, trust and retention account; by way of assignment of security interests on project documents and contracts.
Term loans of Rs. 1,364.43 million (31 March 2020: Rs. 1,477.37 million) from banks in GICSL Term loans of Rs. 3,274.27 million (31 March 2020: Rs. 3,541.84 million) from financial institutions in GICSL	Interest rates are in the range of 10.80% - 10.81% p.a. (31 March 2020: 10.55% - 11.35% p.a.) and are repayable in 57 quarterly unequal installments starting from 15 January 2016 and 30 June 2016. During the current year, loan from a bank having interest rate 10.81% has been repaid entirely.	Secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits of project in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of borrower in favour of the Security Trustee of the respective projects under GICSL. The loan is also secured by pledge of 61,233,150 equity shares and 105,526,100 preference shares of GICSL held by its promoter.
External commercial borrowings of Rs. 2,137.97 million (31 March 2020: Rs.	Interest rates are in the range of 10.28% to 10.97% p.a. (31 March 2020: 10.28% to 10.97%	Secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project,

Long-term borrowings in the Group	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
2,313.76 million) from foreign financial institution in GICSL	p.a.) and are repayable in 57 quarterly unequal installments starting from 15 January 2016.	cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits of projects in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of borrower in favour of the Security Trustee of the respective projects under GICSL. The loan is also secured by pledge of 61,233,150 equity shares and 105,526,100 preference shares of GICSL held by its promoter.
Term loans of Rs. 4,039.76 million (31 March 2020: Rs. 4,169.90 million) from financial institutions in GIWPGL Term loan of Rs. 229.36 million (31 March 2020: Rs. 553.68 million) from bank in GIWPGL	Interest rates are in the range of 9.25% - 10.50% p.a. (31 March 2020: 9.90% - 10.50% p.a.) and are repayable in 60 quarterly structured unequal instalments starting from 30 June 2016 and 56 quarterly structured unequal instalments starting from 31 March 2018 respectively. During the current year, the Company has made prepayment of partial loan amount.	Secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of the respective project.
Term loan of Rs. 705.50 million (31 March 2020: Rs. 912.50 million) from financial institution in GIWFL	Interest on the loan is 10.00% p.a. (31 March 2020: 10.00% p.a.) and is repayable in 44 structured unequal quarterly installments starting from 30 June 2019. During the current year, the Company has made prepayment of partial loan amount.	Secured by first charge on all movable assets and intangible assets pertaining to project including plant and machinery, spares, tools, accessories, furniture, fixtures, goodwill, rights, undertakings and other assets, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits of project in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts
Term loan of Rs. 478.50 million (31 March 2020: Rs. 531.19 million) from financial institution in GIWPL	Interest on loan is 9.70% p.a. (31 March 2020: 9.70% - 10.80% p.a.) and is repayable in 54 structured unequal quarterly installments starting from 15 March 2016. During the current year, the Company has made prepayment of partial loan amount.	Secured by way of first charge on freehold immovable property and movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, cash flows, reserves, receivables, intangibles, goodwill, assignment or creation of security on all rights, title, interest, benefits claim and demands, letter of credit, insurance contract/ insurance proceeds, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the projects documents, trust and retention account, debt service reserve account and 51.00% (31 March 2020: 51.00%) equity shares of Rs. 10 each of the GIWPL held by promoter (i.e. GIWVL) have been pledged in favour of the financial institution
Term loan of Rs. 485.66 million (31 March 2020: Rs. 543.11 million) from financial institution in GICWL	Interest on loan is 9.70% p.a. (31 March 2020: 9.70% - 10.80% p.a.) and is repayable in 54 structured unequal quarterly installments starting from 15 March 2016. During the current year, the Company has made prepayment of partial loan amount.	Secured by way of first charge on freehold immovable property and movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, cash flows, reserves, receivables intangibles, goodwill, assignment or creation of security on all rights, title, interest, benefits claim and demands in any letter of credit, insurance contract, insurance proceeds, performance bond, corporate guarantee, bank guarantee provided by any party to the project documents, trust and retention account, debt service reserve account and 51.00% (31 March 2020: 51.00%) Equity shares of the GICWL held by promoter (i.e. GIWVL) have been pledged in favour of the financial institution.
Term loan of Rs. 347.00 million (31 March 2020: Rs. 455.00 million) from financial institution in GISEL	Interest rate is 9.60% p.a. (31 March 2020: 9.60% p.a) and is repayable in 49 structured unequal quarterly installments starting from 30 September 2019.	Secured by first charge on all movable assets and intangible assets pertaining to project including plant and machinery, spares, tools, accessories, furniture, fixtures, goodwill, rights, undertakings and other assets of project, cash flows,

Long-term borrowings in the Group	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
		receivables, book debts, reserves, assignment of security interest of all rights, title, interest, benefits of project in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and bank accounts.
Term loan of Rs. 679.29 million (31 March 2020: Rs. 755.83 million) from financial institution in GIWGL	Interest on loan is 10.08% p.a. (31 March 2020: 9.55% - 10.08% p.a.) and is repayable in 59 structured unequal quarterly installments starting from 30 September 2017. During the current year, the Company has made prepayment of partial loan amount.	Secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, reserves, revenues, intangible assets, assignment of security interest on all rights, title, interest, benefits, claims and demands in the project documents, clearances, letter of credit, guarantee, performance bond and bank guarantee trust and retention account, debt service reserve account and any other reserves and bank accounts.
Term loan of Rs. 521.14 million (31 March 2020: Rs. 579.04 million) from financial institution in GIWPPL	Interest on loan is 10.04% p.a. (31 March 2020: 9.45% - 10.04% p.a.) and is repayable in 48 structured unequal quarterly installments starting from 30 June 2017. During the current year, the Company has made prepayment of partial loan amount.	Secured by pari-passu first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, reserves, revenues, intangible assets, assignment of security interest on all rights, title, interest, benefits, claims and demands in the project documents, clearances, letter of credit, guarantee, performance bond and bank guarantee, trust and retention account, debt service reserve account, bank account in favour of the Security Trustee.
Term loans of Rs. 1,347.63 million (31 March 2020: Rs. 1,383.27 million) from financial institutions in GIWFAL Nil (31 March 2020: 500 numbers) 12% Non-convertible debentures of Rs. 1.00 million each of Nil (31 March 2020: Rs. 500.00 million) in GIWFAL	(i) Interest rates are in the range of 10.00% - 11.45% p.a. (31 March 2020: 10.00% - 11.45% p.a.) and are repayable in 64 structured quarterly unequal installments starting from 1 April 2015. (ii) Non-convertible debentures were issued at 12.00% p.a. interest rate (31 March 2020: 12.00% p.a.) and were repayable in 4 yearly installments and starting at the ended of 6th year from the date of allotment i.e. 30 December 2014. During the current year, all debentures were pre-matured and prepaid.	Secured by way of pari passu mortgage on immovable property, hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, intangibles, goodwill, receivables, any other reserve, assignment or creation of security on all rights, title, interest, benefits claim and demands in any letter of credit, insurance contract/ insurance proceeds, performance bond, corporate guarantee, bank guarantee provided by any party to the projects documents, trust and retention account, debt service reserve account and any other bank account and 51.00% (31 March 2020: 51.00%) of the equity shares of GIWFAL held by promoter (i.e. GIWVL) have been pledged in favour of the Security Trustee
Term loan of Rs. 469.00 million (31 March 2020: Rs. 537.97 million) from financial institution in GIWEPL	Interest on loan is 10.04% p.a. (31 March 2020: 9.45% - 10.04% p.a.) and is repayable in 44 structured unequal quarterly installments starting from 30 June 2017.	Secured by first charge by way of hypothecation on entire movable assets, cash flows, receivables, book debts and revenues, any other reserves intangible assets, assignment or creation of security interest of all rights, title, interest benefits, claims and demands in the project documents, clearances, letter of credit, performance bond, corporate guarantee, bank guarantee provided by any party to the project documents; trust and retention account, debt service reserve account and bank account.
Term loan of Rs. 829.52 million (31 March 2020: Rs. 927.32 million) from financial institution in MREL	Interest rate is in the range of 9.00% - 9.80% p.a. (31 March 2020: 9.80% - 10.10% p.a.) and is repayable in 59 structured unequal quarterly installments starting from 31 December 2017. During the current year, the Company has made prepayment of partial loan amount.	Secured by charge on all immovable properties, the entire movable assets and intangible assets including plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles along with charge on the goodwill, uncalled capital, cash flows, receivables, book debts, revenues, first charge on all bank accounts, debt service reserve, trust and retention account; an assignment by way of security on project documents and contracts.
Term loans of 2,123.87 million (31 March 2020: Rs. 2,284.15 million) from banks in GIWSL	Interest rates are in the range of 8.30% - 9.80% p.a. (31 March 2020: 9.60% - 9.80% p.a.) and are repayable in 63 structured unequal quarterly installments starting from 30 June 2018.	Secured by charge on all immovable properties, the entire movable assets and intangible assets including plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles along with first charge on

Long-term borrowings in the Group	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
		the goodwill, uncalled capital, cash flows, receivables, book debts, revenues, first charge on all bank accounts, debt service reserve account, trust and retention account; an assignment by way of security on project documents and contracts and 26.00% (31 March 2020: 26.00%) equity shares of the GIWSL held by promoter have been pledged in favour of the Lender.
(i) External commercial borrowing of USD 7.74 million equivalent to Rs. 568.69 million (31 March 2020: USD 8.94 million equivalent to Rs. 673.70 million) from bank in GISFL (ii) External commercial borrowings of Rs. 241.06 million (31 March 2020: Rs. 277.36 million) from foreign financial institution in GISFL	(i) External commercial borrowing from bank carries interest rate of 3M LIBOR + 2.5% p.a. (31 March 2020: 3M LIBOR + 2.5% p.a.) and is repayable in 45 structured unequal quarterly installments starting from 15 October 2013. (ii) External commercial borrowing from foreign financial institution carries an interest rate in the range of 10.57% - 11.48% p.a. (31 March 2020: 10.57% - 11.48% p.a.) and is repayable in 26 structured unequal half-yearly installments starting from 15 October 2013.	Secured by first charge on immovable properties, all movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, revenues, by way of assignment of security interest of all rights, title, interest, benefits in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and other reserves and bank accounts of GISFL and GISPL (co-borrower), along with 51.00% (31 March 2020: 51.00%) of equity shares of GISFL and GISPL have been pledged in favour of the Security Trustee under the common loan agreement between the lenders with GISFL and GISPL.
(i) External commercial borrowing of USD 2.02 million equivalent to Rs. 148.74 million (31 March 2020: USD 2.34 million equivalents to Rs. 176.21 million) from bank in GISPL (ii) External commercial borrowings of Rs. 62.54 million (31 March 2020: Rs. 71.96 million) from foreign financial institution in GISPL	(i) External commercial borrowing from bank carries an interest rate of 3M LIBOR + 2.5% p.a. (31 March 2020: 3M LIBOR + 2.5% p.a.) and is repayable in 45 structured unequal quarterly installments starting from 15 October 2013. (ii) External commercial borrowing from foreign financial institution carries an interest rate in the range of 10.57% - 11.48% p.a. (31 March 2020: 10.57% - 11.48% p.a.) and is repayable in 26 structured unequal half-yearly installments starting from 15 October 2013.	Secured by first charge on immovable properties all movable including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, revenues, by way of assignment of security interest of all rights, title, interest, benefits in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and other reserves and bank accounts of GISPL and GISFL, along with 51.00% (31 March 2020: 51.00%) of equity shares of the GISPL and GISFL (co-borrower) have been pledged in favour of the Security Trustee under the common loan agreement between the lenders with GISFL and GISPL.
External commercial borrowings of JPY 45.46 million equivalent to Rs. 30.16 million (31 March 2020: JPY 136.37 million equivalent to Rs. 94.98 million) from bank in GIBTVL	External commercial borrowing from bank carries an interest rate of JPY LIBOR + 1.81% p.a. (31 March 2020: JPY LIBOR + 1.81% p.a.) and is repayable in 20 half yearly equal installments of JPY 45.46 million starting from 15 months from first disbursements i.e. 22 February 2012.	Secured by first pari passu charge on assets including land, plant and machinery and movable assets including books debts, operating cash flow, receivable in pertaining to the 23.75 MW wind farms projects at Vagaikulam and Theni, Tamil Nadu.
External commercial borrowings of USD 9.60 million equivalents to Rs. 705.65 million (31 March 2020: USD 12.59 million equivalent to Rs. 949.32 million) from banks in GIBTVL	(i) External commercial borrowings of outstanding Nil (31 March 2020: USD 1.19) carries an interest rate of 6M LIBOR + 4.50% p.a. (31 March 2020: 6M LIBOR + 4.50% p.a.) and were repayable in 14 half yearly equal installments of USD 1.19 million starting from 31 December 2013. The same has been repaid during the year. (ii) External commercial borrowings of outstanding USD 9.60 million (31 March 2020: USD 11.40 million) carries an interest rate of 6M LIBOR + 2.74% p.a. (31 March 2020: 6M LIBOR + 2.74% p.a.) and are repayable in 6 installments. First installment of USD 0.60 million was paid on 23 September 2013 and remaining balance are repayable in 5 structured unequal half-yearly installments starting from 22 March 2021.	Secured by first pari passu charge on all immovable and movable assets pertaining to the 25.50 MW wind farms projects at Satara, Maharashtra

3.15 Derivative liabilities

	As at 31 March 2021	As at 31 March 2020
Non-current		
Derivatives not designated as cash flow hedge		
- Fair value of interest rate swaps	5.58	9.85
	5.58	**9.85**
Current		
Derivatives designated as cash flow hedge		
- Fair value of forward contracts	5.55	-
- Fair value of commodity hedge contracts	-	146.88
Derivatives not designated as cash flow hedge		
- Fair value of interest rate swaps	0.33	
- Fair value of forward contracts	333.88	-
- Fair value of foreign exchange option contracts	-	0.10
	339.76	**146.98**

The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 3.32.

3.16 Other financial liabilities

	As at 31 March 2021	As at 31 March 2020
Non-current		
Interest accrued on INR denominated notes (refer terms of note 3.14 and note 3.37)	5,956.52	7,100.96
Lease liabilities (refer 3.34)	199.05	234.42
	6,155.57	**7,335.38**
Current		
Current maturities of long-term borrowings (refer note 3.14)	23,920.71	7,788.11
Capital creditors (refer note 3.38 (IV))	1,767.61	1,651.04
Interest accrued on borrowings	444.72	613.85
Retention bonus payable	-	21.91
Retention money payable (refer note 3.38)	6,796.47	6,906.73
Amount payable to employees	183.05	127.73
Lease liabilities (refer 3.34)	32.30	9.35
Other payables	216.16	136.10
	33,361.02	**17,254.82**

The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 3.32.

3.17 Provisions

	As at 31 March 2021	As at 31 March 2020
Non-current		
Provision for employee benefits		
- Gratuity (refer note 3.36)	45.93	23.67
- Compensated absences	86.20	69.52
Other provisions		
Provision for asset retirement obligation (refer subnote below)	316.84	284.04
	448.97	**377.23**
Current		
Provision for employee benefits		
- Gratuity (refer note 3.36)	0.09	0.05
- Compensated absences	10.11	7.15
Other provisions		
Provision for captive consumption tax	2.27	2.27
	12.47	**9.47**

	As at 31 March 2021	As at 31 March 2020
Subnote:		
Movement in provision for asset retirement obligation is as follows:		
At the beginning of the year	284.04	178.11
Movement in provision during the year (including unwinding of interest)	32.80	105.93
At the end of the year	**316.84**	**284.04**

3.18 Other liabilities

	As at 31 March 2021	As at 31 March 2020
Non-current		
Operation and maintenance expenses equalisation reserve	495.39	405.92
	495.39	**405.92**
Current		
Operation and maintenance expenses equalisation reserve	49.98	63.04
Advance from customers	17.51	7.05
Unearned income	296.32	298.99
Dues to statutory authorities	332.73	343.89
Other payables (refer note 3.38)	3,924.30	3,925.29
	4,620.84	**4,638.26**

3.19 Short-term borrowings

	As at 31 March 2021	As at 31 March 2020
Secured		
Working capital demand loans	6,920.00	7,687.87
Bills discounted against letter of credit	-	9,476.25
Buyers credits	2,138.50	1,473.84
Cash credit accounts	0.63	0.42
Unsecured		
Working capital demand loans	250.00	1,900.00
Commercial papers	-	3,455.44
	9,309.13	**23,993.82**

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Short-term borrowings in the Group	Interest rate and repayment terms of the short-term borrowings	Security terms of the short-term borrowings
Working capital demand loans from banks including buyer's credit of Rs. 7,919.13 million (31 March 2020: 9,162.13 million) for SEIL – P1 and P2	Working capital loans currently carry an interest in the range of 6.85% - 8.70% p.a. (31 March 2020: 7.55% - 9.10% p.a.) and buyers credit carry LIBOR based interest rate which was in the range of 1.50% to 1.64% p.a. (31 March 2020: 1.62% to 2.82% p.a.) and tenure is 180 days from the date of draw down and cash credits are repayable on demand.	**Short-term borrowings for SEIL-P1** Secured by mortgage pari passu first charge of registered mortgage of freehold land of 160 sq. mt. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL – P1. Short-term borrowings to the extent of Rs. 2,000.00 million from Development Bank of Singapore Limited is secured by corporate bank guarantee from Sembcorp Utilities Pte Ltd. **Short-term borrowings for SEIL-P2** Secured by first ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs at Village Zaap, Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL – P2 The fund based working capital facilities from State Bank of India, Development Bank of Singapore and Hongkong and Shanghai Banking Corporation Limited are secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd.
Commercial papers of Nil (31 March 2020: Rs. 3,455.44 million) for SEIL – P1	Commercial paper carries an interest rate in the range of 8.25% to 9.70% p.a. (31 March 2020: 9.50% to 9.70% p.a.) and shall be matured within 90 days and can be renewed/repaid upon maturity on mutual agreement.	These commercial papers are unsecured.
Working capital demand loan of Rs. 250.00 million (31 March 2020: Rs. 1,900.00) from bank in SGIL	Interest rate are in the range of 5.95% - 7.90% p.a. (31 March 2020: 7.90% - 8.75% p.a.) and is repayable within 150 days from the date of disbursement.	The said facility is unsecured.
Working capital demand loan of Rs. 1,140.00 million (31 March 2020: Nil) from banks in GIWEL	Interest rates are in the range of 3.95% - 7.65% p.a (31 March 2020: Nil) and is repayable within 7-14 days from the date of disbursement	The said facility is unsecured.
Bills discounted against letter of credit of Nil (31 March 2020: Rs. 8,016.63 million) from banks in GIWEL	Bills discounted carried an interest rate in the range of 5.60% - 8.35% p.a. (31 March 2020: 7.00% - 8.70% p.a.) and are repayable within 180 - 365 days from the date of issuance of Bill of Exchange. These borrowings were converted into long-term borrowings on its maturity as per borrowing arrangements.	Secured by pari passu first charge on all immovable properties and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures of the respective projects, and other assets of project, intangible assets, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of GIWEL in favour of the Security Trustee and lenders of the respective projects under GIWEL
Bills discounted against letter of credit of Nil (31 March 2020: Rs. 1,459.62 million) from bank in GIWEL	Bills discounted carried an interest rate of 6.59%-8.04% p.a. (31 March 2020: 8.65% p.a.) and was repayable within 365 days from the date of issuance. These borrowings were converted into long-term borrowings on its maturity as per borrowing arrangements.	Bills discounted against letter of credit from the bank are secured by way of hypothecation over the entire movable assets of the project for which the letter of credit is availed.

3.20 Trade payables

	As at 31 March 2021	As at 31 March 2020
Total outstanding dues to micro and small enterprises	8.25	8.25
Total outstanding dues to other than micro and small enterprises		
- related parties (refer note 3.37)	80.14	78.14
- others	2,119.33	4,451.99
	2,207.72	**4,538.38**

The Group's exposure to currency and liquidity risks related to trade payables are disclosed in note 3.32.

3.21 Current tax liabilities

	As at 31 March 2021	As at 31 March 2020
Provision for taxes (net of advance tax)	339.24	374.11
	339.24	**374.11**

3.22 Revenue from operations

	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of electricity (refer note 3.47)	86,918.09	83,976.29
Other operating revenues		
Income from generation-based incentive	450.79	497.67
Income from sale of renewable energy certificates	0.39	119.96
Income from sale of voluntary emission reduction certificates	107.23	4.66
Other operating revenue (including sale of fly ash)	82.80	36.01
	87,559.30	**84,634.59**

a. Reconciliation of revenue from electricity recognised with the contracted price is as follows:

Contract price	87,773.63	84,882.73
Adjustments for:		
Rebate to customers	(293.58)	(512.51)
Deviation settlement charges	(564.63)	(387.25)
Unearned income	2.67	(6.68)
Sale of electricity	**86,918.09**	**83,976.29**

b. Changes in contract liabilities*

Balance at the beginning of the year	305.46	300.84
Add: Amount received during the year	17.15	6.47
Less: Amount recognised as revenue/other adjustments during the year	(9.14)	(1.85)
Balance at the end of the year	**313.47**	**305.46**

* Contract liabilities include unearned income and advance from customer.

c. Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

d. Refer note 3.35 for Revenue disaggregation by geography.

e. Contract balances

	As at 31 March 2021	As at 31 March 2020
Trade receivables	29,761.96	22,928.57
Unbilled receivables	6,872.76	5,755.67
Contract liabilities	313.47	305.46

3.23 Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income under effective interest rate method	614.86	887.63
Net gain on fair value changes measured at FVTPL		
- mutual funds	161.02	270.59
- other financial assets	0.85	0.12
Late payment surcharges from customers (refer note 3.47 and 3.48)	2,850.95	946.45
Liquidated damages recovered	71.79	838.42
Income from insurance claims (refer note 3.45)	889.41	1,118.43
Gain on derivative contracts, net	-	273.60
Liabilities no longer required, written back	9.45	15.69
Miscellaneous income (refer note 3.44)	31.25	682.89
	4,629.58	**5,033.82**

3.24 Cost of fuel

	For the year ended 31 March 2021	For the year ended 31 March 2020
Coal and alternative fuel cost	40,519.73	43,118.24
	40,519.73	**43,118.24**

3.25 Transmission charges

	For the year ended 31 March 2021	For the year ended 31 March 2020
Transmission charges	2,503.48	2,859.14
	2,503.48	**2,859.14**

3.26 Employee benefits expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	1,904.88	1,851.35
Contribution to provident and other funds (refer note 3.36)	111.11	101.45
Employee shared based expenses (refer note 3.40)	66.57	32.85
Staff welfare expenses	99.47	109.72
	2,182.03	**2,095.37**

3.27 Finance costs

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on financial liabilities measured at amortised cost	19,115.49	19,607.56
Unwinding of discount on asset retirement obligation	28.79	22.58
Unwinding of discount on lease liabilities (refer note 3.34)	23.62	25.42
Other borrowing costs	802.13	757.45
	19,970.03	**20,413.01**

3.28 Depreciation and amortisation expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation on property, plant and equipment	12,444.94	11,970.02
Depreciation on right to use assets (refer note 3.34)	32.32	33.21
Amortisation on intangible assets	9.78	13.04
	12,487.04	**12,016.27**

3.29 Operating and other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Operation and maintenance expenses	1,109.61	825.71
Consumption of stores, spares and consumables	998.57	854.37
Site expenses	173.93	69.45
Repairs and maintenance		
- Buildings and civil works	50.23	75.36
- Plant and equipment	912.70	945.38
- Others	87.64	119.46
Travelling and conveyance	105.12	203.22
Insurance	791.25	603.45
Security charges	113.30	111.08
Legal and professional expenses (refer subnote below)	437.69	621.11
Health and safety expenses	37.91	42.47
Expenditure on corporate social responsibility	76.25	16.41
Rates and taxes	338.13	79.98
Rent (refer note 3.34)	8.45	21.56
Directors' sitting fee	9.16	11.01
Commission charges	21.84	11.95
Communication expenses	18.95	24.48
Business promotion	7.06	9.72
Impairment of property, plant and equipment and capital work-in-progress	-	327.08
Loss on foreign exchange fluctuations, net	228.71	593.84
Loss on fair value changes of derivative contracts	255.67	-
Property, plant and equipment written off	54.27	18.26
Allowance for expected credit loss	246.65	376.12
Doubtful receivables and advances written off	5.06	0.35
Miscellaneous expenses	63.70	130.13
	6,151.85	**6,091.95**

Auditor's remuneration (including taxes)

	For the year ended 31 March 2021	For the year ended 31 March 2020
- Statutory audit fee	11.55	11.55
- For other services	13.43	15.38
- For reimbursement of expenses	0.96	1.95
	25.94	**28.88**

Notes:
The above auditor's remuneration includes audit fees paid to auditors of subsidiaries in the Group.

3.30 Tax expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax expense	49.95	128.43
Current tax expense (changes in estimates related to prior years)	0.76	0.12
Deferred tax credit	(112.56)	(136.31)
	(61.85)	**(7.76)**
Tax effect on other comprehensive income	(0.31)	(0.40)
	(62.16)	**(8.16)**
Reconciliation of effective tax rate		
Profit before tax	**8,374.72**	**3,074.43**
Enacted tax rate in India	25.17%	25.17%
Computed expected tax expenses (a)	**2,107.75**	**773.77**
Effect of		
MAT credit not recognised/(recognised)	12.37	(448.97)
Tax on changes in estimates related to prior years	5.72	(54.37)
Adjustments due to income taxable at different tax rates	(0.26)	(28.28)
Non-deductible expenses (i.e. CSR expense, fair valuation)	156.16	89.55
Changes in permanent difference of deferred tax assets/liabilities	30.06	268.44
Non-taxable income (income under section 80IA)	(59.85)	(86.26)
Transition adjustment of Ind AS 116 "Leases"	-	(9.51)
Deferred tax asset not recognised on tax losses in earlier years	(2,313.80)	(512.13)
Income tax expense (b)	**(61.85)**	**(7.76)**
Tax effect on other comprehensive income	(0.31)	(0.40)
	(62.16)	**(8.16)**
Effective tax rate (a/b)	**-0.74%**	**-0.27%**

3.31 Earnings per share

	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit attributable to equity shareholders of the Company	8,491.91	3,126.72
Number of equity shares		
Number of shares at the beginning of the year	5,433,668,574	5,158,721,764
Add: Weighted average number of shares issued during the year	-	200,372,196
Weighted average number of shares outstanding during the year	**5,433,668,574**	**5,359,093,960**
Earnings per equity share		
(face value of share Rs.10 each)		
- Basic and diluted earnings per share (Rs.)	**1.56**	**0.58**

Note: The Group did not have any potentially dilutive securities in any of the period presented.

3.32. Financial instruments - fair values and risk management

A) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows:

As at 31 March 2021:		Carrying amount				Fair value		
	Note	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Investments - mutual funds	3.9	4,438.65	-	-	4,438.65	4,438.65	-	-
Derivative assets	3.3	354.85	1,319.38	-	1,674.23	-	1,674.23	-
Trade receivables	3.1	-	-	29,761.96	29,761.96	-	-	-
Cash and cash equivalents	3.11	-	-	3,191.68	3,191.68	-	-	-
Other bank balances	3.11	-	-	3,637.21	3,637.21	-	-	-
Other financial assets	3.4	-	-	15,076.00	15,076.00	-	-	-
		4,793.50	**1,319.38**	**51,666.85**	**57,779.73**	**4,438.65**	**1,674.23**	**-**
Financial liabilities								
Derivative liabilities	3.15	339.79	5.55	-	345.34	-	345.34	-
Borrowings (excluding current maturities)	3.14 & 3.19	-	-	177,178.94	177,178.94	-	-	-
Trade payables	3.20	-	-	2,207.72	2,207.72	-	-	-
Other financial liabilities (including current maturities)	3.16	-	-	39,516.59	39,516.59	-	-	-
		339.79	**5.55**	**218,903.25**	**219,248.59**	**-**	**345.34**	**-**

As at 31 March 2020:		Carrying amount				Fair value		
	Note	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Investments - mutual funds	3.9	3,230.07	-	-	3,230.07	3,230.07	-	-
Derivative assets	3.3	582.69	2,914.17	-	3,496.86	-	3,496.86	-
Trade receivables	3.1	-	-	22,928.57	22,928.57	-	-	-
Cash and cash equivalents	3.11	-	-	4,422.65	4,422.65	-	-	-
Other bank balances	3.11	-	-	4,293.48	4,293.48	-	-	-
Other financial assets	3.4	-	-	12,748.00	12,748.00	-	-	-
		3,812.76	**2,914.17**	**44,392.70**	**51,119.63**	**3,230.07**	**3,496.86**	**-**
Financial liabilities								
Derivative liabilities	3.15	9.95	146.88	-	156.83	-	156.83	-
Borrowings (excluding current maturities)	3.14 & 3.19	-	-	206,160.38	206,160.38	-	-	-
Trade payables	3.20	-	-	4,538.38	4,538.38	-	-	-
Other financial liabilities (including current maturities)	3.16	-	-	24,590.20	24,590.20	-	-	-
		9.95	**146.88**	**235,288.96**	**235,445.79**	**-**	**156.83**	**-**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.
Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

Valuation techniques and significant unobservable inputs

Investment in mutual funds:
The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

3.32. Financial instruments - fair values and risk management (continued)

Forward exchange/ option contracts, swap contracts and commodity hedge contracts:

Foreign exchange forward/option contracts, Interest rate swaps and commodity hedge contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

B. Financial risk management objectives and policies

The Group's activities exposes it to market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk and liquidity risk.

As part of the Group's enterprise risk management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Group's liquidity, counterparty risk, foreign exchange and derivative transactions and financing.

As part of the Group's enterprise risk management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Group's liquidity, counterparty risk, foreign exchange derivative transactions and financing.

The financial authority limits seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and commodity prices which affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and reduce market risk exposures within acceptable parameters.

i) Interest rate risk

The Group's exposure to market risk for changes in interest rate environment mainly relates to its debt obligations.

The Group's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts under long-term and short-term borrowings.

The Group entered into various cross currency interest rate swaps to reduce its exposure to interest rate volatility. In accordance with the Group's policy, the duration of such cross currency interest rate swaps must not exceed the tenure of the underlying debt. The Group's borrowings majorly consists of project funding and working capital loans having variable rate of interest.

The Group has entered into cross currency interest rate swap to hedge the interest rate exposure and currency exposure for external commercial borrowings and forward contracts/options for payments of interest and principle for FCNR term loans.

The interest rate profile of the Group's long-term interest-bearing instruments as reported to management is as follows:

Particulars	31 March 2021	31 March 2020
Fixed rate instruments		
Non-current and current borrowings	63,424.21	79,171.58
Effect of interest rate swaps	16,816.14	18,369.92
	80,240.35	**97,541.50**
Variable rate instruments		
Non-current and current borrowings	138,174.84	135,200.64
Effect of interest rate swaps	(16,816.14)	(18,369.92)
	121,358.70	**116,830.72**
	201,599.05	**214,372.22**

3.32. Financial instruments - fair values and risk management (continued)

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Group's assets are located in India. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating and financing activities. The functional currency of the Group is Indian rupee. The currencies in which these transactions are primarily denominated in US dollars (USD) and Singapore dollar (SGD).

The Group evaluates the exposure and enters into foreign currency derivative instruments like forward contracts, cross currency interest rate swaps to mitigate the exposure.

The quantitative data about the Group's exposure to currency risk (based on notional reports) is as follows:

Particulars	Currency	31 March 2021		31 March 2020	
		Indian Rupees	Foreign currency	Indian Rupees	Foreign currency
Financial assets					
Trade receivables	USD	722.55	9.83	1,147.37	15.22
Other financial assets (unbilled receivables)	USD	986.43	13.42	934.79	12.40
Total financial assets		**1,708.98**		**2,082.16**	
Financial liabilities					
Borrowings ECB, FCNR and Buyer's credit	USD	(47,389.57)	(646.80)	(48,891.82)	(647.74)
Borrowings ECB	JPY	(30.16)	(45.46)	(94.98)	(136.37)
Trade payables	USD	(998.19)	(13.58)	(935.99)	(12.42)
Trade payables	SGD	(55.23)	1.02	(54.79)	(1.05)
Trade payables	EUR	-	-	(0.19)	-
Other financial liabilities	SGD	(100.94)	(1.87)	-	-
Other financial liabilities	USD	(3,884.27)	(52.74)	(3,986.25)	(52.80)
Other financial liabilities	GBP	-	-	-	-
Other financial liabilities	JPY	(0.10)	(0.19)	(0.29)	(0.54)
Total financial liabilities		**(52,458.46)**		**(53,964.31)**	
Net financial liabilities		**(50,749.48)**		**(51,882.15)**	
less:					
Foreign exchange forward contracts (Buyer's credit)	USD	2,138.25	29.09	1,473.79	19.55
Foreign exchange forward contract (FCNR term loans)	USD	28,428.76	388.85	29,071.58	384.82
Cross currency and interest rate swaps	USD	16,835.08	228.93	18,363.63	243.52
Forward options	JPY	30.26	45.65	95.27	136.91
Total		**47,432.35**		**49,004.27**	
Net exposure in respect of recognised assets/(liabilities)		**(3,317.13)**		**(2,877.88)**	

Sensitivity analysis

A reasonably possible strengthening (weakening) of Indian rupee against US dollar as at balance sheet date would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Particulars	Profit/(loss)		Equity increase/(decrease), net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)				
31 March 2021	158.05	(158.05)	158.05	(158.05)
31 March 2020	141.15	(141.15)	141.15	(141.15)

3.32. Financial instruments - fair values and risk management (continued)

(iii) Commodity price risk

The prices of imported coal purchases are linked to price fluctuations in international coal market. Significant portion of cost and inventories are exposed to the risk of price fluctuations in international coal markets. The Group uses commodity hedge contracts to hedge the price risk of forecasted transactions.

The Group operates a risk management desk that uses hedging instruments to seek to reduce the impact of market volatility in coal prices on the Group's profitability. The Group's risk management desk uses coal commodity hedge contracts that are available in the commodity derivative markets. (The derivative instruments used for hedging purposes typically do not expose the Group to market risk because the change in their market value is usually offset by an equal and opposite change in the market value of the underlying asset, liability or transaction being hedged). The Group's open positions in commodity hedge contracts are monitored and managed on a regular basis to ensure compliance with its stated risk management policy which has been approved by the management.

Break-up of commodity hedge contracts entered into by the Group and outstanding as at balance sheet date:

Particulars	Contracts currency	Quantity of open contracts (MT)		Fair value of derivative assets/liability, net (Rs.)	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Coal commodity hedge contracts	USD	156,850	461,385	251.86	(146.88)

iv) Derivative financial instruments

Cash flow hedges:

Cross currency interest rate swaps

The Group has entered into currency swap contracts to cover the currency risk on USD external commercial borrowings. The Group has also entered into interest rate swap contracts, under which the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

Commodity hedge contracts

The Group uses commodity hedge contracts to hedge the price risk of forecasted coal purchase transactions. The prices of imported coal purchases are linked to price fluctuations in international coal market. These contracts enable the Group to mitigate the risk of changing coal prices and corresponding cash outflows.

Fair value hedges:

Forward contracts and options

The fair value of foreign exchange contracts/options which are not designated as cash flow hedges are accounted for based on the difference between the contractual price and the current market price.

The following table gives details in respect of outstanding nominal value and hedge contract details:

Particulars	Fair value of derivative asset/(liability) (Rs.)		Nominal values in Foreign currency i.e. USD /JPY		Nominal values in Indian Rupees	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Derivatives designated as cash flow hedges:						
Cross currency interest rate swaps						
In USD	1,067.52	1,429.63	209.50	219.50	13,984.13	16,547.21
Commodity hedge contracts						
In USD	251.86	(146.88)	12.60	32.44	926.07	2,445.29
Forward and option contracts						
In USD	(5.55)	46.88	6.54	12.20	481.04	922.93
Derivatives not designated as non-cash flow hedges:						
Options						
In USD	-	(0.10)	-	0.01	-	0.81
In JPY	5.31	19.73	46.37	141.85	30.77	98.80
Forward contracts and swaps						
In USD	10.08	562.96	460.21	438.31	33,461.29	32,545.72
In JPY	(0.33)	(9.85)	150.46	136.37	7,748.16	94.98

3.32. Financial instruments - fair values and risk management (continued)

b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer, employee or counterparty to a financial instrument fails to meet its contractual obligations leading to financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade and unbilled receivables) and from its financing activities, including short-term deposits with banks, and other financial assets. The carrying amounts of the financial assets as disclosed in note no 3.4 and 3.10 represent the maximum credit risk exposure.

Trade receivables and unbilled receivables

The Group has exposure to credit risk from a limited customer group on account of specialized nature of business, i.e. sale of power. The Group ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed undertakings which are sovereign backed and other large corporates.

Customer credit risk is managed by the Group subject to the Group's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Group has adopted a policy of dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and credit worthiness of its customers are continuously monitored.
The Group also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade receivables.

Impairment

The movement in allowance for expected credit loss in respect of trade receivables and unbilled revenue during the year end is as follows:

Particulars	Allowance for expected credit loss		
	Trade receivables	Unbilled revenue	Total
31 March 2021			
Balance at the beginning of the year	494.87	12.47	507.34
Movement in expected credit loss allowance	241.82	4.83	246.65
Balance at the end of the year	**736.69**	**17.30**	**753.99**
31 March 2020			
Balance at the beginning of the year	129.42	1.80	131.22
Movement in expected credit loss allowance	365.45	10.67	376.12
Balance at the end of the year	**494.87**	**12.47**	**507.34**

3.32. Financial instruments - fair values and risk management (continued)

Other financial assets/derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks and financial institutions (including derivatives contracts), investments in mutual funds.

Credit risk on cash and cash equivalents, other bank balances and derivative assets and liabilities are limited as the Group generally invests in deposits with banks with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks, the Group does not expect these banks and financial institutions to fail in meeting their obligations.

Credit risk arising from investment in mutual funds is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The mutual funds are valued at market price prevailing at reporting date which represents the fair value.

The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price. The fair value of interest rate swaps and cross currency swaps are the indicative amounts that the Group is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

3.32. Financial instruments - fair values and risk management (continued)

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Group is exposed to this risk from its operating activities and financing activities. The Group's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liability when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Group to meet its obligations.

The below table provides details regarding the contractual maturities of financial liabilities as of the reporting date.

As at 31 March 2021

Particulars	Carrying value	Contractual cash flows			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	198,191.76	34,933.94	117,250.88	145,368.70	297,553.52
Borrowings - short-term	9,309.13	9,309.13	-	-	9,309.13
Trade payables	2,207.72	2,207.72	-	-	2,207.72
Other financial liabilities (excluding current maturities of borrowings)	9,194.64	9,014.31	180.36	171.63	9,366.30
Derivative contracts	345.34	339.76	5.58	-	345.34
	219,248.59	**55,804.86**	**117,436.82**	**145,540.33**	**318,782.01**

As at 31 March 2020

Particulars	Carrying value	Contractual cash flows			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	197,669.48	21,130.23	135,320.90	155,573.61	312,024.74
Borrowings - short-term	23,993.82	23,993.82	-	-	23,993.82
Trade payables	4,538.38	4,538.38	-	-	4,538.38
Other financial liabilities (excluding current maturities of borrowings)	9,087.28	8,891.55	206.92	187.16	9,285.63
Derivative contracts	156.83	146.98	9.85	-	156.83
	235,445.79	**58,700.96**	**135,537.67**	**155,760.77**	**349,999.40**

*Contractual cash flows includes contractual interest payments based on the interest rate prevailing at the reporting date.

3.33. Capital management

The Group aims to maintain sound capital base so as to maintain investor, creditor and market confidence and to sustain future development and growth of its business, while at the same time maintaining an appropriate dividend policy to reward shareholders. The Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The capital structure of the Group consist of Borrowings and total equity of the Group. The Group seeks to maintain a balance between the higher returns that might be possible with highest levels of borrowings and the advantages and security afforded by a sound capital position.
The Group is not subject to any externally imposed capital requirements. However, under the terms of the major borrowings, the Group has to comply with certain financial covenants under borrowing agreements. Capital is defined as equity attributable to the equity holders (including non-controlling interest). Debt consists of non-current borrowings, current borrowings and current maturities of long-term borrowings.

The Group's debt to equity ratio as at the balance sheet date is as follows:

Particulars		31 March 2021	31 March 2020
Debt	A	201,099.65	213,948.49
Total equity	B	83,897.39	74,672.82
Total debt and equity		**284,997.04**	**288,621.31**
Debt-to-equity ratio	**(A/B)**	**2.40**	**2.87**

3.34. Leases

The Group has adopted Ind AS 116 "Leases", effective from 1 April 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1 April 2019) under modified retrospective approach. Accordingly, the Group had not restated corresponding year figures, instead, the cumulative effect of initially applying this standard had been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.

On transition, the Group recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset was recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. Accordingly, a right-of-use asset of Rs. 941.23 million and a corresponding lease liability of Rs. 269.63 million had been recognized. The cumulative effect on transition in retained earnings net off taxes is Rs. 28.15 million (including a deferred tax of Nil). The principal portion of the lease payments have been disclosed under cash flow from financing activities. The weighted average incremental borrowing rate of 9.50% - 10.03% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The amount recognised in the Balance Sheet for the right-of-use assets and lease liability are as follows:

Particulars	Gross carrying amount	Accumulated Depreciation	Net carrying amount
As at 31 March 2021			
Leasehold land and buildings	942.27	166.85	775.42
Vehicles	11.54	0.96	10.58
Total	**953.81**	**167.81**	**786.00**
As at 31 March 2020			
Leasehold land and buildings	941.23	138.21	803.02
Total	**941.23**	**138.21**	**803.02**

Lease liability	As at 31 March 2021	As at 31 March 2020
Present value of lease liability		
Current	32.30	9.35
Non- current	199.05	234.42
Maturity analysis		
0 - 1 year	51.02	48.04
1 - 5 years	180.36	206.92
More than 5 years	171.63	187.16

The amount recognised in consolidated statement of profit and loss for the right-of-use assets and lease liability are as follows:

For the year ended 31 March 2021

Particulars	Leasehold land and buildings	Vehicles	Total
Depreciation charged on right-of-use assets	31.36	0.96	**32.32**
Unwinding of discount on lease liabilities	23.28	0.34	**23.62**

For the year ended 31 March 2020

Particulars	Leasehold land and buildings	Vehicles	Total
Depreciation charged on right-of-use assets	33.21	-	**33.21**
Unwinding of discount on lease liabilities	25.42	-	**25.42**

Further, the Group incurred Rs. 5.96 million (31 March 2020: Rs. 19.41 million) towards expenses relating to short-term leases and leases of low-value assets. Lease contracts entered by the Group majorly pertains for land taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is Rs. 50.14 million (31 March 2020: Rs. 51.28 million).

3.35. Segment reporting

The Group is engaged in the business of generation of power, which in the context of Ind AS 108 "Operating Segments", notified by the Companies (Indian Accounting Standards) Rules, 2015 is considered the only operating segment. Since the operations of the Group exist in India and Bangladesh and all its assets are located only in India, disclosures under paragraphs 32-34 of Ind AS 108 are not required. Revenue to specific customers exceeding 10% of total revenue for the years ended 31 March 2021 and 31 March 2020 were as follows:

Customer name	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Revenue	%	Revenue	%
Telangana State Government utilities	29,994.00	34.26%	30,015.41	35.46%
Indian Energy Exchange (IEX)	13,977.07	15.96%	12,263.18	14.49%
Bangladesh Power Development Board	9,545.43	10.90%	6,958.73	8.22%
Andhra Pradesh State Government utilities	8,932.19	10.20%	7,015.88	8.29%

Geographical segments

Revenue from operations	For the year 31 March 2021	For the year 31 March 2020
India	78,013.87	77,675.86
Bangladesh	9,545.43	6,958.73
Total	**87,559.30**	**84,634.59**

3.36. Assets and liabilities relating to employee benefits

i) Defined contribution plan

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contribution to provident fund charged to the consolidated statement of profit and loss is Rs. 86.61 million (31 March 2020: Rs. 80.15 million).

ii) Defined benefit plan

The Group provides gratuity for its employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 1-5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof. The gratuity plan is a funded plan and the Group makes contributions to recognized funds in India. Liability with regard to this plan is determined by an actuarial valuation as at the end of the year and are expenses charged to the consolidated statement of profit and loss.

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3.36. Assets and liabilities relating to employee benefits (continued)

A. Funding

The Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Group carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

The following tables summaries the components of net benefit expense recognised in consolidated statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

B. Reconciliation of the present value of defined benefit obligation

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	115.74	85.05
Current service cost	25.69	22.80
Interest cost	7.90	6.32
Past service cost	5.88	-
Benefits paid	(5.74)	(6.76)
Actuarial loss recognised in the other comprehensive income	3.13	8.33
Balance at the end of the year	**152.60**	**115.74**

C. Reconciliation of the present value of plan assets

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	102.73	87.62
Contributions made by employer	26.96	18.01
Benefits paid	(14.32)	(8.24)
Interest income on plan assets	7.04	6.49
Actuarial gain on plan assets	(0.54)	(1.15)
Balance at the end of the year	**121.87**	**102.73**
Net defined benefit obligation	**30.73**	**13.01**
Disclosure in the Balance sheet:		
Funded asset (refer note 3.4)	15.29	10.71
Provision for employee benefits (refer note 3.17)	46.02	23.72

D. Expense recognised in the consolidated statement of profit and loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current service cost	25.69	22.80
Past service cost	5.88	-
Interest cost	7.90	6.32
Interest income	(7.04)	(6.49)
Total expense during the year	**32.43**	**22.63**

E. Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Actuarial loss on defined benefit obligation	3.13	8.33
Actuarial loss on planned asset	0.54	1.15
Actuarial loss for the year	**3.67**	**9.48**

3.36. Assets and liabilities relating to employee benefits (continued)

F. Plan assets

Plan assets comprise of the following:

Particulars	As at 31 March 2021	As at 31 March 2020
New Group Gratuity Cash Accumulation Plan with LIC	121.87	102.73

G. Summary of actuarial assumptions

Demographic assumptions

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Mortality rate (% of IALM 06-08 and 12-14)	100.00%	100.00%
Attrition rate		
18-30 years	10.00%	10.00%
31-40 years	5.00%	5.00%
41 years and above	1.00%	1.00%
Financial assumptions		
Discount rate	6.82% - 7.05%	6.80% - 6.95%
Future salary growth rate	5% - 10%	5% - 10%

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amount shown below.

Particulars	As at 31 March 2021	As at 31 March 2020
Impact of the change in discount rate %		
0.50% increase	(8.80)	(8.12)
0.50% decrease	9.63	8.87
Impact of the change in salary growth rate %		
0.50% increase	9.39	8.86
0.50% decrease	(8.71)	(8.19)

H. Asset-liability matching strategy

The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Group, as part of the policy rules, makes payment of all gratuity payables falling due during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

I. Maturity profile of the defined benefit obligation

Expected cash flows over the next year (valued on undiscounted basis):

Particulars	As at 31 March 2021	As at 31 March 2020
Within 1 year	8.50	7.77
2 to 5 years	30.13	22.07
6 to 9 years	40.49	25.15
For year 10 and above	244.23	197.52

iii) Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the consolidated statement of profit and loss amounting to Rs. 34.26 million (31 March 2021: Rs. 27.41 million).

3.37. Related party disclosure

a) List of related parties

Name of the party	Nature of relationship
Sembcorp Industries Ltd, Singapore	Ultimate holding company
Sembcorp Utilities Pte. Ltd., Singapore	Holding company
Sembcorp India Private Limited, India	Entity under common control
Gayatri Projects Limited, India	Key management personnel having significant influence (till 30 December 2019)
Gayatri Energy Ventures Private Limited, India	
Deep Corporation Private Limited, India	
Gayatri Hi-Tech Hotels Limited, India	
Wong Kim Yin	Chairman (w.e.f. 11 August 2020)
Neil Garry Mcgregor	Chairman (till 30 June 2020)
Vipul Tuli	Managing Director
T V Sandeep Kumar Reddy	Director (till 31 December 2019)
Looi Lee Hwa	Director
Radhey Shyam Sharma	Independent Director
Kalaikuruchi Jairaj	Independent Director
Sangeeta Talwar	Independent Director
Bobby Kanubhai Parikh	Independent Director (till 01 September 2020)
Juvenil Jani	Chief Financial Officer
Narendra Ande	Company Secretary

b) The following are the transactions with related parties during the year

	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent and utility expense		
Sembcorp India Private Limited	21.92	23.62
Deep Corporation Private Limited	-	9.09
Gayatri Hi-Tech Hotels Limited	-	0.88
Consultancy expenses		
Sembcorp Utilities Pte Ltd.	217.82	224.03
Interest expense on INR Denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd.	4,397.88	4,409.93
Bank guarantee fees/commission		
Sembcorp Utilities Pte Ltd.	223.55	222.13
Purchase of other intangible assets (SAP licenses)		
Sembcorp Utilities Pte. Ltd.	33.12	10.13
Reimbursement of share based payment		
Sembcorp Utilities Pte Ltd.	66.57	30.21
Reimbursement received		
Sembcorp India Private Limited	-	0.01
Purchase of property, plant and equipment		
Sembcorp India Private Limited	-	20.17
Reimbursement of expenses		
Sembcorp Utilities Pte Ltd.	8.48	19.80
Sembcorp India Private Limited	0.30	5.22
Sembcorp Industries Ltd	0.41	0.08

3.37. Related party disclosure (continued)

b) The following are the transactions with related parties during the year (continued)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Margin money recovered		
Gayatri Projects Limited	-	564.73
Amount received and paid to Statutory Authorities on behalf		
Sembcorp Utilities Pte Ltd.	-	136.01
Interest received		
Gayatri Projects Limited	-	219.43
Interest paid on INR Denominated notes (Net of TDS)		
Sembcorp Utilities Pte Ltd.	5,498.15	3,515.94
Amount received on delay in equity infusion		
Gayatri Energy Ventures Private Limited	-	320.07
Infusion of equity share capital including share premium		
Sembcorp Utilities Pte Ltd.	-	5,169.00
Salaries to Key managerial person*		
Vipul Tuli	61.49	63.21
Juvenil Jani	21.00	24.18
Narendra Ande	5.60	5.35
Sitting fees to Directors (including taxes)		
Kalaikuruchi Jairaj	1.62	1.89
Radhey Shyam Sharma	1.65	1.89
Sangeeta Talwar	2.22	2.60
Bobby Kanubhai Parikh	0.47	0.94

* Key Managerial Personnel and relatives of Promoters who are under the employment of the Group are entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

c) Details of related party balances is as under:

	As at 31 March 2021	As at 31 March 2020
Related party receivables		
Sembcorp Industries Limited (advance)	-	0.06
Related party payables		
Sembcorp Utilities Pte Ltd. (Trade payables)	79.18	76.20
Sembcorp Utilities Pte Ltd. (Other payables)	100.94	-
Sembcorp India Private Limited (Trade payables)	0.96	1.94
INR denominated Notes		
Sembcorp Utilities Pte Ltd	42,400.00	42,400.00
Interest accrued on INR denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	6,662.98	8,003.62
Corporate guarantee given for external commercial borrowings/term loans		
Sembcorp Utilities Pte Ltd	42,718.33	45,539.13
(Represents the amount of facility outstanding)		
Corporate guarantee given for short-term borrowings		
Sembcorp Utilities Pte Ltd	-	4,752.04
(Represents the amount of facility outstanding)		

3.38. Contingent liabilities and commitments (to the extent not provided for)

I) Commitments

Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	493.50	1,314.12

II) Claims against the Group not acknowledged as debt in respect of

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Income tax* (refer subnote a below)	749.53	1,183.04
(ii) Stamp duty (refer subnote b below)	-	-
(iii) Buildings and other construction works cess (BOCW Cess)	287.21	287.21
(iv) Entry tax**	150.62	150.62
(v) Works contract tax (refer subnote c below)	-	861.69
(vi) Service tax (refer subnote d below)***	798.13	798.13
(vii) Demand for fly ash disposal (National Green Tribunal) #	85.31	85.31
(viii) Township construction contract works ##	149.92	-
(ix) Others (refer note e below)	*Amount not Ascertainable*	*Amount not Ascertainable*

* Income tax paid under protest at 31 March 2021: Rs. 445.88 million (31 March 2020: Rs. 532.58 million) (including advance tax and tax deducted at source for respective years).

During the current year, the Group has received draft order u/s 144C for Assessment Year 2017-18 under Income Tax Act, 1961. The Group has filed reply against the draft order and wait for the final order.

** Entry tax paid under protest: Rs. 28.56 million (31 March 2020: Rs. 28.56 million).

*** Service tax paid under protest as at 31 March 2021: Rs. 59.86 million (31 March 2020: Rs. 59.86 million).

During the previous year, the Group has received a demand order from National Green Tribunal (NGT) levying environmental compensation charges towards non utilization/disposal of 100.00% fly ash. The estimated liability is Rs. 85.31 million as per order and the order is subject to similar proceedings pending before the Hon'ble Supreme Court where stay is operative.

The Group had entered into contract with Koneru Constructions Private Limited ('Koneru') for construction of Township at Nellore for an amount Rs. 454.06 million. The contract was completed on 31 October 2017, the full and final settlement was agreed with Koneru on 15 December 2017 and the final payment was released by the Group on 15 November 2018.
During the year, Koneru has sought additional compensation of Rs. 149.91 million (approx.) from the Group for additional work executed, damages, loss of profits, recovery of liquidated damages etc. and also sought appointment of an arbitrator. Koneru has also filed proceedings application under Section 11 of Arbitration and Conciliation Act, 1996 against SEIL before the Hon'ble High Court of Telangana.
The Group is contesting the matter and has obtained legal opinion on the validity of the claims by Koneru. As per the legal opinion, the Group has a good arguable case in its favor on the basis of the following grounds:
a. Full and final settlement agreement was agreed between the parties and settled.
b. majority of the claims by Koneru are barred in terms of the laws of limitation in India.
On the basis of the above and the legal opinion received, management is of the view that no provision is required in the books of accounts.

Subnote:

a) During the year, the Group has opted Vivad Se Vishwas Scheme (VSVS) for settlement of withholding tax litigations for the previous years (from FY 2011-12 to FY 2015-16) pertaining to tax on guarantee fees to banks on buyer's credit and on service contracts pertaining to a vendor.

b) Based on NCC Limited ('NCCL') Warranty and Indemnity agreement dated 1 February 2014 entered between SEIL-P2, NCCL and other counterparts, the liability, if any arising on account of dispute relating to SEIL-P2, would be to the account of NCCL. Accordingly, there would not be any impact on the financial position of the Group on account of Stamp duty relating to SEIL-P2.

3.38. Contingent liabilities and commitments (to the extent not provided for) (continued)

c) During the current year, the Group received favourable order from Commercial Taxes department, Government of Andhra Pradesh for works contract tax.

d) During the previous year, an order has been passed by the office of the Principal Commissioner of Central Tax, Hyderabad consequent to the audit memo and show cause notice issued in the previous years towards levy of service tax on liquidated damages claim on NCCL by SEIL. The order was issued for tax demand, interest and penalty of Rs. 796.80 million and Rs. 1.33 million retroactively towards service tax on liquidated damages and reimbursement of expenses to SCU respectively. The Group has filed appeal with the appellate tribunal on 20 March 2020 and also deposited 7.5% tax thereon and the hearing is currently awaited.

e) The Group is contesting legal cases in the local courts against the claims made on certain portion of the project lands, under dispute and amount is not ascertainable.

The Group has a process whereby periodically all long-term contracts including derivative contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that there are no material foreseeable losses on such long-term contracts which needs to be provided for in the books of account and the Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts.

On 28 February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, considering that there are numerous interpretative issues relating to retrospective application of this judgement, the Group has assessed the impact of the matter and concluded that there is no material impact on the financial statements. The Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject.

III) Bank guarantees

Particulars	As at 31 March 2021	As at 31 March 2020
Bank guarantees with customs and excise	8,387.81	8,932.02
Bank guarantees for PPA and other commitments	6,487.14	8,995.41
	14,874.95	**17,927.43**

IV) Liquidated damages and bank guarantees encashment:

A. Sembcorp Gayatri Power Limited (SGPL) (merged with the Company):

SEIL-P2 had raised a claim for an amount of Rs. 2,882.50 million and of US$ 9.04 million, towards liquidated damages on its EPC contractor, NCC Limited ('NCCL'), towards the delay in the achievement of Provisional Acceptance on account of this delay, SEIL-P2 had to incur additional costs to commence the operations. Also a claim of US$ 40.97 million was raised on China National Technical I&E Corporation and Tianjin Electric Power Construction Company (CTC) Consortium towards the delay in agreed delivery schedule and non-achievement of Project Provisional Acceptance.

The Group had encashed performance bank guarantee (BGs) of Rs. 516.00 million on 19 April 2017 and Rs. 2,915.00 million on 3 November 2017 given by NCCL. NCCL had invoked Arbitration proceedings on 27 May 2017. NCCL had filed its statement of claims for Rs. 15,579.00 million with interest. SEIL P2 had filed its statement of defence along with its counter claims to the tune of Rs. 10,127.00 million and US$ 9.04 million.

The matter is pending disposal as of date and accordingly, no related adjustments have been made in the financial statements. Since the levy and encashment of BGs has been challenged by NCCL on the ground that liquidated damages are not payable by them, the recovery will be appropriately adjusted based on outcome of the arbitration proceeding.

B. Sembcorp Green Infra Limited and its subsidiaries:

In earlier year, the Group had terminated the comprehensive operation and maintenance (O&M) contract with an O&M vendor for 216 MW projects. The Group has retained bank guarantees amounting to Rs. 452.70 million (March 31, 2020: Rs. 452.70 million) and receivables amounting to Rs. 318.38 million (March 31, 2020: Rs. 311.05 million) from vendor.

3.39. Business combinations under common control

As a part of reorganisation of entities in the Group, the Board of Director of subsidiary Sembcorp Green Infra Limited (SGIL) along with its four wholly owned step down subsidiaries namely Green Infra Wind Ventures Limited (GIWVL), Green Infra Wind Limited (GIWL), Green Infra Wind Assets Limited (GIWAL) and Green Infra Wind Technology Limited (GIWTL) (collectively called "amalgamating entities"), unanimously approved the proposal for the amalgamation of amalgamating entities with SGIL, subject to necessary statutory/regulatory approvals (the Scheme).

The appointed date for the amalgamation proposed under the Scheme is 1 April 2019. Upon approval of the proposed the Scheme coming into effect and upon transfer and vesting of all assets and liabilities and the entire business of the amalgamating entities into SGIL in accordance with the provisions of the scheme, the shares held by SGIL in the amalgamating entities shall get cancelled and extinguished in entirety. As, SGIL holds 100.00% shares in these amalgamating entities, no share is required to be allotted by SGIL either to itself or to any of its nominee shareholders holding shares in the amalgamating entities.

Upon the proposed Scheme coming into effect, SGIL shall record the assets, liabilities and reserves of the amalgamating entities in its books in accordance with the 'pooling of interest' method, at their existing carrying amounts, prescribed under Appendix C of Ind AS 103 "Business Combinations" and/ or such other Ind AS, as may be applicable, as amended from time to time.

The Scheme has been filed with the Honorable High Court of Punjab and Haryana under Section 230 of Chapter XV of the Companies Act, 2013 for amalgamation of the amalgamating entities with SGIL. As approval of the Scheme is pending for by the Regional Director, no effect of the scheme has been currently given in the consolidated financial statements.

3.40 Share-based payments

The Group participates in Share based plans of parent company, Sembcorp Industries Limited (SCI) for its share-based remuneration arrangements which include Performance Share Plan (SCI PSP) and Restricted Share Plan (SCI RSP), collectively known as 'Share Plans 2010 and Share Plans 2020'. During the current year, shareholders of SCI have approved the SCI Share Plans 2020 to replace existing Share Plans 2010 which expired in April 2020. The SCI RSP is for directors and employees of the Group, whereas the SCI PSP is primarily for key executives of the Group. The detail of Share Plan is as follows:

a) SCI Performance Share Plan (PSP)

The SCI PSP 2010 is targeted at senior management who shoulder the responsibility for the Group's performance and who are able to drive the growth of the Group to deliver long-term shareholder value. Senior management participants are required to hold a minimum percentage of the shares released to them under the SCI PSP 2010 to maintain a stake in the Group, for the duration of their employment or tenure with the Group.

b) SCI Restricted Share Plan (RSP)

Restricted shares will be granted to eligible employees based on financial performance and corporate objectives achieved in the preceding year. The performance criteria for FY2020 and FY2019 restricted shares awards granted are calibrated based on Earnings Before Interest Tax Depreciation and Amortisation (EBITDA), Return On Equity (ROE) (excluding Sembcorp Marine Ltd), and non-financial performance targets, comprising transformation milestones and adherence to environment, health and safety standards achieved by the SCI for the respective preceding financing year.

For prior years till financial year 2019-20, for managerial participants, depending on achievement of criteria outlined above, a quarter of the SCI RSP awards granted will vest immediately with the remaining three-quarters vest over the following three years in equal tranches, subject to individual performance and fulfilment of service conditions at vesting.

In financial year 2020-21 shares under SCI RSP 2020 will form part of the incentives for selected management level employees. Under the Plan, a specified number of RSP shares will be awarded at the end of the financial period depending on the achievement of the Group, business unit and individual performance level. Each grant will vest in three equal tranches, with the first tranche vesting in the grant year. Subsequent tranches will vest over next two years following the year of the grant.

A participant's award under the Share Plans 2020 and 2010 are determined by the Executive Resource & Compensation Committee (ERCC) of SCI taking into account, inter alia, the participant's performance during the relevant period, and his / her capability, entrepreneurship, scope of responsibility and skill set. For 2020, the ERCC decided not to grant any PSP Share attributed in part to the significant changes to the strategy of the business.

3.40 Share-based payments (continued)

The details of the movement of PSP and RSP shares awarded during the year to employees of the Group are as follows:

The following are the summary of movement in PSP and RSP during the year ended 31 March 2021:

Particulars	SCI PSP 2010	SCI RSP 2010	SCI RSP 2020
Outstanding at the beginning of the year	326,000	682,859	-
Granted during the year	323,636	651,783	618,570
Vested and exercised during the year	-	(511,174)	(163,818)
Forfeited / lapsed during the year	(190,884)	-	-
At the end of the year	**458,752**	**823,468**	**454,752**

The following are the summary of movement in PSP and RSP during the year ended 31 March 2020:

Particulars	SCI PSP 2010	SCI RSP 2010
Outstanding at the beginning of the year	136,000	228,791
Granted during the year	230,000	732,348
Vested and exercised during the year	-	(207,200)
Forfeited / lapsed during the year	(40,000)	(71,080)
At the end of the year	**326,000**	**682,859**

The fair values of the PSP and RSP shares are estimated using a Monte Carlo simulation and weighted average cost methodology at the grant dates along with other factors as below.

Information on outstanding and exercisable options is set out below for the year ended 31 March 2021:

Particulars	SCI PSP 2010	SCI RSP 2010	SCI RSP 2020
Options outstanding at the end of the year	458,752	823,468	454,752
Remaining contractual life in years	1.62	1.83 - 1.96	2.00 - 2.44
Risk free interest rate (depending in maturity)	0.77% – 0.96%	0.77% – 0.96%	0.77% – 0.96%
Expected dividend yield shares	3.50%	3.50%	3.50%
Weighted average price (range) (SGD)	1.24	1.17- 1.40	1.73 - 1.93

Information on outstanding and exercisable options is set out below for the year ended 31 March 2020:

Particulars	SCI PSP 2010	SCI RSP 2010
Options outstanding at the end of the year	326,000	682,859
Remaining contractual life in years	2.62	2.67 - 2.92
Risk free interest rate (depending in maturity)	1.90%	1.90%
Expected dividend yield shares	3.20%	3.20%
Weighted average price (range) (SGD)	1.26	2.03 – 2.28

The Group has charged Rs. 66.57 million (31 March 2020: Rs. 32.85 million) for share based payments based on fair value of the performance shares and restricted shares at the grant date which being expensed over the vesting period of the shares. The Group recognises a provision when contractually obliged to pay or where there is a past practice that has created a constructive obligation to pay.

3.41. During the year ended 31 March 2020, the Government had announced key changes to corporate tax rates wherein existing domestic companies have been provided an option to pay income tax at a concessional rate of 22% along with applicable surcharge and cess without availing specified deductions, incentives and tax holidays and the such companies will also not be liable to pay taxes under MAT. The Management reviewed the projections of tax outflows post the above-mentioned amendment for each entity under the Group to opt for the best suitable tax structure basis the lower tax outflows under both new and existing tax structure along with the recognition and utilization of MAT credit in the books of accounts within a horizon of 15 years based on the past performance of the projects. Based on the internal assessments, the management decided to continue in the existing tax structure for availing the specified deductions for few entities under the Group while rest of the entities have opted for new tax structure having least tax outflows as compared to existing tax structure.

3.42. In earlier years, the Group had entered into various agreements with certain vendors for development of wind power project of 84 MW and for related services in the state of Karnataka. Subsequently, the Group had decided to execute these projects as 40 MW and 44 MW in two of its subsidiaries namely GIWEL and GIWPGL respectively.

During the year ended 31 March 2020, the management had re-assessed the viability of these projects based on the trend of power tariffs and management believed that it was not commercially feasible to execute the projects as Group would not have been able to meet its expected rate of return. Consequently, the Group impaired the amount lying in capital work-in-progress amounting to Rs. 297.86 million in the year ended 31 March 2020.

3.43 During earlier years, the Group had entered into an agreement with a project vendor for supply, erection, and commissioning of 300.30 MW wind power project consisting of 143 Wind Turbine Generators (WTGs) and the vendor was to perform all such activities and obligations for completion and successful commissioning of the project.

However, the project vendor has failed to deliver on certain contractual obligations relating to execution of sale deed relating to the land in the favour of the Group, obtaining requisite approvals, clearances and licenses as required under the agreement. Further, the project vendor has also defaulted in making payment to its certain vendors and contractors related to the project which had led to project and site disruption.

To ensure that pending activities are completed for the project, the Group has incurred cost amounting to Rs. 362.97 million for completion of the pending activities and have shared necessary communication with respect to the deduction to be made for the cost incurred with respect of these activities against the outstanding dues of the project vendor.

Considering the legal opinion obtained by the Group, terms of the agreement and facts of the matter, the management believes that the above matter is not expected to have any material adverse effect on its financial statements and accordingly, it has adjusted the cost incurred against the dues of the project vendor.

3.44. During the previous year, Gayatri Energy Ventures Private Limited ('GEVPL') who was having 5.95% shareholding in SEIL has sold off its stake to Sembcorp Utilities Pte. Limited. As part of the definitive agreement, Gayatri Energy Ventures Limited ('GEVPL) and Gayatri Projects Limited ('GPL') repaid the balance outstanding amount to the Group with interest. Hence, the Group had received Rs. 1,002.91 million against outstanding advance and reimbursement of interest cost. Accordingly, the Group had recognized Rs. 320.07 million received from GEVPL as miscellaneous income during the previous year.

3.45 During the previous year, the Group had filed insurance claim for damage and business interruption on account of breakdown of stator and repair of rotor with New India Assurance Company Limited. The Group has received insurance claim approval of Rs. 2,139.81 million (i.e. Rs. 658.09 million for stator and rotor damage claim and Rs. 1,481.72 million for Business Interruption Insurance claim). During the current year, the Group has received an insurance claim amounting to Rs. 889.41 million (31 March 2020: Rs. 1,118.43 million) and the same has been accounted as insurance income.

3.46 The Group has receivables of Rs. 1,543.88 million (31 March 2020: Rs711.03 million) related to GST input refund against the export of electricity made to Bangladesh. However, the input credit has been challenged by GST Authorities for which an application has been filed by the Group with Ministry of Revenue and the process for refund is at various stages with GST authorities.

3.47 The Group had in earlier year filed a petition under Section 79 of the Electricity Act, 2003 seeking compensation on account of Change in Law events in terms of its Power Purchase Agreement (PPA) entered into with Andhra Pradesh and Telangana DISCOMs for supply of 500 MW power from its power generation plant. Central Electricity Regulatory Commission (CERC) vide its order dated August 21, 2020, had accepted the events and claims set out by the Company as Change in Law events. Accordingly, during the period, the Group has accounted an amount of Rs 6,478.22 million for change in law claims up to 31 March 2021 of which Rs. 5,225.90 million has been accounted as revenue from operations while Rs. 1,252.31 million related to carrying cost has been classified as Other income.

3.48 During the year ended 31 March 2021, the Company has accounted late payment surcharges from customers Rs. 2,850.95 million includes Rs. 686.94 million as an adjusting event inline with the guidance under Ind AS 10 ('Events after the reporting period').

3.49 In view of recent surge in COVID-19 cases, few states reintroduced some restrictions and the Group continues to be vigilant and cautious. The Group has considered the possible impact of COVID-19 in preparation of the consolidated financial statements. The impact of the global health pandemic may be different from that estimated as at the date of approval of consolidated financial statements. Considering the continuing uncertainties, the Group will continue to closely monitor any material changes to future economic conditions.

3.50 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

3.50. Additional information as required under schedule III of the Companies Act, 2013, in respect of consolidated subsidiaries are as below:

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in total comprehensive income/(loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated total comprehensive income/(loss)
Parent				
Sembcorp Energy India Limited	109,581.97	66.13%	9,274.80	102.52%
Subsidiaries				
Sembcorp Green Infra Limited	24,484.03	14.77%	535.86	5.93%
TPCIL Singapore Pte. Ltd	1.00	0.00%	(0.36)	0.00%
Step-down subsidiaries				
Green Infra Wind Energy Limited	17,855.42	10.78%	(329.42)	(3.63%)
Green Infra Corporate Solar Limited	1,561.84	0.94%	(257.91)	(2.85%)
Green Infra Wind Power Limited	203.13	0.12%	(18.65)	(0.21%)
Green Infra Corporate Wind Limited	223.76	0.14%	(12.25)	(0.14%)
Green Infra Wind Energy Assets Limited	345.32	0.21%	(10.22)	(0.11%)
Green Infra Wind Farm Assets Limited	1,035.49	0.62%	79.04	0.87%
Green Infra Wind Energy Project Limited	867.08	0.52%	57.91	0.63%
Green Infra Wind Solutions Limited	822.56	0.50%	4.66	0.04%
Green Infra Wind Power Generation Limited	1,074.64	0.65%	(73.25)	(0.81%)
Green Infra Wind Farms Limited	(38.69)	(0.02%)	7.21	0.08%
Green Infra Wind Generation Limited	(337.84)	(0.20%)	(92.28)	(1.02%)
Green Infra Wind Power Projects Limited	154.71	0.09%	(40.27)	(0.45%)
Green Infra BTV Limited	1,519.25	0.92%	(86.90)	(0.96%)
Green Infra Wind Energy Theni Limited	201.59	0.12%	11.02	0.12%
Green Infra Wind Power Theni Limited	104.88	0.06%	17.95	0.20%
Mulanur Renewable Energy Limited	492.86	0.30%	16.19	0.18%
Green Infra Solar Energy Limited	670.90	0.40%	77.08	0.85%
Green Infra Solar Farms Limited	1,236.35	0.75%	81.25	0.90%
Green Infra Solar Projects Limited	325.27	0.20%	14.90	0.16%
Green Infra Wind Ventures Limited	787.28	0.48%	(36.52)	(0.40%)
Green Infra Renewable Energy Limited	2,774.51	1.67%	131.28	1.45%
Green Infra Wind Assets Limited	(119.15)	(0.07%)	(162.06)	(1.79%)
Green Infra Wind Technology Limited	0.49	0.00%	(8.00)	(0.09%)
Green Infra Wind Limited	(1.92)	0.00%	(0.08)	0.00%
Green Infra Renewable Projects Limited	(132.90)	(0.08%)	(132.99)	(1.47%)
Total	**165,693.83**	**100.00%**	**9,047.99**	**100.00%**
Non-controlling interests in subsidiaries	132.30		(55.42)	
Inter group eliminations and adjustments	(81,928.74)		(2.22)	
Consolidated figures	**83,897.39**		**8,990.35**	

As per our report on consolidated financial statements of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/
W-100024

Hemant Maheshwari Digitally signed by Hemant Maheshwari Date: 2021.05.24 21:09:34 +05'30'

Hemant Maheshwari
Partner
Membership No: 096537

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103TG2008PLC057031

WONG KIM YIN Digitally signed by WONG KIM YIN DN: c=SG, st=Others, 2.5.4.20=37fcefad8ea854ed8569210fcfb166700091c094bb2b9ecd928d82a4099d0aaae, postalCode=999999, street=132 PASIR RIS ROAD, o=Personal, cn=WONG KIM YIN, pseudonym=64bd3f59876fcb5330477713dffc48e9d Date: 2021.05.24 19:46:41 +05'30'

Wong Kim Yin
Chairman
DIN: 08806258

VIPUL TULI Digitally signed by VIPUL TULI Date: 2021.05.24 20:06:35 +05'30'

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Ashwinkumar Jani Digitally signed by Juvenil Ashwinkumar Jani Date: 2021.05.24 19:36:35 +05'30'

Juvenil Jani
Chief Financial Officer

NARENDRA ANDE Digitally signed by NARENDRA ANDE DN: c=IN, o=Personal, 2.5.4.20=c17e0a29f2a0ccb9b2f0bb62fc99cc037fca1d1c6bd6b567b0f9a978b4a0a6b7b3, serialNumber=d2c00d6a0771df84d1ca1c8b413b91d0b06e4d61b3a9d1d5fe4eeea223463486b7c02c, postalCode=400001, st=MAHARASHTRA, street=NARENDRA ANDE, l=JAIPUR, pseudonym=899205a64c1459845a6827fa317-2D890E, email=NARENDRA.ANDE@SEMBCORP.COM Date: 2021.05.24 19:10:34 +05'30'

Narendra Ande
Company Secretary
Membership No: A14603

Place: Hyderabad
Date: 24 May 2021

Place: Gurugram
Date: 24 May 2021

Standalone Financial Statements

80-147

Independent Auditor's Report

To the Members of **Sembcorp Energy India Limited**

Report on the audit of the standalone financial statements.

Opinion

1. We have audited the accompanying standalone financial statements of Sembcorp Energy India Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of the carrying value of property, plant and equipment and goodwill relating to SEIL-P2 (Refer note 2.2 to the standalone financial statements) The carrying value of property, plant and equipment (PP&E) and goodwill relating to SEIL-P2 which was acquired by the Company in an earlier year amounts to Rs. 79,407.83 million and Rs. 1,234.20 million respectively as at March 31, 2022. The said PP&E are carried at cost less accumulated depreciation. At the end of every reporting period, the Company assesses their carrying values and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', if there is any indication of impairment to the carrying value. Goodwill is carried at cost and is tested annually for impairment. As mentioned in the note 2.2, the Management considers the said PP&E and goodwill as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. During the year, the Company has carried out an impairment assessment by estimating the recoverable amount of the CGU using discounted cash flow model	Our procedures included the following: • Obtained an understanding of the design and tested the operating effectiveness of the key controls surrounding impairment assessment. • Evaluated the Company's accounting policy in respect of impairment assessment of PP&E and goodwill and assessed whether the Company's determination of CGU was consistent with our knowledge of the Company's operations. • Evaluated the cash flow forecasts from our understanding of the internal and external factors, compared them to the budgets, actual past results and other supporting documents. • With the involvement of auditor's experts, assessed the reasonableness of the methodology used, key assumptions considered in the discounted cash flow projections for determining the recoverable value of the CGU. • Enquired with the management about justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same. • Checked the mathematical accuracy of the computations included in the discounted cash flow projections.

Key audit matter	How our audit addressed the key audit matter
over the remaining useful life of the CGU and comparing the same with its carrying value. Based on their assessment, the management concluded that no provision for impairment was necessary as at March 31, 2022. We considered this a key audit matter given the significance of the carrying value of PP&E and goodwill belonging to the CGU, estimations and the significant judgements involved in respect of key inputs like discount rate, future cash flows for the purpose of impairment assessment.	• Enquired with the management about justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same. • Checked the mathematical accuracy of the computations included in the discounted cash flow projections. • Assessed the adequacy of disclosures in the standalone financial statements. Based on the above procedures performed, management's assessment of carrying value of PP&E and goodwill relating to SEIL-P2 are considered to be reasonable.

Other Information

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

   Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the standalone financial statements

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

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

Auditor's responsibilities for the audit of the standalone financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

   - Identify and assess the risks of material misstatement of the standalone 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 standalone 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 made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

11. 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.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

13. The standalone financial statements of the Company for the year ended March 31, 2021, were audited by another firm of chartered accountants under the Act who, vide their report dated May 24, 2021, expressed an unmodified opinion on those standalone financial statements.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 2.28 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts – Refer note 2.13 to the standalone financial statements. The Company did not have any long-term 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 during the year ended March 31, 2022.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 2.53 to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 2.54(ix) to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared/ paid any dividend during the year.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 22057084AJQPWA9691

Place: Gurugram
Date : May 26, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Sembcorp Energy India Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Sembcorp Energy India Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. 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 issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. 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 standalone financial statements, whether due to fraud or error.

5. 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

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. 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 controls 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.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 22057084AJQPWA9691

Place: Gurugram
Date : May 26, 2022

Annexure B to Independent Auditor's Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Sembcorp Energy India Limited on the standalone financial statements as of and for the year ended March 31, 2022

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The property, plant and equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 2.1 to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Rupees in millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Total Reason for not being held in the name of the Company
Freehold land	43.93	Nelcast Energy Corporation Limited & Sembcorp Gayatri Power Limited (SGPL)	No	Since July 09, 2010	Title deeds of entire land in the name of Nelcast Energy Corporation Limited & SGPL were transferred to SEIL by virtue of merger order pursuant to the scheme of amalgamation of SGPL into SEIL. However, in respect of land of Acres 48.535 cents is pending for mutation in the name of the Company due to certain disputes and also administrative delays.
Freehold land	36.72	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	Since April 08, 2013	As per the terms of agreement for sale of land entered by NCC Power Projects Limited (erstwhile SGPL) with APIIC, the sale deed was to be executed after commissioning the plant. However, the said sale deed is yet to be executed in the name of the Company on account of certain administrative delays.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. Refer note 2.17 to the standalone financial statements.

iii. (a) The Company has, during the year, not made any investments, granted secured/ unsecured loans/ advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, income tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 2.28 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute. The particulars of dues of income tax, service tax, goods and services tax and entry tax as at March 31, 2022

Name of the statute	Nature of dues	Amount of demand without netting off amount paid under protest (Rupees in millions)	Amount paid under protest (Rupees in millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax and interest	82.71	30.44	AY 2012-13	Hon'ble High Court of Telangana
Income Tax Act, 1961	Income tax and interest	548.75	181.81	AY 2013-14, AY 2014-15, AY 2015-16, AY 2016-17	Commissioner of Income-tax, Appeals
Income Tax Act, 1961	Income tax and interest	115.87	23.17	AY 2017-18, AY 2018-19	Deputy Commissioner of Income tax, Appeals
Telangana Tax on Entry of Goods into local areas Act, 2001	Entry tax	43.30	15.15	FY 2013-15	Deputy Commercial Tax officer
AP Entry of Goods into local areas Act, 2001	Entry tax	107.32	13.41	FY 2015-17	Appellate Deputy Commissioner, Tirupati and Hon'ble High Court of Andhra Pradesh
The Finance Act, 1994	Service tax	798.14	59.89	FY 2016-17	Central Excise and Service tax Appellate Tribunal, Hyderabad
AP GST Act, 2017	Goods and Service tax	1,108.27	-	FY 2017-18, FY 2018-19	Assistant Commissioner (State Tax), Nellore

The above amounts contain interest and penalty wherever included in the order issued by the relevant authorities to the Company.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer note 2.12 to the standalone financial statements).

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer note 2.40 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act.

(b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Details are as given below:

Financial year	Amount to be spent in accordance with section 135(5)	Amount remaining unspent as at the year-end to be transferred special account u/s 135(6)	Amount transferred to Special Bank Account u/s 135(6), within 30 days from end of financial year (or till the date of audit report, if that is earlier)	Amount transferred to Special Bank Account u/s 135(6), after a period of 30 days from end of financial year (till the date of audit report)	Amount not transferred to Special Bank Account u/s 135(6), till the date of audit report
(a)	(b)	(c)	(d)	(e)	(f)
2021-22	52.58	12.04	12.04	-	-

(Also refer note 2.36 to the standalone financial statements)

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 22057084AJQPWA9691

Place: Gurugram
Date : May 26, 2022

Standalone Balance Sheet

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	149,039.66	153,204.90
Capital work-in-progress	2.1	159.48	599.41
Goodwill	2.2	1,234.20	1,234.20
Other intangible assets	2.2	9.95	12.19
Financial assets			
Investments	2.7	2.92	54,770.14
Other financial assets	2.3	2,822.69	3,998.19
Non-current tax assets	2.4	977.66	835.92
Other non-current assets	2.5	320.58	288.23
Total non-current assets		**154,567.14**	**214,943.18**
Current assets			
Inventories	2.6	7,322.49	4,580.62
Financial assets			
Investments	2.7	2,471.30	2,483.27
Trade receivables	2.8	38,606.90	32,520.20
Cash and cash equivalents	2.9	4,757.98	1,899.04
Bank balances other than cash and cash equivalents	2.9	2,039.50	1,959.34
Other financial assets	2.3	23.40	1,692.71
Other current assets	2.5	6,267.80	2,817.96
Total current assets		**61,489.37**	**47,953.14**
Total assets		**216,056.51**	**262,896.32**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10	54,336.69	54,336.69
Other equity	2.11	56,656.44	55,245.28
Total equity		**110,993.13**	**109,581.97**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	2.12	69,672.98	104,897.70
Lease liabilities	2.31	43.90	58.46
Other financial liabilities	2.13	-	5,956.52
Provisions	2.14	108.17	61.85
Deferred tax liabilities (net)	2.15	867.36	-
Total non-current liabilities		**70,692.41**	**110,974.53**
Current liabilities			
Financial liabilities			
Borrowings	2.17	15,316.02	27,474.87
Lease liabilities	2.31	17.49	14.31
Trade payables	2.18		
Dues to micro and small enterprises		13.42	1.32
Dues to creditors other than micro and small enterprises		4,850.69	1,853.12
Other financial liabilities	2.13	8,210.25	8,159.91
Other current liabilities	2.16	5,803.72	4,489.77
Provisions	2.14	9.90	10.03
Current tax liabilities (net)	2.19	149.48	336.49
Total current liabilities		**34,370.97**	**42,339.82**
Total liabilities		**105,063.38**	**153,314.35**
Total equity and liabilities		**216,056.51**	**262,896.32**

Significant accounting policies **1**

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone Balance Sheet referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Standalone Statement of Profit and Loss

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	2.20	76,891.00	73,674.19
Other income	2.21	1,421.70	4,108.20
Total income		**78,312.70**	**77,782.39**
Expenses			
Cost of fuel	2.22	46,729.68	40,519.73
Transmission charges	2.23	3,113.82	2,378.99
Employee benefits expense	2.24	2,476.57	1,652.37
Finance costs	2.25	10,892.72	13,398.03
Depreciation and amortisation expenses	2.26	6,692.40	7,457.84
Operating and other expenses	2.27	3,862.29	3,655.31
Total expenses		**73,767.48**	**69,062.27**
Profit before exceptional items and tax		**4,545.22**	**8,720.12**
Exceptional Item (refer note 2.48)		2,446.02	-
Profit before tax		**2,099.20**	**8,720.12**
Tax expense			
Pertaining to current year		-	-
Adjustment relating to earlier years	2.38	(252.15)	-
Deferred tax expense	2.38	927.70	-
Total tax expense		**675.55**	**-**
Profit after tax		**1,423.65**	**8,720.12**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligations		(44.20)	(2.46)
Income tax effect on above item		-	-
		(44.20)	**(2.46)**
Items that will be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedge		157.47	557.14
Cost of hedging reserve – changes in fair value		(31.46)	-
Income tax effect on above item		60.34	-
		186.35	**557.14**
Total comprehensive income for the year		**1,565.80**	**9,274.80**
Earnings per equity share (face value of share Rs.10 each)			
- Basic and diluted (Rs.)	2.30	0.26	1.60

Significant accounting policies **1**

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone Statement of Profit and Loss referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Place: Gurugram
Date: 26 May 2022

Standalone Statement of Cash Flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flow from operating activities		
Profit before tax	2,099.20	8,720.12
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	6,692.40	7,457.84
Finance costs	10,892.72	13,398.03
Allowance for expected credit losses	462.62	217.89
Interest income on bank deposits	(264.67)	(363.80)
Property, plant and equipment written off	0.26	23.99
Unrealised loss on derivatives	-	39.44
Net gain on fair value changes classified as FVTPL	(81.62)	(76.59)
Net unrealised loss/ (gain) on foreign exchange differences	114.07	(110.49)
Exceptional Item (refer note 2.48)	2,446.02	-
Doubtful receivables and advances written off	-	5.06
Operating cash flows before working capital changes	**22,361.00**	**29,311.49**
(Increase)/decrease in inventories	(2,741.87)	3,100.28
(Increase) in trade receivables	(6,548.47)	(6,528.94)
(Increase)/in financial and non-financial assets including derivative assets and liabilities	(675.59)	(709.81)
Increase/(decrease) in trade payable, other financial liabilities and current liabilities	3,659.43	(4,565.20)
Increase in provisions	1.99	12.72
Cash generated from operations	**16,056.49**	**20,620.54**
Income-tax paid (net of refund)	(76.60)	(48.94)
Net cash generated from operating activities (A)	**15,979.89**	**20,571.60**
Cash flows from investing activities		
Payment for purchase of property, plant and equipment and capital work-in-progress	(2,113.01)	(557.15)
Proceeds from sale of property, plant and equipment	0.51	2.09
Interest income received on bank deposits	330.17	489.89
(Investment in)/maturity of bank deposits, net	(80.16)	2,308.06
Redemption/(purchase) of mutual funds, net	93.59	(1,241.99)
Proceeds from sale of investment in subsidiary	52,321.20	-
Net cash generated from / (used in) investing activities (B)	**50,552.30**	**1,000.90**
Cash flows from financing activities		
Proceeds from long-term borrowings	12,150.00	-
Repayment of long-term borrowings	(46,178.64)	(4,621.22)
Repayment of short-term borrowings, net	(12,157.37)	(4,632.64)
Repayment of lease liabilities	(17.79)	(18.38)
Finance cost paid	(17,469.45)	(12,055.30)
Net cash used in financing activities (C)	**(63,673.25)**	**(21,327.54)**
Net increase in cash and cash equivalents (A+B+C)	2,858.94	244.96
Cash and cash equivalents at the beginning of the year	1,899.04	1,654.08
Cash and cash equivalents at the end of the year	**4,757.98**	**1,899.04**

Standalone Statement of Cash Flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Components of cash and cash equivalents:		
Balance with scheduled banks		
On current accounts	443.17	167.43
Deposits with original maturity of less than three months	4,314.81	1,731.61
Total cash and cash equivalents	**4,757.98**	**1,899.04**

Significant accounting policies **1**

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone Cash Flow Statement referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Standalone Statement of Changes in Equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at April 1, 2020	5,433,668,574	54,336.69
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2021	**5,433,668,574**	**54,336.69**
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2022	**5,433,668,574**	**54,336.69**

B. Other Equity

Particulars	Reserves and surplus					Other comprehensive income			Total
		Other reserve							
	Securities premium	Capital reserve on amalgamation	Fair value of interest free INR denominated notes from holding company	Share-based payments reserve	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging	
Balance as at April 1, 2020	40,207.03	16,013.56	1,155.42	-	(11,014.07)	(27.40)	(598.78)	-	45,735.76
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2020	40,207.03	16,013.56	1,155.42	-	(11,014.07)	-	(598.78)	-	45,763.16
Profit for the year	-	-	-	-	8,720.12	-	-	-	8,720.12
Remeasurement of post-employment benefit obligations	-	-	-	-	-	(2.46)	-	-	(2.46)
Other comprehensive income/(loss)	-	-	-	-	-	-	557.14	-	557.14
Fair value of interest free INR denominated notes from holding company	-	-	234.72	-	-	-	-	-	234.72
	-	**-**	**234.72**	**-**	**8,720.12**	**(2.46)**	**557.14**	**-**	**9,509.52**
Balance as at March 31, 2021	**40,207.03**	**16,013.56**	**1,390.14**	**-**	**(2,293.95)**	**(29.86)**	**(41.64)**	**-**	**55,245.28**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2021	**40,207.03**	**16,013.56**	**1,390.14**	**-**	**(2,293.95)**	**(29.86)**	**(41.64)**	**-**	**55,245.28**

Standalone Statement of Changes in Equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

B. Other Equity (Contd.)

Particulars	Reserves and surplus					Other comprehensive income			Total
		Other reserve							
	Securities premium	Capital reserve on amalgamation	Fair value of interest free INR denominated notes from holding company	Share-based payments reserve	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging	
Profit for the year	-	-	-	-	1,423.65	-	-	-	1,423.65
Share-based payments charged to profit or loss	-	-	-	136.20	-	-	-	-	136.20
Adjustment for recharge for share-based payments	-	-	-	6.86	-	-	-	-	6.86
Remeasurement of post-employment benefit obligations	-	-	-	-	-	(44.20)	-	-	(44.20)
Other comprehensive income/(loss)	-	-	-	-	-	-	128.31	58.04	186.35
Fair value of interest free INR denominated notes from holding company	-	-	(297.70)	-	-	-	-	-	(297.70)
	-	**-**	**(297.70)**	**143.06**	**1,423.65**	**(44.20)**	**128.31**	**58.04**	**1,411.16**
Balance as at March 31, 2022	**40,207.03**	**16,013.56**	**1,092.44**	**143.06**	**(870.30)**	**(74.06)**	**86.67**	**58.04**	**56,656.44**

Significant accounting policies **1**

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone statement of changes in equity referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Place: Gurugram
Date: 26 May 2022

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Corporate information

Sembcorp Energy India Limited ('the Company') was incorporated on January 8, 2008 as a public limited company. The Company has been established for developing, constructing, commissioning, operating and maintaining a 1,320-megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh (hereinafter referred to as "SEIL-P1"). The Company had successfully commenced full commercial operations of SEIL-P1 in September 2015.

On October 31, 2018, the Regional Director (RD), Ministry of Corporate Affairs, Hyderabad had approved the scheme of amalgamation (the Scheme) of Sembcorp Gayatri Power Limited (SGPL), one of the wholly owned subsidiary of the Company. The appointed date as per the Scheme was April 1, 2017. Erstwhile SGPL (hereinafter referred to as "SEIL-P2") has been operating and maintaining a 1,320-megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh. The commercial operations of SEIL-P2 had commenced on November 17, 2016, for unit I and on February 21, 2017, for unit II.

1. Basis of preparation, measurement and significant accounting policies

1.1 Basis of preparation and statement of compliance

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

These financial statements have been prepared by the Company on a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2022.

The financial statements were authorised for issue by the Company's Board of Directors on May 26, 2022.

1.2 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR) rounded off to the nearest million to two decimal places except when otherwise indicated, which is the functional and presentation currency of the Company.

1.3 Basis of measurement

These financial statements have been prepared on the historical cost basis, except for the following:

- Certain financial assets and liabilities and contingent consideration is measured at fair value
- Financial instruments comprising mutual funds,
- Derivatives instruments i.e. cross currency swap, interest rate swaps, forward contracts and options,
- Defined benefit plans - plan assets

1.4 New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial
- Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.
- The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.5 New amendments issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards.

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. Below is a summary of such amendments:

Title	Key requirements
Ind AS 16, Property, Plant and Equipment	Proceeds before intended use of property, plant and equipment The amendment clarifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Title	Key requirements
Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets	Onerous Contracts – Cost of fulfilling a contract The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.
Ind AS 103, Business combinations	References to the conceptual framework The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
Ind AS 109, Financial Instruments	Fees included in the 10% test for derecognition of financial liabilities The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

1.6 Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021, to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the current maturities of long-term borrowings has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings were included in 'other financial liabilities' line item.

Lease liabilities has now been reported separately on the face of the balance sheet, which was previously classified under 'other financial liabilities'.

Unbilled receivables have now been included in "Trade receivables" which was previously classified under 'other financial assets.

1.7 Use of estimates and judgements

The preparation of these financial statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities as at the date of the financial statements.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made, if material, their effects are disclosed in the notes to the financial statements. Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

i. Impairment of investments in subsidiaries

In case of investments made by the company in its subsidiaries, the Management assesses whether there is any indication of impairment in the value of investments. The carrying amount is compared with the present value of future net cash flow of the subsidiaries.

ii. Impairment of trade receivable and unbilled receivables

The Company has measured the lifetime expected credit loss by using practical expedients. It has accordingly used a provision matrix derived by using a flow rate model to measure the expected credit losses for trade receivables. Further, need for incremental provisions have been evaluated on a case to case basis where forward-looking information on the financial health of a customer is available and in cases where there is an ongoing litigation/dispute.

iii. Useful lives of property, plant and equipment and intangible assets

The Company reviews the useful life of property, plant and equipment and intangible at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

iv. Valuation of deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent there is reasonable certainty of future taxable income which will be available against the deductible temporary differences, unused tax losses and depreciation carry-forwards.

v. **Defined benefit plans**

The obligation arising from defined benefit plan is determined based on actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates, and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

vi. **Provisions and contingent liabilities**

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

vii. **Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

viii. **Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ix. **Impairment of property, plant and equipment**

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management.

1.8 Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

ii) it is held primarily for the purpose of being traded.

iii) it is expected to be realised within 12 months after the reporting date; or

iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i) it is expected to be settled in the Company's operating cycle.

ii) it is held primarily for the purpose of being traded.

iii) it is due to be settled within 12 months after the reporting date; or

iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. 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 or non-current classification of assets and liabilities.

1.9 Revenue recognition

The Company is engaged in generation and supply of electricity. Revenue from operations are primarily from sale of electricity.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment excluding discounts, rebates, and taxes or duty. When there is uncertainty as to measurement or ultimate collectability of revenue, recognition is postponed until such uncertainty is resolved.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Comp fulfils its performance obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade Receivables

A receivable represents the company right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract Liabilities in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognised as revenue when the Company performs under the contract

Income from power generation

Revenue from the sale of electricity is recognised from the time when production output is delivered to the power network. Revenue from energy units sold as per the terms of the Power Purchase Agreements ('PPA') and Letter Of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled receivables accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers.

Revenue/charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognised/ charged at rates notified by Central Electricity Regulatory Commission ('CERC') from time to time as revenue from sale of electricity and adjusted with revenue from sale of electricity.

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Unbilled receivables represent energy units delivered to the power network as per the terms of PPAs and was not invoiced to the Customers on the reporting date. The Company has unconditional right to receive the cash, and only act of invoicing is pending as on balance sheet date, as per contractual terms. Unearned income (contract liability) is recognised when the billing is in excess of revenue earned.

The Company accounts for fuel and power purchase price adjustment claims in case of claims of change in law etc. as and when allowed by the regulatory authorities and truing-up of adjustment claims as and when realised.

Claims i.e. late payment interest/surcharge recoverable from customer, insurance claims and liquidated damages, are accounted for to the extent the Company is reasonably certain of their ultimate collection.

Interest income is recognized based on effective interest rate method (EIR). It is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend income is recognised when the unconditional right to receive the income is established which is generally when shareholders approves the dividend.

1.10 Property, plant and equipment and depreciation

i. Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the assets to its working condition for their intended use, and estimated costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Tangible assets under construction are disclosed as capital work-in-progress. Software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Cost of other item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Fiscal benefits as available under various industrial promotional schemes are presented by deducting from the carrying amount of the PPE when there is a reasonable assurance that the Company will comply with the conditions attached to the benefit.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii. Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is recognised in the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Company and its costs can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised as an expense when incurred.

iii. Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale is not depreciated.

Depreciation on property, plant and equipment is provided on straight line method based on the useful life as specified in Schedule II of the Act, except in respect of the following category of assets, in whose case the estimated useful life of the assets has been assessed based on technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance etc.

Category	Life as per Schedule II	Life considered
Thermal power plants	40 years	30 years
Office equipments	5 years	3 years to 5 years

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Category	Life as per Schedule II	Life considered
Site equipment (included in plant and machinery)	15 years	3 years to 15 years
Furniture and fixtures	10 years	5 years to 10 years

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate and the residual values are not more than 5% of the original cost of the asset

iv. Disposals

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss on the date of retirement or disposal.

1.11 Intangible assets

Intangible assets other than Goodwill are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets that are acquired are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The intangible assets are amortised over the estimated useful lives as given below:

Category	Life considered
Computer software	3 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in the statement of profit and loss.

Goodwill represents the cost of business acquisition in excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill has indefinite useful life and tested for impairment annually.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

1.12 Inventories

Inventories which comprise of fuel, stores and spares are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

1.13 Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss unless it relates to a long term foreign currency monetary item.

Monetary assets and liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resultant exchange differences are recognised in the statement of profit and loss unless it relates to a long-term foreign currency monetary item.

Non-monetary assets are recorded at the rate prevailing on the date of the transaction.

1.14 Employee benefits

Short-term employee benefits

All employee benefits expected to be settled wholly within twelve months from the reporting date are classified as short-term employee benefits. An employee who has rendered services to the Company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense or as required under Ind AS 19 which permits the inclusion of the benefits in the cost to be recognised as an asset. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans, if the Company has a

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present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Company recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Defined benefit plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset), which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to the statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no legal or constructive obligation to pay any further amounts. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Compensated absences:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

Bonus plans:

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a contractual obligation.

Share based payment transactions:

The Company has not issued any shares / stock options on its shares. The ultimate holding company has however issued certain options on its own shares to certain employees of the Company which are in the nature of equity settled awards. Share-based payment expenses are recognised over the period during which the employees provide the relevant services. The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

1.15 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss over the tenure of the loan.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. Interest income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense on borrowings is recorded using the effective interest rate (EIR). EIR is the rate that discounts the

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estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

1.16 Financial instruments

i. Recognition and initial measurement

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

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

ii. Financial assets - Classification and subsequent measurement:

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order 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.

b) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

iii. Financial liabilities - Classification and subsequent measurement:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities.

a) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the statement of profit and loss.

b) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv. De-recognition of financial instruments

a) Financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right 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

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and rewards of ownership and does not retain control of the financial asset.

If the Company enters transaction whereby it transfers assets recognised on its balance sheet but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

b) Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or the same expires.

The Company also derecognise 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 the statement of profit and loss.

v. **Offsetting**

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the Company has a legally enforceable right to set off the amount and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1.17 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

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

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

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

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

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

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgements is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk volatility and discount rates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.18 Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequently to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement of profit and loss.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

i. **Financial assets or financial liabilities, at fair value through profit or loss**

In case of certain forward exchange contracts, the Company designates only the changes in fair value of the spot element of a forward contract as a hedging instrument. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

Any derivative that is either not designated a hedge or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the consolidated statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at

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fair value through profit or loss and the resulting gains or losses are included in the consolidated statement of profit and loss.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

ii. Cash flow hedge accounting

Where a derivative is designated as a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised directly in other comprehensive income and presented in the hedge reserve in equity. The ineffective portion of changes in the fair values of the derivative is recognised immediately in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedge reserve is transferred to the net profit in the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the statement of profit and loss.

1.19 Impairment

i. Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses ('ECL') to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables including unbilled receivables and contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The allowance for doubtful debts/ advances or impairment of assets is made on case to case basis by considering relevant available information.

ii. Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. Goodwill has indefinite useful life and tested for impairment annually.

1.20 Investment in subsidiaries

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

1.21 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract

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conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

1.22 Income taxes

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income). Current tax and deferred tax are recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax reflects the best estimate the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of allowances and disallowances which is exercised while determining the provision for income tax.

Minimum alternate tax (MAT) on the book profits or the Corporate tax payable on taxable profit is charged to the statement of profit and loss as current tax.

ii. 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 amounts used for taxation purposes. Deferred tax is not recognised for:

a) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

b) Temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

c) Taxable temporary differences arising on the initial recognition of goodwill.

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Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset with deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Future taxable profits are determined based on business plans. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets include Minimum Alternative Tax (MAT) paid, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in the statement of profit and loss.

1.23 Provisions and contingent liabilities

A provision is recognised when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each 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 recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

1.24 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit or loss after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

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

1.25 Cash flow statement

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

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1.26 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

1.27 Business combinations

i. **Business combinations (other than common control business combinations):**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combinations, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Company acquired a business, it assessed the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of entities comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Company, and fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the statement of profit and loss or other comprehensive income, as appropriate.

ii. **Common control business combinations**

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the preceding period in the financial statements or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the standalone financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.1 Property, plant and equipment and capital work-in-progress

Particulars	Freehold Land	Roads	Right of use assets (refer note no 2.31)	Office buildings	Factory buildings	Furniture and fittings	Vehicles	Office equipment	Electrical installations	Plant and equipment	Computers	Total	Capital work-in-progress
Gross carrying amount													
Balance as at April 1, 2020	2,442.04	2,317.81	738.24	1,526.59	790.55	112.90	79.59	126.77	95.93	181,465.53	110.82	189,806.77	722.70
Additions	171.06	-	18.52	0.27	5.53	0.11	9.14	2.99	-	424.97	16.79	649.38	479.57
Disposals	-	-	(4.79)	(10.20)	-	(22.43)	(1.16)	(16.25)	-	(10.18)	(10.12)	(75.13)	(0.88)
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	(601.98)
Balance as at March 31, 2021	**2,613.10**	**2,317.81**	**751.97**	**1,516.66**	**796.08**	**90.58**	**87.57**	**113.51**	**95.93**	**181,880.32**	**117.49**	**190,381.02**	**599.41**
Additions	21.27	-	2.85	-	3.14	0.11	2.69	10.21		2,470.01	12.10	2,522.38	498.79
Disposals	-	-	(23.02)	-	-	-	(1.68)	-	-	-	(5.25)	(29.95)	-
Capitalised during the period	-	-	-	-	-	-	-	-	-	-	-	-	(938.72)
Balance as at March 31, 2022	**2,634.37**	**2,317.81**	**731.80**	**1,516.66**	**799.22**	**90.69**	**88.58**	**123.72**	**95.93**	**184,350.33**	**124.34**	**192,873.45**	**159.48**
Accumulated depreciation													
Balance as at April 1, 2020	-	961.99	65.86	104.37	130.31	42.26	33.22	109.36	60.64	28,186.74	73.22	29,767.97	-
Depreciation for the year	-	197.33	12.88	29.76	25.92	11.19	10.11	9.40	13.43	7,124.30	20.81	7,455.13	-
Disposals	-	-	(2.72)	(0.91)	-	(14.68)	(0.66)	(15.39)	-	(3.01)	(9.61)	(46.98)	-
Balance as at March 31, 2021	**-**	**1,159.32**	**76.02**	**133.22**	**156.23**	**38.77**	**42.67**	**103.37**	**74.07**	**35,308.03**	**84.42**	**37,176.12**	**-**
Depreciation for the year	-	188.66	27.38	29.64	23.36	9.76	10.00	4.93	7.79	6,370.73	15.03	6,687.28	-
Disposals	-	-	(23.02)	-	-	-	(1.60)	-	-		(4.99)	(29.61)	-
Balance as at March 31, 2022	**-**	**1,347.98**	**80.38**	**162.86**	**179.59**	**48.53**	**51.07**	**108.30**	**81.86**	**41,678.76**	**94.46**	**43,833.79**	**-**
Net block													
As at March 31, 2021	**2,613.10**	**1,158.49**	**675.95**	**1,383.44**	**639.85**	**51.81**	**44.90**	**10.14**	**21.86**	**146,572.29**	**33.07**	**153,204.90**	**599.41**
As at March 31, 2022	**2,634.37**	**969.83**	**651.42**	**1,353.80**	**619.63**	**42.16**	**37.51**	**15.42**	**14.07**	**142,671.57**	**29.88**	**149,039.66**	**159.48**

"**Note: 1** In earlier years, the Company had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited. ('APIIC') for occupation of two tranches of land for SEIL-P1. One tranche of land was transferred to the Company as freehold land. For the other tranche of land, admeasuring Acre 680.55 cents, a lease deed for a period of 21 years was entered with APIIC on November 25, 2009. As per the lease deed, APIIC had agreed to sell the land even during the subsistence of the lease deed on securing necessary clearances and approvals for such sale to the Company on such mutually agreed terms and conditions. Further, in the unlikely event of not transferring the land through sale to the Company, APIIC agreed to renew the lease for a further period on such mutually agreed terms and conditions. All the requirements of the agreement including the payment of consideration of Rs. 612.50 million has been complied with by the Company to purchase the land. The said consideration was paid on November 12, 2009 and the same had been considered as cost of land. The Company had complied with all the requirements for purchase of land and paid the full consideration. The delay from APIIC is of administrative in nature and said sale will happen in due course of time. During the earlier year, APIIC had raised a demand amounting to Rs. 19.81 million for lease rentals (including interest) pertaining to previous years which was paid by the Company. On transition to Ind AS 116 the Company had categorized the payment of consideration of Rs. 612.50 million as right of use(ROU) assets and recognized the present value of the remaining lease payment as ROU assets and lease liability accordingly and being amortised over its useful life."

Note 2: Refer note 2.12 and 2.17 for assets pledged against the borrowings of the Company and Refer note 2.28 for Contractual commitments/ obligations.

Note 3: Title deeds of certain portions of land in the name of the Company are under dispute. In respect of such disputes, the Company has been legally advised that it has valid title in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property (refer note 2.28).

Note 4: During the year, the management has carried out a review of useful life of its Thermal Power Plant assets and determined the revised useful life to be 30 years from 25 years based on a technical assessment performed by an external consultant. This is considered as change in estimate and accounted prospectively from October 01, 2021 onwards. As a result of this change, the depreciation expense for the current year has reduced by Rs. 685.76 million, while annual depreciation will be reduced Rs. 1,375.29 million from FY 22-23 onwards.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.2 Other intangible assets and Goodwill

Particulars	Other intangible assets (Softwares)	Goodwill
Gross carrying amount		
Balance as at April 1, 2020	95.97	1,234.20
Additions	14.37	-
Disposals	-	-
Balance as at March 31, 2021	**110.34**	**1,234.20**
Additions	2.88	-
Disposals	-	-
Balance as at March 31, 2022	**113.22**	**1,234.20**
Accumulated amortisation		
Balance as at April 1, 2020	95.44	-
Amortisation for the year	2.71	-
Balance as at March 31, 2021	**98.15**	**-**
Amortisation for the year	5.12	-
Balance as at March 31, 2022	**103.27**	**-**
Net block		
As at March 31, 2021	**12.19**	**1,234.20**
As at March 31, 2022	**9.95**	**1,234.20**

Assessment of the carrying value of goodwill and property, plant and equipment relating to SEIL-P2:

The carrying value of property, plant and equipment (PPE) and goodwill relating to SEIL-P2 which was acquired by the Company in an earlier year amounting to Rs 79,407.83 million (March 31, 2021: Rs 80,826.71 million) and Rs 1,234.20 (March 31, 2021: Rs 1,234.20 million) respectively.

The goodwill represents the excess of consideration paid over the net assets acquired under the Scheme of Amalgamation of 'Nelcast Energy Corporation Limited (Nelcast)' with Sembcorp Gayatri Power Limited (SEIL-P2) approved by the High Court of Madras on October 12, 2011. Nelcast was the 100% subsidiary of SEIL-P2. The Company opted to apply Ind AS 103 exemption for the business combinations which occurred prior to transition into Ind AS and accordingly, amalgamation of Nelcast with the Company and the resultant Goodwill has not been restated.

The said PPE and goodwill are considered as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. The recoverable amount of the said CGU is based on discounted value of estimated cash flows over the remaining useful life of 25 years.

Revenue, plant load factor, coal prices, margins and cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by the management. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles.

Key assumptions used in the value-in-use calculations:

Assumption	Basis
Cash flow projections period	Remaining useful life of PPE assumed 25 years (March 31, 2021: 21 years) Refer note 2.1 for change in useful of PPE"
Weighted average cost of capital % (WACC) post tax	9.38% (March 31, 2021: 9.70%)
Revenue and margins	Primarily based on the forecasted combination of long-term and short-term contracts and electricity spot prices with reference to estimated demand and supply of electricity as well as margin.

As at March 31, 2022 the estimated recoverable amount of the CGU exceeds its carrying amount and accordingly no adjustment is required to such carrying amount. The management has also performed sensitivity analysis of the key assumptions applied and no impairment would need to be recognised in the event of a reasonable change in the underlying key assumptions as there exists significant headroom between the recoverable amount and carrying amount.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.3 Other financial assets

(Unsecured, considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Security deposits	10.67	16.94
Others:		
Margin money deposits and other deposits with banks*	2,745.35	3,830.37
Interest accrued on bank deposits	66.67	150.88
	2,822.69	**3,998.19**
Current		
Derivative assets on fair valuation of financial instruments^		
Derivative designated as cash flow hedge		
- Fair value of cross currency interest rate swaps	-	1067.52
- Fair value of commodity hedge contracts	-	251.86
Derivatives not designated as cash flow hedge		
- Fair value of forward contracts	-	0.51
Others:		
Interest accrued on bank deposits	23.40	4.69
Premium on forward contracts	-	325.06
Other receivables	-	43.07
	23.40	**1,692.71**

"* includes reserved against margin money for bank guarantees, other commitments and debt service reserves on long-term borrowings.
^ The Company exposure to currency and liquidity risk related to above derivative assets are disclosed in note 2.41"

2.4 Non-current tax assets

(Unsecured, considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income taxes	977.66	835.92
	977.66	**835.92**

2.5 Other assets

(Unsecured, considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Capital advances	183.17	155.88
Less: Provision for capital advance	(5.06)	(5.06)
Balance with government authorities paid under protest (refer note 2.28)	119.98	119.98
Contribution to gratuity fund (refer note 2.34)	-	15.29
Prepayments	22.49	2.14
	320.58	**288.23**
Current		
Advance to suppliers and service providers	3,291.59	793.67
Balance with government authorities (refer note 2.45)	2,527.95	1,547.44
Prepayments	448.26	476.85
	6,267.80	**2,817.96**

During the year ended March 31, 2022 and March 31, 2021, the company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
(i) 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
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries"
The Company has not given any loans or advances in the nature of loans to any firms/ companies, in which Directors are interested.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.6 Inventories

(Valued at lower of cost and net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Fuel*	5,053.01	2,493.59
Stores and spares	2,269.48	2,087.03
	7,322.49	**4,580.62**

* includes materials-in-transit amounting to Rs.3,244.39 million, (March 31, 2021: Rs. 1,065.38 million).

2.7 Investments

Particulars	Number of shares/ units		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
A) Non-current investments:				
Investments in subsidiaries				
(Unquoted, valued at cost unless stated otherwise)				
Equity instruments:				
TPCIL Singapore Pte Limited	49,000	49,000	2.92	2.92
Sembcorp Green Infra Limited (refer note 2.48)	-	349,210,001	-	54,767.22
			2.92	**54,770.14**
B) Current investments:				
Quoted, debt securities				
Mutual fund securities valued at FVTPL				
UTI Liquid Cash Fund - Direct Plan - Growth	144,422	153,836	503.75	518.50
Axis Liquid Fund - Direct Plan - Growth	184,487	210,016	436.14	479.84
SBI Liquid Fund - Direct Plan - Growth@	148,770	144,528	495.86	465.61
Nippon India Liquid Fund - Direct Plan - Growth	96,973	100,611	505.04	506.34
IDFC Cash Fund - Direct Plan - Growth	206,348	206,348	530.51	512.98
			2,471.30	**2,483.27**

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate fair value of unquoted investments	2.92	54,770.14
Aggregate fair value and market value of quoted investments	2,471.30	2,483.27
Aggregate provision for impairment in value of investments	-	-

@ It includes Rs.70.41 million invested from sale of fly ash and in future these funds will be used for pollution control related activities.

2.8 Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivable - unsecured, considered good		
- Billed	34,576.81	27,130.66
- Unbilled^	5,034.10	5,930.93
Less: allowance for expected credit loss	(1,004.01)	(541.39)
Total receivables	**38,606.90**	**32,520.20**
Current portion	38,606.90	32,520.20
Non-current portion	-	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.8 Trade receivables (Contd.)

Particulars	As at March 31, 2022	As at March 31, 2021
Break-up of security details		
Trade receivables considered good – secured	-	-
Trade receivables considered good – unsecured*	39,610.91	33,061.59
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	39,610.91	33,061.59
Loss allowance	(1,004.01)	(541.39)
Total trade receivables	**38,606.90**	**32,520.20**

^The receivable is 'unbilled' because the company has not yet issued an invoice to the customer, however, the balance has been included under trade receivables as it is an unconditional right to consideration.

* includes receivables against which the company holds revolving letter of credit from two customers

Aging of trade receivables as on March 31, 2022

Details	Outstanding for following periods from the due date of receipt						
	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
considered good	5,034.10	20,540.69	7,227.33	6,121.41	5.66	681.72	39,610.91
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Disputed trade receivables	-	-	-	-	-	-	-
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Total	**5,034.10**	**20,540.69**	**7,227.33**	**6,121.41**	**5.66**	**681.72**	**39,610.91**

Aging of trade receivables as on March 31, 2021

Details	Outstanding for following periods from the due date of receipt						
	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
considered good	5,930.93	19,386.52	6,439.84	611.21	489.04	204.05	33,061.59
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Total	**5,930.93**	**19,386.52**	**6,439.84**	**611.21**	**489.04**	**204.05**	**33,061.59**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.8 Trade receivables (Contd.)

Notes:

(i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

(ii) The Company's exposure to credit and currency risk and loss allowance related to trade receivables are disclosed in note 2.41

(iii) The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The Company considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost. The relevant carrying amounts are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Total transferred trade receivables	2,990.48	-
Associated secured borrowing (refer note 2.17)	2,990.48	-

2.9 Cash and bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents:		
Balance with banks:		
On current accounts	443.17	167.43
Deposits with original maturity of less than three months	4,314.81	1,731.61
	4,757.98	**1,899.04**
Bank balances other than those disclosed above		
Deposits due to mature after three months but before twelve months from the reporting date	2,039.50	1,959.34
	2,039.50	**1,959.34**

2.10 Equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
Equity shares		
15,000,000,000 (March 31, 2021: 15,000,000,000) number of equity shares of Rs.10 each	150,000.00	150,000.00
	150,000.00	**150,000.00**
Issued, Subscribed and fully paid up		
5,433,668,574 (March 31, 2021: 5,433,668,574) number of equity shares of Rs.10 each, fully paid up (refer note below)	54,336.69	54,336.69
	54,336.69	**54,336.69**

Notes:

643,970,442 (March 31, 2021: 643,970,442) and 408,480,080 (March 31, 2021: 408,480,080) number of equity shares of Rs. 10 each, fully paid-up are pledged against secured term loans availed from banks by SEIL-P1 & SEIL-P2 respectively.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.10 Equity share capital (Contd.)

(i) Movements in equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year	5,433,668,574	54,336.69	5,433,668,574	54,336.69
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**5,433,668,574**	**54,336.69**	**5,433,668,574**	**54,336.69**

(ii) Shares of the company held by holding company

Particulars	As at March 31, 2022	As at March 31, 2021
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,433,668,574	5,433,668,574

(iii) Details of shareholders holding more than 5% shares in the company

Name of shareholders	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,433,668,574	100.00%	5,433,668,574	100.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(iv) Details of shareholding of promoters

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Percentage of total number of shares	Number of shares	Percentage of total number of shares
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,433,668,574	100.00%	5,433,668,574	100.00%

There is no change in the share holding held by the promoters during the current year.

Terms and rights attached to equity shares:

Equity shares of the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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.

Aggregate number of bonus shares issued and shares issued for consideration other than cash during the five years immediately preceding the reporting date:

During the year ended March 31, 2018, the Company has issued 2,568,750,000 number of equity shares of Rs. 10 each fully paid at a premium of Rs. 8.80 per share to Sembcorp Utilities Pte Ltd as a consideration of acquisition of Sembcorp Gayatri Power Limited and Sembcorp Green Infra Limited in the said year.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.11 Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium		
Balance at the beginning of the year	40,207.03	40,207.03
Add: Additions during the year	-	-
Balance at end of the year	**40,207.03**	**40,207.03**
Capital reserve on amalgamation		
Balance at the beginning of the year	16,013.56	16,013.56
Add: Additions during the year	-	-
Balance at end of the year	**16,013.56**	**16,013.56**
Fair value of interest free INR denominated notes from holding company		
Balance at the beginning of the year	1,390.14	1,155.42
Add/ deletions: Additions during the year	(297.70)	234.72
Balance at end of the year	**1,092.44**	**1,390.14**
Share-based payments reserve		
Balance at the beginning of the year	-	-
Add: Share-based payments charged to profit or loss	136.20	-
Add: Adjustment for recharge for share-based payments	6.86	-
Balance at end of the year	**143.06**	**-**
Retained earnings		
Balance at the beginning of the year	(2,293.95)	(11,014.07)
Add: Profit for the year	1,423.65	8,720.12
Balance at end of the year	**(870.30)**	**(2,293.95)**

Other comprehensive income (OCI)

Particulars	As at March 31, 2022	As at March 31, 2021
Remeasurement of post-employment benefit obligations		
Balance at the beginning of the year	(29.86)	(27.40)
Items that will not be reclassified to profit or loss		
- Remeasurements of post-employment benefit obligations	(44.20)	(2.46)
Balance at the end of the year	**(74.06)**	**(29.86)**
Effective portion of cash flow hedges		
Balance at the beginning of the year	(41.64)	(598.78)
Add: Change in fair value, net of tax	128.31	557.14
Balance at the end of the year	**86.67**	**(41.64)**
Hedge Reserve - cost of Hedging		
Balance at the beginning of the year	-	-
Add: Change in fair value, net of tax	58.04	-
Balance at the end of the year	**58.04**	**-**
Total Other Equity	**56,656.44**	**55,245.28**

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Capital reserve on amalgamation

Capital reserve on amalgamation is the difference between the consideration for acquisition of Sembcorp Gayatri Power Limited (SEIL-P2) and the amount of share capital and security premium of SEIL-P2 as per Ind AS 103 (Appendix C), Business combinations of entities under common control

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.11 Other equity (Contd.)

Other reserves

Other reserves include all other transactions with the owners in their capacity as owners, impact of changes in the ownership interest do not result in loss of control and fair value adjustments

Retained earnings

Retained earnings mainly represents all current and prior periods profits as disclosed in the statement of profit and loss less dividend distribution, transfers to general reserve.

Other comprehensive income (OCI)

Effective portion of cash flow hedges

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instrument related to hedged transactions that have not yet occurred.

Remeasurement of post-employment benefit obligations

Remeasurement of post-employment benefit obligations represents remeasurement gain/(loss) relating of post-employment benefit obligations.

Hedge reserve-Cost of Hedging

This mainly represents the net change in fair value of forward element of the hedging instrument.

2.12 Long term Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured From banks		
Rupee term loans	54,290.83	34,962.86
Foreign currency non repatriable (FCNR) term loan*	15,382.15	27,534.84
Unsecured From related party (refer note 2.42)		
INR denominated notes	-	42,400.00
	69,672.98	**104,897.70**

Note: All loans have been used for specific purpose for which it was drawn.

* As on March 31, 2021, the Company had converted Rupee term loan of Rs. 26,589.25 million of SEIL-P1 for a period of 365 days and Rupee term loan of Rs. 1,850.00 million of SEIL-P2 into FCNR Loans for a period 364 days. As on March 31, 2022, the Company had converted Rupee term loan of Rs. 16,513.18 million of SEIL-P1 for a period of 90 to 363 days.

Details of securities given, repayment terms and other details are given below:

a) Rupee term loans and FCNR term loans:

Rupee Term loans and FCNR term loans obtained by SEIL-P1 from banks are secured by way of:

1. First ranking pari passu charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh.

2. First ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL-P1.

3. Pledge of 643,970,442 (March 31, 2021: 643,970,442) fully paid equity shares of Rs. 10 each held by the holding Company.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.12 Long term Borrowings (Contd.)

Rupee Term loans and FCNR term loans obtained by SEIL-P2 from banks are secured by way of:

1. First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh.

2. First ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL-P2.

3. Pledge of 408,480,080 (March 31, 2021: 408,480,080) fully paid up equity shares of Rs. 10 each held by the holding Company.

4. The holding company has given corporate guarantee to cover the outstanding balance.

Terms of repayment and rate of interest for Rupee Term loans by SEIL-P1:

Rupee Term Loan facility -I from banks are repayable in 79 quarterly structured unequal instalments commenced from December 31, 2016 and Rupee Term Loan facility - II from banks are repayable in 77 quarterly structured unequal instalments commenced from June 30, 2017. The Rupee Term Loans in respect of facility - I and II carry an interest of SBI MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.20% to 8.25% (March 31, 2021: 8.20% to 9.25% p.a.)

Terms of repayment and rate of interest for Rupee Term loans by SEIL-P2:

Rupee term loans facilities are repayable in 78 quarterly structured unequal instalments commenced from September 30, 2017. Rupee term loans carry an interest of SBI one year MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.20% to 9.15% p.a.(March 31, 2021: 8.25% to 9.70% p.a.)

Terms of repayment and rate of interest for FCNR Term loans by SEIL-P1 and SEIL-P2:

FCNR term loans tenure is 7 to 365 days from the date of conversion and these loans are repayable in one lump sum on the date of maturity. As per the terms of FCNR term loan agreements, the Company can rollover the facility (or) can convert it into Rupee term loans. The business model of the Company is either to rollover or conversion into Rupee term loans. The Company has classified the borrowings in the financial statements as per the original Rupee term loan agreement and repayments during the year have been honoured as per original Rupee term loan agreement. The rate of interest applicable on these FCNR term loans is at 12 months LIBOR plus Spread plus Hedging cost plus upfront conversion cost (All in cost is in range of 7.42% to 7.93% p.a.) (March 31, 2021: 7.73% to 7.81% p.a.)

b) INR denominated Notes

INR denominated notes are unsecured and are fully subscribed by the holding company. During the previous year, the holding company has deferred the repayment of tranche 1 principal amounting to Rs. 7,893.90 million and interest accrued as at 31 March 2021 to 30 September 2022 at the request of the Company. Finance component on account of interest free deferment is recognised at fair value in other equity. In the current year, the Company has repaid 'INR denominated notes' amounting to Rs. 51,948.63 million including interest of Rs.9,548.63 million to Sembcorp Utilities Pte Limited. The difference between the carrying value of the liability and the repayment is adjusted in other equity component originally created on INR denominated notes.

During the year, the Company has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.13 Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Interest accrued on INR denominated notes (refer note 2.12 (b))	-	5,956.52
	-	**5,956.52**
Current		
Derivative liabilities on fair valuation of financial instruments^		
Derivatives designated as cash flow hedge		
- Fair value of forward contracts	-	5.55
Derivatives not designated as cash flow hedge		
- Fair value of forward contracts	250.50	333.88
Others		
Amount payable for purchase of property, plant and equipment [refer note 2.28 (IV)]	453.76	458.92
Amount payable for purchase of property, plant and equipment (dues of micro and small enterprises)	5.20	-
Interest accrued on borrowings (refer note 2.12)	3.95	332.87
Amount payable for Retention money payable [refer note 2.28 (IV)]	6,887.61	6,796.47
Accrued employee liabilities	609.23	131.28
Other payables	-	100.94
	8,210.25	**8,159.91**

^The Company exposure to currency and liquidity risk related to above derivative assets are disclosed in note 2.41

2.14 Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for employee benefits		
- Gratuity (refer note 2.34)	29.13	-
- Compensated absences	79.04	61.85
	108.17	**61.85**
Current		
Provision for employee benefits		
- Compensated absences	9.90	10.03
	9.90	**10.03**

2.15 Deferred tax liabilities

Deferred tax asset and liabilities attributable to the following

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities on:		
Excess of depreciation on Property, plant and equipment under Income Tax law over depreciation provided in accounts	15,625.43	14,229.25
Fair value adjustment of current investments	6.71	10.13
Unamortised part of prepayment expenses	76.16	104.88
Lease liabilities	11.23	-
	15,719.53	**14,344.26**
Deferred tax assets on:		
Allowance for expected credit loss	294.10	195.42
Provision for employee benefits	168.88	46.22
Interest carried forward under Section 94B of the Income-tax law	3,557.47	3,495.69

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.15 Deferred tax liabilities (Contd.)

Deferred tax asset and liabilities attributable to the following

Particulars	As at March 31, 2022	As at March 31, 2021
Business carry forward loss and Unabsorbed depreciation#	10,702.28	10,606.93
Unrealised Forex loss on capital creditor	53.64	-
Lease liability	15.46	-
Hedge reserve	60.34	-
	14,852.17	**14,344.26**
Net deferred tax liability/ (asset)	**867.36**	**-**

Till previous year deferred tax assets were recognised on unabsorbed depreciation/carried forward tax losses only if, there was a reasonable certainty that such deferred tax assets could be realised against future taxable profit.

2.16 Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Contract liabilities	24.71	313.47
Dues to statutory authorities	220.50	252.00
Other payables [refer note 2.28 (IV)]	5,558.51	3,924.30
	5,803.72	**4,489.77**

2.17 Short-term borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of long-term borrowings	5,093.98	19,555.74
Secured		
Working capital demand loans	4,749.72	5,780.00
Cash credit accounts	-	0.63
Bills discounting (refer note no. 2.8)	2,990.48	-
Buyers credit	-	2,138.50
Unsecured		
Commercial papers	2,481.84	-
	15,316.02	**27,474.87**

Note: The Company has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed are in agreement with the books of accounts.

During the year, the Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained

a) Terms and nature of security:

Loans from banks by SEIL-P1

i) Borrowings from banks are secured by mortgage pari passu first charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh.

ii) First pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL-P1.

iii) Borrowings to the extent of Rs. 2,000 million from Development Bank of Singapore Limited is secured by corporate bank guarantee from Sembcorp Utilities Pte Ltd.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.17 Short-term borrowings (Contd.)

Loans from banks by SEIL-P2

i) First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs at Village Zaap, Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh.

ii) First ranking pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL-P2.

iii) In addition to the First ranking pari passu charge, the fund based working capital facilities from Development Bank of Singapore, Hong Kong and Shanghai Banking Corporation bank are also secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd.

iv) Federal Bank working capital limits of Rs. 2,000 million is unsecured facility

v) Working Capital limits of Standard Chartered Bank of Rs. 3,000 million is secured by Corporate Guarantee of Sembcorp utilities Pte Ltd.

External commercial borrowings

1. The external commercial borrowings ('ECB') are payable in 20 quarterly structured unequal instalments commenced from June 30, 2017. ECB are guaranteed by Sembcorp Utilities Pte Ltd, the holding company. ECB carry interest at 3 month LIBOR plus 1.15% p.a. The Company has entered into cross currency interest rate swaps and the applicable interest rate under hedge agreement is 8.36% p.a.(March 31, 2021: 8.36%).

2. The entire outstanding amount as at March 31, 2021 is shown under current maturities as final maturity date falls on March 31, 2022

3. The holding company has given corporate guarantee to cover the outstanding balance.

External commercial borrowings loans have been repaid in full during the year."

b) Term of interest and repayments:

Repayment terms: Work capital demand loans and buyers credit tenure is upto180 days from the date of draw down and cash credits are repayable on demand for both the projects. The Company during the year has availed short-term loans by way commercial paper as part of working capital for a period upto 90 days.

Rate of interest: During the year working capital demand loans carries interest rate in the range of 4.00% to 7.00% p.a. (March 31, 2021: 6.50% to 8.55% p.a.) and Commercial Papers carries interest rate in the range of 4.35% to 4.45% p.a (March 31, 2021: 4.11% to 6.5% p.a)

2.18 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues to micro and small enterprises (refer note 2.35)	13.42	1.32
Total outstanding dues to other than micro and small enterprises		
- related parties (refer note 2.42)	65.38	24.06
- others	4,785.31	1,829.06
	4,864.11	**1,854.44**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.18 Trade payables (Contd.)

Aging of trade payables as on March 31, 2022

Details	Outstanding for following periods from the due date of payment						
	Unbilled	Not due	< 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	13.42	-	-	-	-	13.42
Others	3,216.09	1,633.10	-	1.50	-	-	4,850.69
Disputed trade payables							-
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**3,216.09**	**1,646.52**	**-**	**1.50**	**-**	**-**	**4,864.11**

Aging of trade payables as on March 31, 2021

Details	Outstanding for following periods from the due date of payment						
	Unbilled	Not due	< 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	1.32	-	-	-	-	1.32
Others	1,462.36	367.01	23.71	-	0.04	-	1,853.12
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**1,462.36**	**368.33**	**23.71**	**-**	**0.04**	**-**	**1,854.44**

The Company's exposure to currency and liquidity risks related to trade payables are disclosed in note 2.41

2.19 Current tax liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for taxes (net of advance tax: Rs.63.14 million, (March 31, 2021: Rs. 151.36 million)	149.48	336.49
	149.48	**336.49**

2.20 Revenue from operations

Particulars	As at March 31, 2022	As at March 31, 2021
Sale of electricity (refer note 2.46)	76,766.78	73,591.41
Other operating revenues:		
- Sale of fly ash	124.22	82.78
	76,891.00	**73,674.19**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.20 Revenue from operations (Contd.)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Reconciliation of revenue from electricity recognised with the contracted price is as follows:		
Contract price	77,193.58	73,868.41
Adjustments for:		
Rebates	(60.85)	(141.98)
Deviation settlement charges	(662.27)	(137.69)
Unearned income	296.32	2.67
	76,766.78	**73,591.41**
b. Changes in contract liabilities*		
Balance at the beginning of the year	313.47	305.46
Add: Amount received during the year	166.42	17.15
Less: Amount recognised as revenue/other adjustments during the year	(455.18)	(9.14)
Balance at the end of the year	**24.71**	**313.47**

* Contract liabilities include unearned income and advance from customer.

c. Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

d. Refer note 2.32 for Revenue disaggregation by geography

2.21 Other income

Particulars	As at March 31, 2022	As at March 31, 2021
Interest income from financial assets measured at amortised cost	264.67	363.80
Net gain on fair value changes classified as FVTPL	81.62	76.59
Late payment surcharges recovered from customers (refer note 2.46 and 2.47)	989.50	2,846.56
Insurance claims recovered (refer note 2.44)	-	790.70
Gain on derivative contracts, net at FVTPL	29.98	-
Gain on sale of property, plant and equipment, net	0.42	-
Scrap sales	55.33	29.43
Miscellaneous income	0.18	1.12
	1,421.70	**4,108.20**

2.22 Cost of fuel

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Coal and fuel cost	46,729.68	40,519.73
	46,729.68	**40,519.73**

2.23 Transmission charges

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Transmission charges	3,113.82	2,378.99
	3,113.82	**2,378.99**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.24 Employee benefits expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	2,166.92	1,425.66
Contribution to provident and other funds (refer note 2.34)	80.83	86.00
Employee shared based expenses (refer note 2.43)	136.20	56.35
Staff welfare expenses	92.62	84.36
	2,476.57	**1,652.37**

2.25 Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on financial liabilities measured at amortised cost	10,187.00	12,676.12
Unwinding of discount on lease liabilities (refer note 2.31)	6.41	6.81
Other borrowing costs	699.31	715.10
	10,892.72	**13,398.03**

2.26 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	6,659.90	7,442.25
Depreciation on right to use assets (refer note 2.31)	27.38	12.88
Amortisation on intangible assets	5.12	2.71
	6,692.40	**7,457.84**

2.27 Operating and other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores, spares and consumables	925.86	777.67
Repairs and maintenance		
- Buildings and civil works	50.05	48.89
- Plant and equipment	1,058.02	885.12
- Others	14.95	22.25
IT maintenance expenses	125.01	61.34
Travelling and conveyance	21.43	11.01
Insurance	475.62	563.89
Vehicle hire charges	54.62	47.91
Security charges	56.44	56.79
Legal and professional expenses (refer note 2.37)	272.59	276.55
Health and safety expenses	38.15	37.91
Expenditure on corporate social responsibility (refer note 2.36)	52.58	18.29
Rates and taxes	27.32	287.34
Rent (refer note 2.31)	3.56	3.50
Training and seminar	10.92	1.62
Printing and stationery	3.05	3.89

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.27 Operating and other expenses (Contd.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Directors' sitting fee	6.37	5.37
Commission charges	12.13	15.15
Communication expenses	13.50	15.07
Advertisement expenses	6.35	5.41
Loss on derivative contract	-	117.07
Loss on foreign currency transactions and translation (net)	132.38	93.83
Property, plant and equipment written off	0.26	23.99
Allowance for expected credit loss	462.62	217.89
Doubtful receivables and advances written off	-	5.06
Miscellaneous expenses	38.51	52.50
	3,862.29	**3,655.31**

2.28 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2022	As at March 31, 2021
I) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	192.07	222.53
	192.07	**222.53**
II) Claims against the Company not acknowledged as debt in respect of:		
(i) Income tax (refer note a below)	730.83	749.53
(ii) Stamp duty (refer note b below)	-	-
(iii) Buildings and other construction works cess (BOCW Cess)	287.21	287.21
(iv) Entry tax	150.62	150.62
(v) Service tax (refer note c below)	798.13	798.13
(vi) Demand for fly ash disposal (National Green Tribunal)#	-	85.31
(vii) Township construction contract works##	149.92	149.92
(viii) Goods and service tax (refer note d below)	1,108.27	-
(ix) Others (refer note e, f and g below)	Amount not ascertainable	Amount not ascertainable
	3,224.98	**2,220.72**

#During the previous year, the Company has received a demand order from National Green Tribunal (NGT) levying environmental compensation charges towards non utilization/disposal of 100.00% fly ash. On May 1, 2022 The Honourable Supreme Court has set aside the order issued by National Green Tribunal (NGT) levying environmental compensation charges /penalty towards non utilisation /disposal of 100% fly ash on.

##The Company had earlier entered into a contract with a vendor for construction of township at Nellore for an amount of Rs. 454.06 million. The contract was completed on October 31, 2017 and the full and final settlement was agreed with the vendor on December 15, 2017. Final payment was released by the Company on November 15, 2018. During the previous year, the vendor sought additional compensation of Rs. 149.91 million (approx.) from the Company for additional work executed, damages, loss of profits, recovery of liquidated damages etc., sought appointment of an arbitrator and also filed proceedings application under Section 11 of Arbitration and Conciliation Act, 1996 against the Company before the Hon'ble High Court of Telangana. The Company is contesting the matter and has obtained legal opinion on the validity of the claims. As per the legal opinion, Company has a good arguable case in its favour and no adjustment required in books of accounts.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.28 Contingent liabilities and commitments (to the extent not provided for) (Contd.)

Particulars	As at March 31, 2022	As at March 31, 2021
III) Bank guarantees with customs and others		
Bank guarantees with customs and excise	8,345.24	8,387.81
Bank guarantees for PPA and other commitments	8,714.90	6,487.14
	17,060.14	**14,874.95**

Notes:

a. During the previous year, the Company has opted under Vivad Se Vishwas Scheme (VSVS) for settlement of withholding tax litigations for the previous years (from 2011-12 to 2015-16) pertaining to tax on guarantee fees to banks on buyer's credit and on service contracts pertaining to a vendor.

b. Based on the Warranty and Indemnity agreement dated February 1, 2014 entered between the Company and NCC Limited ('EPC Contractor') and other counterparts, the liability, if any arising on account of dispute relating to the Company, would be to the account of EPC Contractor. Accordingly, there would not be any impact on the financial position of the Company on account of Stamp duty relating to the Company.

c. During the previous year, order has been passed by the office of the Principal Commissioner of Central Tax, Hyderabad consequent to the audit memo and show cause notice issued in the previous years towards levy of service tax on liquidated damages claim on EPC Contractor by SEIL. The order was issued for tax demand, interest and penalty of Rs. 796.80 million and Rs. 1.33 million respectively towards service tax on liquidated damages and reimbursement of expenses to SCU respectively. The Company has filed appeal with the appellate tribunal on March 20, 2020 and also deposited 7.5% tax thereon and the hearing is currently awaited.

d. During the year, Assistant Commissioner (State Tax), Nellore in its order has confirmed a demand for Goods & Service Tax (GST) for an amount of Rs. 639.18 million (of which Rs. 366.67 million pertains to FY 2017-18 and Rs. 272.51 million for FY 2018-19) along with interest of Rs. 405.17 million and penalty of Rs. 63.92 million aggregating to a total tax demand of Rs. 1,108.27 million against the earlier Show Cause Notices (SCNs) issued for levy of GST on Transmission charges incurred and reimbursed by the Company. The Company has obtained an expert opinion and filed its reply to the said authorities contending that such transmission charges are not subject to GST. Considering the facts of the case and expert opinion obtained, the company believes it has a good case in its favour and no adjustments are required in the financial statements.

e. The Company is contesting legal cases in the local courts against the claims made on certain portion of the project lands, under dispute and amount is not ascertainable.

f. The Company has a process whereby periodically all long-term contracts including derivative contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that there are no material foreseeable losses on such long term contracts which needs to be provided for in the books of account and the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts.

g. On February 28, 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, considering that there are numerous interpretative issues relating to retrospective application of this judgement, the Company has assessed the impact of the matter and concluded that there is no material impact on the financial statements. The Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject.

IV) Liquidated damages and bank guarantee encashment:

In earlier years the Company raised a claim of Rs. 2,882.50 million and of US$ 9.04 million towards liquidated damages on one of its EPC contractor for delay in the achievement of provisional acceptance for which the Company had to incur additional cost to commence operations and encashed performance bank guarantee of Rs. 516.00 million on April 19, 2017 and Rs. 2,915.00 million on November 3, 2017 respectively. Also, a claim of US $ 40.97 million was raised on EPC equipment suppliers consortium towards the delay in agreed delivery schedule and non-achievement of project provisional acceptance.

The EPC contractor had invoked Arbitration proceedings and filed its statement of claims of Rs. 15,579.00 million with interest. The Company filed its statement of defence along with a counter claim of Rs. 10,127.00 million and US$ 9.04 million. The matter is pending disposal as of date. Based on the statement of defense filed by the Company and legal counsel view, the Company believes it has a good case in its favour and no adjustment is required in the financial statements.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.29 Electricity duty demand:

During earlier years, the Company received an intimation from the Chief Electrical Inspector, Government of Andhra Pradesh ('GoAP') , whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to Rs.1,493.62 million. Based on the internal assessment and legal opinion obtained advice received by the Company, the management believes that the provisions of Electricity Duty Act, and Rules, 1939 in respect of payment of electricity duty are not applicable to the Company and accordingly no adjustments has been made in financial statements of the Company for the year ended March 31, 2022.

2.30 Earnings per equity share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net profit for the year	1,423.65	8,720.12
Number of equity shares		
Number of shares at the beginning of the year	5,433,668,574	5,433,668,574
Weighted average number of equity shares outstanding during the year	**5,433,668,574**	**5,433,668,574**
Earnings per equity share (face value of share Rs.10 each)		
- Basic and diluted (refer note below)	0.26	1.60

Note: The Company did not have any potentially dilutive securities in any of the years presented.

2.31 Right-of-use assets and leases

The amount recognised in the Balance Sheet for the right-of-use assets and lease liability are as follows:

Particulars	Gross carrying amount	Accumulated depreciation	Net carrying amount
As at March 31, 2022			
Leasehold land	622.50	12.93	609.57
Buildings	97.76	63.61	34.15
Vehicle	11.54	3.84	7.70
Total	**731.80**	**80.38**	**651.42**
As at March 31, 2021			
Leasehold land	619.64	-	619.64
Buildings	120.79	75.06	45.73
Vehicle	11.54	0.96	10.58
Total	**751.97**	**76.02**	**675.95**

Lease liability (Financial liability)	As at March 31, 2022	As at March 31, 2021
Present value of lease liability		
Current	17.49	14.31
Non- current	43.9	58.46
Maturity analysis		
0 - 1 year	27.4	20.35
1 - 5 years	51.77	66.19
More than 5 years	18.21	2.72

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.31 Right-of-use assets and leases (Contd.)

The amount recognised in the statement of profit and loss for the year ended March 31, 2022 for the right-of-use assets and lease liability are as follows:

Leasehold land and buildings	Vehicle	Leasehold land	Buildings	Total
Depreciation charged on right-of-use assets	2.88	13.13	11.37	27.38
Unwinding of Interest expense on lease liabilities	0.91	0.49	5.01	6.41

The amount recognised in the statement of profit and loss for the year ended March 31, 2021 for the right-of-use assets and lease liability are as follows:

Leasehold land and buildings	Vehicle	Leasehold land and buildings	Buildings	Total
Depreciation charged on right-of-use assets	0.96	-	11.92	12.88
Unwinding of Interest expense on lease liabilities	0.34	0.39	6.08	6.81

Further, the Company incurred Rs. 3.56 million (March 31, 2021: Rs. 3.50 million) towards expenses relating to short-term leases and leases of low-value assets for the year ended March 31, 2022.

Lease contracts entered by the Company majorly pertains to land taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is Rs. 17.79 million (March 31, 2021: Rs. 18.38 million) for the year ended March 31, 2022.

2.32 Segment reporting

The Company is engaged in the business of generation of power, which in the context of Ind AS 108 - "Operating Segments", notified by the Companies (Indian Accounting Standards) Rules, 2015 is considered the only operating segment. Since the operations of the Company exist in India and Bangladesh and all its assets are located only in India, disclosures under paragraphs 32-34 of Ind AS 108 are not required. Revenue to specific customers exceeding 10% of total revenue for the years ended March 31, 2022 and March 31, 2021 were as follows:

Customer name	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Revenue	%	Revenue	%
Telangana State Government utilities	30,226.32	39.37%	29,994.00	40.71%
Indian Energy Exchange (IEX)	22,416.67	29.20%	13,977.07	18.97%
Andhra Pradesh State Government utilities	7,310.80	9.52%	8,932.19	12.12%
Bangladesh Power Development Board	10,174.18	13.25%	9,545.43	12.96%

Revenues, net	For the year ended March 31, 2022	For the year ended March 31, 2021
India	66,716.82	64,128.76
Bangladesh	10,174.18	9,545.43
Total	**76,891.00**	**73,674.19**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.32 Segment reporting (Contd.)

The total of non-current assets other than financial instruments and tax assets, broken down by location of the assets, is shown below:

Non-current assets	As at March 31, 2022	As at March 31, 2021
India	153,589.48	214,107.26
Bangladesh	-	-
Total non-current assets	**153,589.48**	**214,107.26**

2.33 Changes in liabilities arising from financing activities

Particulars	Lease liabilities	Borrowings	Total
As at April 1, 2020	(69.09)	(1,43,568.17)	(1,43,637.26)
Net cash flows	16.86	(9,253.86)	(9,237.00)
Foreign exchange movement and borrowing cost	-	20,449.46	20,449.46
Remeasurement of lease liabilities	(13.73)	-	(13.73)
Unwinding of discount on lease liabilities	(6.81)	-	(6.81)
As at March 31, 2021	**(72.77)**	**(1,32,372.57)**	**(1,32,445.34)**
Net cash flows	2.12	46,186.01	46,188.13
Foreign exchange movement and borrowing cost	-	1,197.56	1,197.56
Remeasurement of lease liabilities	2.85	-	2.85
Unwinding of discount on lease liabilities	6.41	-	6.41
As at March 31, 2022	**(61.39)**	**(84,989.00)**	**(85,050.39)**

2.34 Assets and liabilities relating to employee benefits

i) Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contribution to provident fund charged to the statement of profit and loss is Rs. 65.76 million (March 31, 2021: Rs. 66.08 million).

ii) Defined benefit plan

The Company provides gratuity for its employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. Liability with regard to this plan is determined by an actuarial valuation as at the end of the period and are charged to the statement of profit and loss.

A. Funding

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.34 Assets and liabilities relating to employee benefits (Contd.)

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

	Particulars	As at March 31, 2022	As at March 31, 2021
B.	**Reconciliation of the present value of defined benefit obligation**		
	Balance at the beginning of the year (As reported earlier)	100.95	77.15
	Current service cost	17.37	14.79
	Past service cost	-	5.88
	Interest cost	7.01	5.28
	Benefits paid	(5.06)	(4.21)
	Actuarial (gains)/loss recognised in the other comprehensive income		
	- experience adjustments	(0.77)	3.20
	- changes in financial assumptions	46.32	(1.14)
	- demographic assumptions	0.92	-
	Balance at the end of the year	**166.74**	**100.95**
C.	**Reconciliation of the present value of plan assets**		
	Balance at the beginning of the year	116.24	87.86
	Contributions made into the plan by employer	16.39	26.96
	Benefits paid	(5.06)	(4.21)
	Expected return on plan assets	8.18	6.03
	Actuarial loss on plan assets	1.86	(0.40)
	Balance at the end of the year	**137.61**	**116.24**
	Net defined benefit obligation/(asset)	**29.13**	**(15.29)**
	Disclosure in the balance sheet:		
	Non-current	(29.13)	15.29
	Current	-	-

D. Expense recognized in the statement of profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	17.37	14.79
Past service cost	-	5.88
Interest cost on obligation	7.01	5.28
Interest income on plan assets	(8.18)	(6.03)
	16.20	**19.92**
Remeasurements recognised in Other comprehensive income		
Actuarial loss on defined benefit obligation	46.47	2.06
Actuarial loss on planned asset	(1.86)	0.40
	44.61	**2.46**

E. Plan assets comprise of the following:

Particulars	As at March 31, 2022	As at March 31, 2021
New Group Gratuity Cash Accumulation Plan with LIC	137.61	116.24

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.34 Assets and liabilities relating to employee benefits (Contd.)

F. Summary of actuarial assumptions

Demographic assumptions

Particulars	As at March 31, 2022	As at March 31, 2021
Attrition rate		
21 - 30 years	8.00%	10.00%
31 - 40 years	4.00%	5.00%
41 year and above	2.00%	1.00%
Financial assumptions		
Discount rate	7.25%	7.05%
Future salary growth rate	8.00%	5.00%

The estimates of future salary increase considered in actuarial valuation, takes account of inflation seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amount shown below:

Particulars	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Increase/(Decrease) in liability				Increase/(Decrease) in liability	
Discount rate	0.50%	0.50%	(9.80)	(5.51)	10.70	6.00
Salary growth rate	0.50%	0.50%	10.58	6.09	(9.78)	(5.64)

G. Asset-liability matching strategy

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity payables falling due during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

H. Maturity profile of the defined benefit obligation

Expected cash flows for the following years (valued on undiscounted basis):

Particulars	As at March 31, 2022	As at March 31, 2021
Within 1 year	6.29	7.67
2 to 5 years	34.62	23.71
6 to 9 years	59.53	39.32
For year 10 and above	394.95	201.00

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.34 Assets and liabilities relating to employee benefits (Contd.)

iii) Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the statement of profit and loss amounting to Rs.29.25 million (March 31, 2021: Rs. 24.84 million).

2.35 Details of dues to micro and small enterprises as defined under Micro, Small and Medium Enterprises Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2022 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier under the said MSMED Act.

Particulars	As at March 31, 2022	As at March 31, 2021
the amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	13.42	1.32
- Interest	-	-
the amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006);	-	-
the amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year;	-	-
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purposes of disallowances as a deductible expenditure under the MSMED Act, 2006;	-	-

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

2.36 Details of Corporate social responsibility expenditure

As per Section 135 of the Companies Act 2013, the Company has formed a Corporate Social Responsibility ('CSR') Committee. The CSR Committee approved CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, have been identified to incur CSR expenditure. Nature of CSR activities are Health, education, Skill and Entrepreneurship Development programmes and Other emergency interventions.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.36 Details of Corporate social responsibility expenditure (Contd.)

Amount spent during the year on:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amount required to be spent by the Company during the year	56.11	14.76
Less: Excess amount available for set off from FY 2020-21	3.53	-
Net Amount required to be spent by the Company during the year	52.58	14.76
Amount of expenditure incurred	40.54	18.29
Amount of shortfall for the year	12.04	-
Amount of cumulative shortfall at the end of the year	12.04	-

The Company has incurred Rs. 40.54 million (March 31, 2021: Rs 18.29 million) during the year towards certain activities in relation to Health, education and Skill and Entrepreneurship Development programmes. The shortfall is on account of delay in certain projects and has been deposited with a designated bank account.

2.37 Auditor's remuneration (including taxes)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
- Statutory audit fee	3.30	4.13
- Other services	6.02	8.48
- Reimbursement of expenses	0.19	0.56
	9.51	**13.17**

2.38 Deferred tax

i) Movement in temporary differences

Particulars	As at April 1, 2021	Impact in Profit and loss	Impact in OCI	As at March 31, 2022
Deferred tax liabilities (DTL)				
Excess of depreciation allowable under Income-tax law over depreciation provided in books	14,229.25	1,396.18	-	15,625.43
Unamortised part of borrowing costs	104.88	(28.72)	-	76.16
Fair value adjustment of current investments	10.13	(3.43)	-	6.70
On ROU assets	-	11.23		11.23
	14,344.26	**1,375.26**	**-**	**15,719.52**
Deferred tax asset (DTA)				
Allowance for expected credit loss	195.42	98.67	-	294.09
Provision for employee benefits	46.22	122.66	-	168.88
Interest carried forward under Section 94B of the Income-tax law	3,495.69	61.78	-	3,557.47
Unabsorbed depreciation/carried forward tax losses	10,606.93	95.36	-	10,702.29
Unrealised Forex loss on capital creditor	-	53.64		53.64
Lease liability	-	15.45		15.45
On Hedge reserve	-	-	60.34	60.34
	14,344.26	**447.56**	**60.34**	**14,852.16**
Net deferred tax liabilities	**-**	**927.70**	**(60.34)**	**867.36**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.38 Deferred tax (Contd.)

i) Movement in temporary differences

Particulars	As at April 1, 2020	Impact in Profit and loss	Impact in OCI	As at March 31, 2021
Deferred tax liability (DTL)				
Excess of depreciation allowable under Income-tax law over depreciation provided in books	12,606.06	1,623.19	-	14,229.25
Unamortised part of borrowing costs	126.72	(21.84)	-	104.88
Fair value adjustment of current investments	7.14	2.99		10.13
	12,739.92	**1,604.34**	**-**	**14,344.26**
Deferred tax asset (DTA)				
Allowance for expected credit loss	137.63	57.79	-	195.42
Provision for employee benefits	41.87	4.35	-	46.22
Interest carried forward under Section 94B of the Income-tax law	3,448.88	46.81	-	3,495.69
Unabsorbed depreciation/carried forward tax losses	9,111.54	1,495.39	-	10,606.93
	12,739.92	**1,604.34**	**-**	**14,344.26**
Net deferred tax liabilities	**-**	**-**	**-**	**-**

ii) Tax Expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax (credit)	(252.15)	-
Deferred tax credit	927.70	-
Total	**675.55**	**-**
Tax effect on items classified under other comprehensive income	(60.34)	-
	615.21	**-**

iii) Reconciliation of effective tax rate

Particulars	As at March 31, 2022	As at March 31, 2021
Profit before tax (a)	2,099.20	8,720.12
Domestic tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	528.33	2,194.68
Effect of		
Non deductible expenses(i.e., deemed interest expenses masala bond, loss on sale of assets)	116.13	112.57
Deferred Tax asset not created on temporary differences / unabsorbed depreciation or carried forward losses	-	(2,307.25)
Deferred tax not recognised on Capital loss on sale of Investment	615.62	-
Utilisation of unrecognised Deferred tax asset	(256.56)	-
Income taxes related to prior years	(252.15)	-
Others	(75.82)	-
Income tax expense (b)	**675.55**	**-**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.39 Capital management

The Company aims to maintain sound capital base so as to maintain investor, creditor and market confidence and to sustain future development and growth of its business, while at the same time maintaining an appropriate dividend policy to reward shareholders. The Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company seeks to maintain a balance between the higher returns that might be possible with highest levels of borrowings and the advantages and security afforded by a sound capital position. Capital is defined as equity attributable to the equity holders. Debt consists of non-current borrowings, current borrowings and current maturities of long-term borrowings.

The Company's debt to equity ratio as at the balance sheet date is as follows:

Particulars		As at March 31, 2022	As at March 31, 2021
Debt	A	84,989.00	132,372.57
Total equity	B	110,993.13	109,581.97
Total debt and equity		**195,982.13**	**241,954.54**
Debt-to-equity ratio	**(A+B)**	**0.77**	**1.21**

2.40 Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance
a) Current ratio (times)	Current assets	Current liabilities	1.79	1.13	58%
Improvement in Current ratios is due to external commercial borrowings which were repaid by availing rupee term loan in the current year					
b) Debt equity ratio (times)	Total Debt= Long term and short term loan	Total equity	0.77	1.21	-37%
Improvement in Debt equity ratio is due to repayment of Rs. 42,400 million 'INR denominated notes in the current year					
c) Debt service coverage ratio (times)	Earnings before interest, depreciation and tax	Interest expense + Principal Repayment within the next period / year	0.68	1.65	-59%
Reduction in Debt service coverage ratio is due to repayment of ECB loan in the current year					
d) Return on equity (%)	Net profit after taxes	Average Shareholder's Equity	1.29%	8.32%	-84%
Reduction in Return on equity is higher profits in the previous year					
e) Inventory turnover ratio (in days)	Cost of fuel & spares consumption	Average Inventory	46	54	-16%
f) Trade receivables turnover ratio (in days)	Revenue	Average trade receivables	169	146	16%
g) Trade payables turnover ratio (in days)	Cost of fuel & Transmission charges	Average trade payables	25	26	-6%
h) Net capital turnover ratio (times)	Revenue	Working capital	2.84	13.12	-78%
Reduction in Net capital turnover ratio due to increase in Inventory, trade receivables, Cash and bank balance and increase in advances to suppliers					
i) Net profit ratio (%)	Net profit after taxes	Revenue	1.85%	11.84%	-84%

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.40 Ratios (Contd.)

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance
Reduction in Net profit ratio is due to higher profits in the previous year					
j) Return on capital employed (%)	Earnings before interest & Taxes	Capital employed	6.60%	9.14%	-28%
Reduction in Return on capital employed is due to higher profits in the previous year					
k) Return on investments (%)	Earnings before interest & Taxes	Closing total Assets	6.01%	8.41%	-29%
Reduction in Return on investments is due to higher profits in the previous year					

2.41 Financial instruments - Fair values and risk management

A) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows:

As at March 31, 2022:

Details	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Investments - Mutual funds	2.7	2,471.30	-	-	2,471.30	2,471.30	-	-
Trade receivables	2.8	-	-	38,606.90	38,606.90	-	-	-
Cash and cash equivalents	2.9	-	-	4,757.98	4,757.98	-	-	-
Other bank balances	2.9	-	-	2,039.50	2,039.50	-	-	-
Other financial assets	2.3	-	-	2,846.09	2,846.09	-	-	-
		2,471.30	**-**	**48,250.47**	**50,721.77**	**2,471.30**	**-**	**-**
Borrowings	2.12 & 2.17	-	-	84,989.00	84,989.00	-	-	-
Trade payables	2.18	-	-	4,864.11	4,864.11	-	-	-
Lease Liabilities	2.31	-	-	61.39	61.39	-	-	-
Other financial liabilities	2.13	-	250.50	7,959.75	8,210.25	-	250.50	-
		-	**250.50**	**97,874.25**	**98,124.75**	**-**	**250.50**	**-**

As at March 31, 2021:

Details	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Investments - Mutual funds	2.7	2,483.27	-	-	2,483.27	2,483.27	-	-
Trade receivables	2.8	-	-	32,520.20	32,520.20	-	-	-
Cash and cash equivalents	2.9	-	-	1,899.04	1,899.04	-	-	-
Other bank balances	2.9	-	-	1,959.34	1,959.34	-	-	-
Other financial assets	2.3	0.51	1,319.38	4,371.01	5,690.90	-	1,319.89	-
		2,483.78	**1,319.38**	**40,749.59**	**44,552.75**	**2,483.27**	**1,319.89**	**-**
Borrowings	2.12 & 2.17	-	-	132,372.57	132,372.57	-	-	-
Trade payables	2.18	-	-	1,854.44	1,854.44	-	-	-
Lease Liabilities	2.31	-	-	72.77	72.77	-	-	-
Other financial liabilities	2.13	333.88	5.55	13,777.00	14,116.43	-	339.43	-
		333.88	**5.55**	**148,076.78**	**148,416.21**	**-**	**339.43**	**-**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

Note:

Investments in subsidiaries have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purpose of measurement, the same are not disclosed in the table above.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

Valuation techniques and significant unobservable inputs

Investment in mutual funds:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Forward exchange/ option contracts, Swap contracts and Commodity hedge contracts:"

Foreign exchange forward/ option contracts, Interest rate swaps and commodity hedge contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

B) Financial risk management objectives and policies

The Company's activities exposed it to market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk and liquidity risk.

As part of the Company's Enterprise Risk Management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Company's liquidity, counterparty risk, foreign exchange and derivative transactions and financing.

The Company uses foreign exchange contracts, foreign exchange swaps, interest rate swaps, and various financial instruments to manage exposures to interest rate and foreign exchange risks arising from operating and financing activities. The Company uses commodity hedge contract to manage exposure for international coal prices. All such transactions must involve underlying assets or liabilities and no speculative transactions are allowed.

The financial authority limits/seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and commodity prices (coal) will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and reduce market risk exposures within acceptable parameters.

(i) Interest rate risk

The Company's exposure to market risk for changes in interest rate environment mainly relates to its debt obligations.

The Company's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts and long-term and short-term borrowings.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

The Company enters into cross currency interest rate swaps to reduce its exposure to interest rate volatility. In accordance with the Company's policy the duration of such cross currency interest rate swaps must not exceed the tenure of the underlying debt.

The Company has entered into cross currency interest rate swap to hedge the interest rate exposure and currency exposure for external commercial borrowings and forward contracts / options for payments of interest and principle for FCNR term loans.

The Company's borrowings majorly consists of project funding loans and working capital loans having variable rate of interest.

The interest rate profile of the Company's interest-bearing instruments as reported to management is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed rate instruments		
Non-current and current borrowings	10,222.04	50,318.50
Effect of interest rate swaps	-	15,362.90
	10,222.04	**65,681.40**
Variable rate instruments		
Non-current and current borrowings	74,766.96	82,054.07
Effect of interest rate swaps (Hedge portion)	-	(15,362.90)
	74,766.96	**66,691.17**
	84,989.00	**132,372.57**

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Company's assets are located in India. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating and financing activities. The functional currency of the Company is Indian rupee. The currencies in which these transactions are primarily denominated in US dollars (USD) and Singapore dollar (SGD).

The Company evaluates the exposure and enters into foreign currency derivative instruments like forward contracts, cross currency swaps to mitigate the exposure.

The summary quantitative data about the Company's exposure to currency risk (based on notional reports) is as follows:

Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
		Indian Rupees	Foreign currency	Indian Rupees	Foreign currency
Financial assets					
Trade receivables	USD	1,985.30	26.19	722.55	9.83
Other financial assets (unbilled receivables)	USD	-	-	986.43	13.42
Total financial assets		**1,985.30**		**1,708.98**	
Financial liabilities					
Borrowings - ECB, FCNR and Buyer's credit	USD	(16,620.31)	(219.24)	(45,966.50)	(627.44)
Trade payables	USD	(3,930.22)	(51.70)	(998.19)	(13.58)
Trade payables	SGD	(64.65)	(1.16)	-	-
Other financial liabilities	SGD	-	-	(100.94)	(1.87)

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
		Indian Rupees	Foreign currency	Indian Rupees	Foreign currency
Other financial liabilities	USD	(3,991.04)	(52.65)	(3,871.49)	(52.67)
Total financial liabilities		**(24,606.22)**		**(50,937.12)**	
Net financial liabilities		**(22,620.92)**		**(49,228.14)**	
Less: Derivatives					
Foreign exchange forward contracts (against Buyer's credit)	USD	-	-	2,138.25	29.09
Foreign exchange forward contracts (against FCNR)	USD	16,620.31	219.24	28,428.76	388.85
Cross currency interest rate swaps	USD	-	-	15,399.23	209.50
		16,620.31		**45,966.24**	
Net exposure in respect of recognised assets/ (liabilities)		**(6,000.61)**		**(3,261.90)**	

Sensitivity analysis:

A reasonably possible strengthening /(weakening) of Indian rupee against US dollar as at balance sheet date would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Particulars	Profit/(loss)		Equity increase/(decrease), net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)				
As at March 31, 2022	296.80	(296.80)	296.80	(296.80)
As at March 31, 2021	158.05	(158.05)	158.05	(158.05)
SGD (5% movement)				
As at March 31, 2022	3.23	(3.23)	3.23	(3.23)
As at March 31, 2021	5.05	(5.05)	5.05	(5.05)

(iii) Commodity price risk

The prices of imported coal purchases are linked to price fluctuations in international coal market. Significant portion of cost and inventories are exposed to the risk of price fluctuations in international coal markets. The Company uses commodity hedge contracts to hedge the price risk of forecasted transactions.

The Company operates a risk management desk that uses hedging instruments to seek to reduce the impact of market volatility in coal prices on the Company's profitability. The Company's risk management desk uses coal commodity hedge contracts that are available in the commodity derivative markets. (The derivative instruments used for hedging purposes typically do not expose the Company to market risk because the change in their market value is usually offset by an equal and opposite change in the market value of the underlying asset, liability or transaction being hedged). The Company's open positions in commodity hedge contracts are monitored and managed on a regular basis to ensure compliance with its stated risk management policy which has been approved by the management.

Break-up of commodity hedge contracts entered into by the Company and outstanding as at balance sheet date:

Particulars	Contracts currency	Quantity of open contracts (MT)		Fair value of derivative asset/ (liability) (Rs.)	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Coal commodity hedge contract	USD	-	156,850	-	251.86

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

iv) Derivative financial instruments

Cash flow hedges:

Cross currency interest rate swaps:

The Company has entered into currency swap contracts to cover the currency risk on USD external commercial borrowings. The Company has also entered into interest rate swap contracts, under which the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

Commodity hedge contracts:

The Company uses commodity hedge contracts to hedge the price risk of forecasted coal purchase transactions. The prices of imported coal purchases are linked to price fluctuations in international coal market. These contracts enable the Company to mitigate the risk of changing coal prices and corresponding cash outflows.

Forward contracts:

The Company uses foreign exchange forward contracts to hedge the currency risk on Interest portion of foreign currency denominated loans. These contracts enable the Company to mitigate the risk of change in foreign exchange rates and corresponding cash outflows.

Fair value hedges:

Forward contracts

The fair value of foreign exchange contracts which are not designated as cash flow hedges are accounted for based on the difference between the contractual price and the current market price.

The following table gives details in respect of outstanding nominal value and hedge contract details:

Particulars	Fair value of derivative asset/ (liability) (Rs in million)		Nominal values in Foreign currency (USD)		Nominal values (Rs in million)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Derivatives designated as cash flow hedges:						
Cross currency interest rate swaps						
In USD	-	1,067.52	-	209.50	-	13,984.13
Commodity hedge contracts						
In USD	-	251.86	-	12.60	-	926.07
Forward contracts						
In USD	(0.82)	(5.55)	1.33	6.54	102.07	481.04
Derivatives not designated as cash flow hedge:						
Forward contracts and swaps						
In USD	(249.68)	(333.37)	219.23	438.90	16,976.25	32,261.03

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer, employee or counterparty to a financial instrument fails to meet it contractual obligation leading to financial loss. The Company is exposed to credit risk from its operating activities primarily for trade and unbilled receivables, and from its financing activities, including short-term deposits with banks, and other financial assets.

The carrying amounts of the financial assets as disclosed in note 2.8 represent the maximum credit risk exposure.

Trade receivables and unbilled receivables

The Company has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e. sale of power. The Company ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed undertakings which are sovereign backed and other large corporates.

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Company has adopted a policy of dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit worthiness of its customers are continuously monitored.

As at March 31, 2022 and March 31, 2021, the Company has 2 customers that owed the Company more than 90% of the trade receivable outstanding.

The Company also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade receivables.

Impairment

The movement in Allowance for expected credit loss in respect of trade receivables and unbilled revenue during the year is as follows:

Particulars	Allowance for expected credit loss	
	As at March 31, 2022	As at March 31, 2021
Trade and unbilled receivables		
Balance at the beginning of the year	541.39	323.50
Movement in loss allowance	462.62	217.89
Balance at the end of the year	**1,004.01**	**541.39**

Other financial assets/ derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks and financial institutions (including derivatives contracts), investments in mutual funds.

Credit risk on cash and cash equivalents, other bank balances and derivative assets are limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks and financial institution, the Company does not expect these banks and financial institutions to fail in meeting their obligations.

Credit risk arising from investment in mutual funds is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The mutual funds are valued at market price prevailing at reporting date which represents the fair value.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.41 Financial instruments - Fair values and risk management (Contd.)

The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price. The fair value of interest rate swaps and cross currency swaps are the indicative amounts that the Company is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Company is exposed to this risk from its operating activities and financing activities. The Company's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liability when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Company to meet its obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as of the reporting date.

As at March 31, 2022

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	74,770.91	11,149.66	40,845.47	67,808.77	119,803.90
Borrowings - short-term (excluding current maturities)	10,222.04	10,222.04	-	-	10,222.04
Trade payables	4,864.11	4,864.11	-	-	4,864.11
Other financial liabilities (excluding interest accrued on borrowings)	8,206.30	8,206.30	-	-	8,206.30
	98,063.36	**34,442.11**	**40,845.47**	**67,808.77**	**143,096.35**

As at March 31, 2021

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	130,742.83	25,040.21	68,810.16	103,800.70	197,651.07
Borrowings - short-term (excluding current maturities)	7,919.13	7,919.13	-	-	7,919.13
Trade payables	1,854.44	1,854.44	-	-	1,854.44
Other financial liabilities (excluding interest accrued on borrowings)	7,827.04	7,827.04	-	-	7,827.04
	148,343.44	**42,640.82**	**68,810.16**	**103,800.70**	**215,251.68**

*Contractual cash flows includes contractual interest payments based on the interest rate prevailing at the reporting date.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.42 Related party disclosure

a) List of related parties

Name of the party	Nature of relationship
Sembcorp Industries Ltd, Singapore	Ultimate holding company
Sembcorp Utilities Pte Ltd, Singapore	Holding company
TPCIL Singapore Pte Ltd, Singapore	Subsidiary
Sembcorp Green Infra Limited, India	Subsidiary (Upto December 22, 2021)
Sembcorp Green Infra Limited, India	Entity under common control (w.e.f December 23, 2021)
Sembcorp India Private Limited, India	Entity under common control
Wong Kim Yin	Chairman (w.e.f August 11, 2020)
Neil Mcgregor	Chairman (Upto June 30, 2020)
Vipul Tuli	Managing Director
Radhey Shyam Sharma	Independent Director
Kalaikuruchi Jairaj	Independent Director
Sangeeta Talwar	Independent Director
Bobby Kanubhai Parikh	Independent Director (Upto September 1, 2020)
Looi Lee Hwa	Director
Eugene Chee Mun Zheng Zhiwen Cheng	Director (w.e.f May 1, 2021)
Juvenil Jani	Chief Financial Officer
Narendra Ande	Company Secretary

b) The following are the transactions with related parties during the year

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent and utility expense		
Sembcorp India Private Limited	18.83	18.92
Consultancy expenses		
Sembcorp Utilities Pte Ltd	178.67	196.03
Bank guarantee fees/ commission		
Sembcorp Utilities Pte Ltd	212.75	223.55
Interest expense on INR Denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	3,140.73	4,397.88
Purchase of Other intangible assets		
Sembcorp Utilities Pte Ltd	-	13.10
Reimbursement of expenses		
Sembcorp Green Infra Limited	0.41	-
Sembcorp India Private Limited	-	0.30
Sembcorp Utilities Pte Ltd	4.94	8.46
Sembcorp Industries Ltd	-	0.41
Share based expenses reimbursement		
Sembcorp Utilities Pte Ltd	136.20	56.35
Repayment of INR Denominated notes		
Sembcorp Utilities Pte Ltd	42,400.00	-
Other reimbursements received		
Sembcorp Green Infra Ltd	-	0.71
Interest paid on INR Denominated notes (Net of TDS)		
Sembcorp Utilities Pte Ltd	9,548.63	5,498.15
Sale of investment in subsidiary		
Sembcorp Utilities Pte Ltd	52,321.20	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.42 Related party disclosure (Contd.)

b) The following are the transactions with related parties during the year

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries to Key managerial person*		
Vipul Tuli	155.34	61.49
Juvenil Jani	36.42	21.00
Narendra Ande	6.42	5.60
Sitting fees to Directors (including taxes)		
Radhey Shyam Sharma	2.12	1.65
Kalaikuruchi Jairaj	2.12	1.62
Sangeeta Talwar	2.12	1.62
Bobby Kanubhai Parikh	-	0.47

* Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

c) Details of related party balances are as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Related party receivables		
Sembcorp Green Infra Limited (Other receivables)	-	0.84
Related party payables		
Sembcorp India Private Limited (Trade payables)	-	0.11
Sembcorp Utilities Pte Ltd (Trade payables)	64.65	23.95
Related party borrowings		
Sembcorp Utilities Pte Ltd	-	42,400.00
Interest accrued on INR denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	-	6,662.98
Corporate guarantee given for external commercial borrowings/term loans		
Sembcorp Utilities Pte Ltd (Represents the amount of facility outstanding)	25,947.69	42,718.33

2.43 Share-based Payments

The Company participates in Share based plans of ultimate holding company, Sembcorp Industries Limited (SCI) for its share-based remuneration arrangements which include Restricted Share Plan (SCI RSP) and Performance Share Plan (SCI PSP), collectively known as 'Share Plans 2010 and Share Plans 2020'. The SCI RSP is for directors and employees of the Company, whereas the SCI PSP is primarily for key executives of the Company. The details of share plans are as follows:

a) SCI Restricted Share Plan (RSP)

The number of the restricted share awards granted are based on the achievement of stretched financial and nonfinancial targets for the preceding calendar year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards. For the grant awarded during the year, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

b) SCI Performance Share Plan (PSP)

The SCI PSP is targeted at senior management who shoulder the responsibility for the Company's performance and who are able to drive the growth of the Company to deliver long-term shareholder value. Awards granted under the SCI PSP are performance-based and performance targets set under the SCI PSP are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.43 Share-based Payments (Contd.)

The following is the summary of movement in RSP and PSP:

Particulars	March 31 2022		March 31 2021	
	RSP	PSP	RSP	PSP
Outstanding at the beginning of the year	990,435	458,752	476,470	326,000
Granted during the year	176,422	3,033,800	1,037,060	323,636
Vested during the year	(390,040)	(433,100)	(523,095)	-
Forfeited / lapsed during the year	-	-	-	(190,884)
Outstanding at the end of the year	**776,817**	**3,059,452**	**990,435**	**458,752**

Information on outstanding and exercisable RSP and PSP is as set out below:

Particulars	March 31 2022		March 31 2021	
	RSP	PSP	RSP	PSP
Options outstanding at the end of the year				
Number of options outstanding	776,817	3,059,452	990,435	458,752
Remaining contractual life in years	0.00-1.25	0.00-4.06	1.83-2.44	1.62
Risk free interest rate (depending on maturity)	0.47% – 0.96%	0.4% – 1.3%	0.77% – 0.96%	0.77% - 0.96%
Expected dividend yield shares	3.50%-4.20%	3.50%-4.20%	3.50%	3.50%
Weighted average price (SGD)	1.75	1.71	1.59	1.24

The fair values of the PSP and RSP are estimated using a Monte Carlo simulation at the grant dates. The Company had charged Rs. 136.20 million (March 31 2021: Rs. 56.35 million) on account of share based payment based on the fair value of the performance shares and restricted shares at the grant date and is being expensed over the vesting period.

2.44 During the previous years, the Company had filed insurance claim for damage and business interruption on account of breakdown of stator and repair of rotor with New India Assurance Company Limited. During the previous year the Company had received an insurance claim amounting to Rs 781.72 million and the same was accounted as insurance claim recovered.

2.45 The Company has accounted Rs 2,525.86 million (March 31, 2021: Rs. 1,543.88 million) as Goods and service tax(GST) input tax credit for claiming refund against export of electricity made to Bangladesh. However, the input tax credit refund has been disputed by GST Authorities primarily for non-submission of shipping bill as a proof of export for which representation has been filed by the Company with Ministry of Finance and seeking assistance from Ministry of Power for resolution of the matter. The Company has also filed writ petitions with High Court of Andhra Pradesh, seeking relief against the order of GST Authorities in which they have rejected GST refund applications of the Company.

During the year, the Company has received a notice from the office of the Commissioner of Central Tax, Guntur Commissionerate (Anti Evasion) requesting the Company to reverse the input tax credit ('ITC') availed in earlier years. Company has provided relevant replies to the department for the notice so received, stating that the sale of electricity to Bangladesh qualifies as an export and eligible for ITC.

The Company has taken a legal opinion on the above matter and based on such opinion, management is of the view that it has a good case and no adjustment is required in the financial statements.

2.46 The Company had in earlier year filed a petition under Section 79 of the Electricity Act, 2003 seeking compensation on account of Change in Law events in terms of its Power Purchase Agreement (PPA) entered into with Andhra Pradesh and Telangana DISCOMs for supply of 500 MW power from its power generation plant. Central Electricity Regulatory Commission (CERC) vide its order dated August 21, 2020, had accepted the events and claims set out by the Company as Change in Law events. Accordingly, during the previous year, the Company had accounted an amount of Rs 6,478.22 million for change in law claims up to March 31, 2021 of which Rs. 5,225.90 million has been accounted as revenue from operations while Rs. 1,252.31 million related to carrying cost has been classified as Other income.

2.47 During the previous year ended 31 March 2021, the Company has accounted Late payment surcharges from customers Rs. 2,846.56 million which includes Rs.686.94 million as an adjusting event inline with the guidance under Ind AS 10 ('Events after the reporting period').

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.48 The Company pursuant to a share purchase agreement dated December 10, 2021 has sold its 100% investments in Sembcorp Green Infra Limited (SGIL) to holding company Sembcorp Utilities Pte Limited (SUPL) for a consideration of Rs. 52,321.20 million and recognised a loss on sale of investment of Rs. 2,446.02 million, consequently SGIL ceased to be a subsidiary of the company w.e.f December 23, 2021.

2.49 As per the Mega Power Projects Policy 2009, the Company needs to enter into a long term PPAs for a minimum of 85% of the net capacity to avail the customs/excise duty benefits for capital equipment procured for power generation. During the year, the Company determined that the duty benefit will not be available for Rs. 2,047.64 million due to absence of long term PPAs and consequently provided for the same towards cost of PPE. In case of the remaining unfilled conditions, the Company believes it will be able to comply with the conditions attached to benefit.

2.50 The Company has assessed the impact of Covid-19 on the financial information, business operations, liquidity position and cash flows and has concluded no adjustments are required on the carrying amount of assets and liabilities as at March 31,2022. The Company will continue to closely monitor the situation arising on account of Covid-19 pandemic considering both internal and external factors.

2.51 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

2.52 Relationship with struck off companies:

Name of the struck off company	Nature of transaction with struck off company	Balance Outstanding	Relationship with the stuck off company, if any, to be disclosed
G8ARK factories private limited	Advance from customer	As at March 31, 2022 - (0.01) As at March 31, 2021 - (0.01)	Not applicable
Omega power erectors private limited	Payable towards repairs and maintenance expense	As at March 31, 2022 - (0.05) As at March 31, 2021 - Nil	Not applicable

2.53 During the year ended March 31, 2022 and March 31, 2021, 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 group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries"

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

2.54 Additional regulatory information required by Schedule III

i) There are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period

ii) The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction of number of Layers) Rules, 2017 during the year ended March 31, 2022 and March 31, 2021.

iii) The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.

iv) Details of benami property held : No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2022 and March 31, 2021.

v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2022 and March 31, 2021

vi) During the year ended March 31, 2022 and March 31, 2021, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii) The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

ix) During the year ended March 31, 2022 and March 31, 2021, 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 to or on behalf of the Ultimate Beneficiaries,

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Consolidated Financial Statements

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Independent Auditor's Report

To the Members of **Sembcorp Energy India Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Sembcorp Energy India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (refer note 2.8 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the unaudited financial information as certified by the management and referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of the carrying value of property, plant and equipment and goodwill relating to SEIL-P2 of the Holding Company (Refer note 3.2 to the consolidated financial statements) The carrying value of property, plant and equipment (PP&E) and goodwill relating to SEIL-P2 which was acquired by the Holding Company in an earlier year amounts to Rs. 79,407.83 million and Rs. 1,234.20 million respectively as at March 31, 2022. The said PP&E are carried at cost less accumulated depreciation. At the end of every reporting period, the Holding Company assesses their carrying values and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', if there is any indication of impairment to the carrying value. Goodwill is carried at cost and is tested annually for impairment. As mentioned in the note 3.2, the Management considers the said PP&Eand goodwill as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount.	Our procedures included the following: • Obtained an understanding of the design and tested the operating effectiveness of the key controls surrounding impairment assessment. • Evaluated the Holding Company's accounting policy in respect of impairment assessment of PP&E and goodwill and assessed whether the Holding Company's determination of CGU was consistent with our knowledge of the Company's operations. • Evaluated the cash flow forecasts from our understanding of the internal and external factors, compared them to the budgets, actual past results and other supporting documents. • With the involvement of auditor's experts, assessed the reasonableness of the methodology used, key assumptions considered in the discounted cash flow projections for determining the recoverable value of the CGU. • Enquired with the management about justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same.

Key audit matter	How our audit addressed the key audit matter
During the year, the Holding Company has carried out an impairment assessment by estimating the recoverable amount of the CGU using discounted cash flow model over the remaining useful life of the CGU and comparing the same with its carrying value. Based on their assessment, the management concluded that no provision for impairment was necessary as at March 31, 2022. We considered this a key audit matter given the significance of the carrying value of PP&E and goodwill belonging to the CGU, estimations and the significant judgements involved in respect of key inputs like discount rate, future cash flows for the purpose of impairment assessment.	• Checked the mathematical accuracy of the computations included in the discounted cash flow projections. • Assessed the adequacy of disclosures in the consolidated financial statements. Based on the above procedures performed, management's assessment of carrying value of PP&E and goodwill relating to SEIL-P2 are considered to be reasonable.

Other Information

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

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

    - Identify and assess the risks of material misstatement of the consolidated 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 Holding company has adequate internal financial controls with reference to consolidated 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 made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.

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

    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. Refer paragraph 15 of the Other Matter section below in respect of a subsidiary whose financial information is unaudited and have been furnished to us by the Management.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. The consolidated financial statements of the Company for the year ended March 31, 2021, were audited by another firm of chartered accountants under the Act who, vide their report dated May 24, 2021, expressed an unmodified opinion on those consolidated financial statements.

15. We did not audit the financial information of 1 subsidiary whose financial information reflect total assets of Rs. 1.03 million and net assets of Rs. 0.69 million as at March 31, 2022, total revenue of Rs. Nil, total comprehensive income (comprising of profit and other comprehensive income) of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar 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 including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

16. This report does not contain a statement on the matter specified in paragraph 3(xxi) of 'the Companies (Auditor's

Report) Order, 2020' ("CARO 2020") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act. Refer note 2.8 of the consolidated financial statements for disposal of a subsidiary during the year. In respect of the other subsidiary CARO 2020 is not applicable.

17. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group company incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer note 3.38 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts as at March 31, 2022 – Refer note 3.14 to the consolidated financial statements in respect of such items as it relates to the Group. The Group did not have any long-term contracts for which there were any material foreseeable losses.

iii. During the year ended March 31, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India up to the date of its disposal (refer note 2.8 to the consolidated financial statements).

iv. (a) The respective Managements of the Company and its subsidiaries up to the date of its disposal (refer note 2.8 to the consolidated financial statements) which are companies incorporated in India have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries up to the date of its disposal (refer note 2.8 to the consolidated financial statements) which are companies incorporated in India have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of

such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v. The Holding Company, its subsidiary companies, has not declared or paid any dividend during the year.

18. The Group has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 22057084AJQQDI3211

Place: Gurugram
Date : May 26, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of Sembcorp Energy India Limited on the consolidated financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Sembcorp Energy India Limited (hereinafter referred to as "the Holding Company") as of that date. (Refer note 2.8 to the consolidated financial statements)

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. 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 issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. 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 consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. 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 controls 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.

Opinion

8. In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 22057084AJQQDI3211

Place: Gurugram
Date : May 26, 2022

Consolidated Balance Sheet

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	1,49,039.66	2,39,424.94
Capital work-in-progress	3.1	159.48	703.18
Goodwill	3.2	1,234.20	1,234.20
Other intangible assets	3.2	9.95	19.96
Financial assets			
Other financial assets	3.3	2,822.69	7,500.97
Non-current tax assets (net)	3.4	977.66	1,133.43
Deferred tax assets (net)	3.5	–	243.68
Other non-current assets	3.6	320.58	939.02
Total non-current assets		**1,54,564.22**	**2,51,199.38**
Current assets			
Inventories	3.7	7,322.49	4,780.58
Financial assets			
Investments	3.8	2,471.30	4,438.65
Trade receivables	3.9	38,610.92	36,634.72
Cash and cash equivalents	3.10	4,759.01	3,191.68
Bank balances other than cash and cash equivalents	3.10	2,039.50	3,637.21
Other financial assets	3.3	23.40	2,376.50
Other current assets	3.6	6,267.80	3,528.59
Total current assets		**61,494.42**	**58,587.93**
Total assets		**2,16,058.64**	**3,09,787.31**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	3.11	54,336.69	54,336.69
Other equity	3.12	56,654.21	29,428.40
Non-controlling interests		–	132.30
Total equity		**1,10,990.90**	**83,897.39**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	3.13	69,672.98	1,67,869.81
Lease liabilities	3.32	43.90	199.05
Other financial liabilities	3.14	–	5,962.10
Provisions	3.15	108.17	448.97
Deferred tax liabilities (net)	3.5	867.36	724.42
Other non-current liabilities	3.16	–	495.39
Total non-current liabilities		**70,692.41**	**1,75,699.74**
Current liabilities			
Financial liabilities			
Borrowings	3.17	15,316.02	33,229.84
Lease liabilities	3.32	17.49	32.30
Trade payables	3.18		
Dues to micro and small enterprises		13.42	8.25
Dues to creditors other than micro and small enterprises		4,855.05	2,199.47
Other financial liabilities	3.14	8,210.25	9,747.77
Other current liabilities	3.16	5,803.72	4,620.84
Provisions	3.15	9.90	12.47
Current tax liabilities (net)	3.19	149.48	339.24
Total current liabilities		**34,375.33**	**50,190.18**
Total liabilities		**1,05,067.74**	**2,25,889.92**
Total equity and liabilities		**2,16,058.64**	**3,09,787.31**

Significant accounting policies 2

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Balance Sheet referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Consolidated Statement of Profit and Loss

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Continuing operations			
Income			
Revenue from operations	3.20	76,891.00	73,674.19
Other income	3.21	1,421.07	4,107.49
Total income		**78,312.07**	**77,781.68**
Expenses			
Cost of fuel	3.22	46,729.68	40,519.73
Transmission charges	3.23	3,113.82	2,378.99
Employee benefits expense	3.24	2,476.57	1,652.37
Finance costs	3.25	10,892.72	13,398.03
Depreciation and amortisation expenses	3.26	6,692.40	7,457.84
Operating and other expenses	3.27	3,861.97	3,654.96
Total expenses		**73,767.16**	**69,061.92**
Profit before tax from continuing operations		**4,544.91**	**8,719.76**
Tax expense	3.28		
Pertaining to current year		–	–
Adjustment relating to earlier years		(252.15)	–
Deferred tax expense		927.70	–
Total tax expense		**675.55**	**–**
Profit after tax from continuing operations		**3,869.36**	**8,719.76**
Discontinued operation	3.37		
Profit/(loss) from discontinued operation before tax		2,734.72	(345.04)
Gain on disposal of discontinued operation		21,379.67	–
Tax expense of discontinued operation		636.88	(61.85)
Profit/(Loss) for the year from discontinued operation		**23,477.51**	**(283.19)**
Profit for the year		**27,346.87**	**8,436.57**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligations		(39.60)	(3.67)
Income tax effect on above item	3.28	(0.97)	(0.31)
		(40.57)	**(3.98)**
Items that will be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedge		157.47	557.14
Cost of hedging reserve – changes in fair value		(31.46)	–
Income tax effect on above item	3.28	60.34	–
		186.35	**557.14**
Total comprehensive income for the year		**27,492.65**	**8,989.73**
Attributable to:			
Shareholders of the Company		27,387.65	9,045.17
Non-controlling interests		105.00	(55.44)
		27,492.65	**8,989.73**
Profit for the year attributable to:			
Shareholders of the Company		27,241.98	8,491.91
Non-controlling interests		104.89	(55.34)
		27,346.87	**8,436.57**
Other comprehensive income attributable to:			
Shareholders of the Company		145.67	553.26
Non-controlling interests		0.11	(0.10)
		145.78	**553.16**
Earnings per equity share - Continuing and discontinued operation (face value of share ₹10 each)	3.29		
- Basic and diluted (₹)		5.01	1.56
Earnings per equity share - Continuing operations (face value of share ₹10 each)	3.29		
- Basic and diluted (₹)		0.71	1.60
Earnings per equity share - discontinued operation (face value of share ₹10 each)	3.29		
- Basic and diluted (₹)		4.30	(0.04)

*Comparative information has been re-presented due to a discontinued operation (refer note-3.37)

Significant accounting policies **2**

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Balance Sheet referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Place: Gurugram
Date: 26 May 2022

Consolidated Statement of Cash Flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit before tax from continuing operations	4,544.91	8,719.76
Profit/ (loss) before tax from discontinued operation	2,734.72	(345.04)
Gain on disposal of discontinued operation	21,379.67	–
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expenses	10,298.86	12,487.04
De recognition of property, plant and equipment	(0.18)	54.27
Net unrealised loss/(gain) on foreign exchange fluctuation	114.07	(110.49)
Doubtful receivables and advance written off	–	5.06
Allowance for expected credit losses	587.76	246.65
Gain on disposal of discontinued operation (refer note-3.37)	(21,379.67)	–
Unrealised loss on derivatives, net	36.58	178.04
Finance costs	15,310.84	19,970.03
Net gain on fair value changes classified as FVTPL	(137.77)	(161.87)
Interest income	(430.91)	(614.86)
Operating cash flows before working capital changes	**33,058.88**	**40,428.59**
Movements in working capital:		
(Increase)/decrease in inventories	(2,799.55)	3,006.65
(Increase) in trade receivables	(7,406.95)	(7,133.40)
Decrease/(increase) in financial and non-financial assets	259.54	(1,380.82)
Increase/(decrease) in trade payables and other financial liabilities	4,658.51	(4,448.68)
(Decrease)/increase in other liabilities	(50.80)	54.18
Increase in provisions	78.29	40.73
Cash generated from operations	**27,797.92**	**30,567.25**
Income-tax paid (net of refund)	(89.55)	(51.77)
Net cash generated from operating activities (A)	**27,708.37**	**30,515.48**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress)	(3,016.58)	(1,549.19)
Proceeds from sale of property, plant and equipment	0.51	2.09
Purchase of mutual funds, net	(121.48)	(1,045.06)
Investment in bank deposits, net	(849.91)	(322.63)
Interest income received	496.76	690.35
Acquisition of shares in subsidiaries from non-controlling interest	(0.40)	(0.98)
Sale of shares in subsidiaries to non-controlling interest	104.00	0.48
Cash flows from disposal of discontinued operation, net of cash disposed off (refer note-3.37)	48,553.34	–
Net cash generated/(used) in investing activities (B)	**45,166.24**	**(2,224.94)**

Consolidated Statement of Cash Flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
C. Cash flows from financing activities		
Proceeds from long-term borrowings	12,150.00	13,693.96
Repayment of long-term borrowings	(62,342.26)	(19,233.11)
Net proceeds/ (repayment) of short-term borrowings	914.44	(5,142.64)
Repayment of lease liabilities	(40.56)	(18.38)
Interest and finance charges paid	(21,988.90)	(18,821.34)
Net cash used in financing activities (C)	**(71,307.28)**	**(29,521.51)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,567.33	(1,230.97)
Cash and cash equivalents at the beginning of the year	3,191.68	4,422.65
Cash and cash equivalents at the end of the year	**4,759.01**	**3,191.68**
Components of cash and cash equivalents comprise:		
Balance with scheduled banks		
On current accounts	444.20	507.65
Deposits with original maturity of less than three months	4,314.81	2,684.03
Total cash and cash equivalents	**4,759.01**	**3,191.68**
The above cash flow includes following related to discontinued operation		
Net cash generated from operating activities	11,728.48	9,943.88
Net cash generated/ (used) in investing activities	46,935.14	(3,225.84)
Net cash used in financing activities	(7,634.03)	(8,193.97)
Net cash generated/ (used) in discontinued operation	**51,029.59**	**(1,475.93)**

Significant accounting policies (refer note-2)

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Cash Flow Statement referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Consolidated Statement of Changes in Equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at April 1, 2020	**5,43,36,68,574**	**54,336.69**
Changes in equity share capital during the current year	–	–
Balance as at March 31, 2021	**5,43,36,68,574**	**54,336.69**
Changes in equity share capital during the current year	–	–
Balance as at March 31, 2022	**5,43,36,68,574**	**54,336.69**

B. Other Equity

Particulars	Reserves and surplus									Other items of other comprehensive income			Equity attributable to the owner of the Company	Non-controlling interest	Total
	Securities premium	Capital reserve on acquisition	Capital reserve	Capital redemption reserve	Debenture redemption reserve	General reserve	Share based payments reserve	Other reserves	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging			
Balance as at April 1, 2020	40,207.03	(14,550.18)	1,121.58	1.86	–	199.00	–	1,167.19	(7,359.15)	(38.18)	(598.78)	–	20,150.37	185.76	20,336.13
Changes in accounting policy or prior period errors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Restated Balance as at April 1, 2020	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.86**	**–**	**199.00**	**–**	**1,167.19**	**(7,359.15)**	**(38.18)**	**(598.78)**	**–**	**20,150.37**	**185.76**	**20,336.13**
Transfers to reserves (refer note 3.12)	–	–	–	0.32	–	–	–	–	(0.32)	–	–	–	–	–	–
Change in stake of step-down subsidiaries	–	–	–	–	–	–	–	(2.46)	–	–	–	–	(2.46)	1.96	(0.50)
Profit for the year	–	–	–	–	–	–	–	–	8,491.91	–	–	–	8,491.91	–	8,491.91
Remeasurement of post-employment benefit obligations	–	–	–	–	–	–	–	–	–	(3.28)	–	–	(3.28)	(55.34)	(58.62)
Hedge reserve	–	–	–	–	–	–	–	–	–	–	557.14	–	557.14	–	557.14
Fair value of interest free INR denominated notes from holding company	–	–	–	–	–	–	–	234.72	–	–	–	–	234.72	(0.08)	234.64
Balance as at March 31 2021	**40,207.03**	**(14,550.18)**	**1,121.58**	**2.18**	**–**	**199.00**	**–**	**1,399.45**	**1,132.44**	**(41.46)**	**(41.64)**	**–**	**29,428.40**	**132.30**	**29,560.70**

Consolidated Statement of Changes in Equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Reserves and surplus									Other items of other comprehensive income			Equity attributable to the owner of the Company	Non-controlling interest	Total
	Securities premium	Capital reserve on acquisition	Capital reserve	Capital redemption reserve	Debenture redemption reserve	General reserve	Share based payments reserve	Other reserves	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging			
Changes in accounting policy or prior period errors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Restated Balance as at April 1, 2021	**40,207.03**	**(14,550.18)**	**1,121.58**	**2.18**	**–**	**199.00**	**–**	**1,399.45**	**1,132.44**	**(41.46)**	**(41.64)**	**–**	**29,428.40**	**132.30**	**29,560.70**
Transfers to reserves (refer note 3.12)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Change in stake of step-down subsidiaries	–	–	–	–	–	–	–	0.60	–	–	–	–	0.60	(1.00)	(0.40)
Share-based payments charged to profit or loss	–	–	–	–	–	–	166.98	–	–	–	–	–	166.98	–	166.98
Adjustment for recharge for share-based payments	–	–	–	–	–	–	2.38	–	–	–	–	–	2.38	–	2.38
Profit for the year	–	–	–	–	–	–	–	–	27,241.98	–	–	–	27,241.98	104.89	27,346.87
Remeasurement of post-employment benefit obligations	–	–	–	–	–	–	–	–	–	(40.68)	–	–	(40.68)	0.11	(40.57)
Hedge reserve	–	–	–	–	–	–	–	–	–	–	128.31	58.04	186.35	–	186.35
Fair value of interest free INR denominated notes from holding company	–	–	–	–	–	–	–	(297.70)	–	–	–	–	(297.70)	–	(297.70)
Disposal of discontinued operation	–	–	–	(1.17)	125.00	(125.00)	(26.30)	(6.62)	(8.09)	8.08	–	–	(34.10)	(236.30)	(270.40)
Balance as at March 31 2022	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.01**	**125.00**	**74.00**	**143.06**	**1,095.73**	**28,366.33**	**(74.06)**	**86.67**	**58.04**	**56,654.21**	**–**	**56,654.21**

Significant accounting policies (refer note-2)

The accompanying notes form an integral part of the consolidated financial statements

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

1. Corporate information

Sembcorp Energy India Limited ('the Company') was incorporated on January 8, 2008 as a public limited company. The Company has been established for developing, constructing, commissioning, operating and maintaining a 1,320 megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh (hereinafter referred to as "SEIL-P1"). The Company had successfully commenced full commercial operations of SEIL-P1 in September 2015.

On October 31, 2018, the Regional Director (RD), Ministry of Corporate Affairs, Hyderabad had approved the scheme of amalgamation (the Scheme) of Sembcorp Gayatri Power Limited (SGPL), one of the wholly owned subsidiary of the Company. The appointed date as per the Scheme was April 01, 2017. Erstwhile SGPL (hereinafter referred to as "SEIL-P2") has been operating and maintaining a 1,320 megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh. The commercial operations of SEIL-P2 had commenced on November 17, 2016 for unit I and on February 21, 2017 for unit II.

The Group through its subsidiaries owns and operates various renewable energy power projects with installed capacity of 1,694.7 MW of wind power projects and 35.00 MW of solar power projects and another 400.0 MW solar project under construction. These projects are intended to sell the power generated, under long-term Power Purchase Agreements (PPAs) with state electricity boards, group captive users and other authorities who award PPAs under competitive bidding.

The consolidated financial statements comprise of the Company and its subsidiaries (collectively referred as the 'Group'). Refer note 2.8

2. Basis of preparation, measurement and significant accounting policies

2.1 Basis of preparation and statement of compliance

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

The consolidated financial statements have been prepared by the Company on a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2022.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on May 26, 2022.

2.2 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR) rounded off to the nearest million to two decimal places except when otherwise indicated, which is the functional and presentation currency of the Group.

2.3 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following.

Items	Measurement basis
Certain financial assets and liabilities	Fair value (refer accounting policy regarding financial instruments)
Derivative instruments	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Share based payments	Fair value on grant date

2.4 New and amended standards adopted by the Group

The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial
- Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2.5 New amendments issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards.

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. Below is a summary of such amendments:

Title	Key requirements
Ind AS 16, Property, Plant and Equipment	Proceeds before intended use of property, plant and equipment The amendment clarifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).
Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets	Onerous Contracts – Cost of fulfilling a contract The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.
Ind AS 103, Business combinations	References to the conceptual framework The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
Ind AS 109, Financial Instruments	Fees included in the 10% test for derecognition of financial liabilities The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

2.6 Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the current maturities of long-term borrowings has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings were included in 'other financial liabilities' line item.

Lease liabilities has now been reported separately on the face of the balance sheet, which was previously classified under 'other financial liabilities'.

Unbilled receivables have now been included in "Trade receivables" which was previously classified under 'other financial assets.

2.7 Principles of consolidation

The Group consolidates the entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as disclosed in note 3.49. Subsidiaries are all entities (including structured entities) over which the group has control. Where the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences (other than entities acquired fall under common control) until the date control ceases.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year. The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits / losses, unless cost/revenue cannot be recovered. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The difference between the cost of investment in subsidiaries (investee company) to the Group and the proportionate share in the equity of the investee Company as at the date of acquisition of stake is recognised in the Consolidated

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Financial Statements as goodwill or capital reserve, as the case may be. Goodwill arising on consolidation is tested for impairment at the Balance Sheet date. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated statement of profit and loss.

The consolidated financial statements are presented, to the extent possible, is in the same format as that adopted by the Company for its standalone financial statements.

2.8 Details of the Group's subsidiaries in the preparation of consolidated financial statements are as follows:

Name of entity	Date of Incorporation	Country of Incorporation	% of Ownership interest and voting power as at	
			March 31 2022	March 31 2021
Direct subsidiaries				
Sembcorp Green Infra Limited (SGIL)*	3 April 2008	India	-	100.00%
TPCIL Singapore Pte. Ltd (TPCIL SG)	18 November 2014	Singapore	100.00%	100.00%
Indirect subsidiaries*				
Green Infra Wind Energy Limited (GIWEL)	June 6, 2005	India	-	100.00%
Green Infra Corporate Solar Limited	September 12, 2011	India	-	100.00%
Green Infra Wind Power Generation Limited	July 4, 2011	India	-	72.09%
Green Infra Wind Ventures Limited (GIWVL)	December 28, 2010	India	-	100.00%
Green Infra Wind Assets Limited (GIWAL)	October 14, 2008	India	-	100.00%
Green Infra Wind Farms Limited	October 14, 2008	India	-	60.93%
Green Infra Wind Power Projects Limited	July 4, 2011	India	-	69.06%
Green Infra Wind Generation Limited	July 4, 2011	India	-	70.55%
Green Infra Solar Energy Limited	April 29, 2010	India	-	100.00%
Green Infra Solar Farms Limited	April 29, 2010	India	-	100.00%
Green Infra Solar Projects Limited	September 12, 2011	India	-	100.00%
Green Infra Wind Energy Asset Limited	September 14, 2011	India	-	100.00%
Green Infra Wind Farm Assets Limited	September 14, 2011	India	-	100.00%
Green Infra Wind Power Limited	May 3, 2010	India	-	100.00%
Green Infra Corporate Wind Limited	October 14, 2008	India	-	100.00%
Green Infra Wind Energy Project Limited	July 4, 2011	India	-	100.00%
Green Infra Renewable Energy Limited	March 2, 2017	India	-	100.00%
Green Infra BTV Limited (GIBTVL)	September 1, 2008	India	-	90.46%
Green Infra Wind Energy Theni Limited	January 6, 2011	India	-	73.02%
Green Infra Wind Power Theni Limited	January 6, 2011	India	-	73.21%
Mulanur Renewable Energy Limited	January 29, 2016	India	-	67.30%
Green Infra Wind Solutions Limited	May 22, 2012	India	-	100.00%
Green Infra Wind Technology Limited	May 22, 2012	India	-	100.00%
Green Infra Wind Limited	February 23, 2011	India	-	100.00%
Green Infra Renewable Projects Limited	February 18, 2020	India	-	100.00%
Green Infra Solar Power Projects Limited	December 12, 2021	India	-	-
Green Infra Solar Generation Limited	December 13, 2021	India	-	-

*During the current year, the Company has sold its investment in equity shares of Sembcorp Green Infra Limited (SGIL) to Sembcorp Utilities Pte Ltd, (SUPL) and accordingly SGIL ceased to be a subsidiary of the Company w.e.f 23 December 2021. As a result, the consolidated financial statements include the financial statements of the Company and SGIL (till the date of disposal) and its foreign subsidiary TPCIL SG. Refer note 3.37 for details.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2.9 Use of estimates and judgements

The preparation of these consolidated financial statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities as at the date of the consolidated financial statements.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the consolidated financial statements in the year in which changes are made, if material, their effects are disclosed in the notes to the consolidated financial statements.

Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

i. Impairment of investments

The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

ii. Impairment of trade receivable and unbilled receivables

The Group has measured the lifetime expected credit loss by using practical expedients. It has accordingly used a provision matrix derived by using a flow rate model to measure the expected credit losses for trade receivables. Further, need for incremental provisions have been evaluated on a case to case basis where forward-looking information on the financial health of a customer is available and in cases where there is an ongoing litigation/dispute.

iii. Useful lives of property, plant and equipment and intangible assets

The Group reviews the useful life of property, plant and equipment and intangible at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Refer note 3.1.

iv. Valuation of deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forward and tax credits. Deferred tax assets are recognized to the extent there is reasonable certainty of future taxable income which will be available against the deductible temporary differences, unused tax losses and depreciation carry-forward.

v. Defined benefit plans

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period. Refer note 3.35.

vi. Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Group uses significant judgements to disclose contingent liabilities. 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 Group 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

vii. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

viii. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ix. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated remaining useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management. Refer note 3.2.

2.10 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit or loss after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

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

2.11 Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle.

ii) it is held primarily for the purpose of being traded.

iii) it is expected to be realised within 12 months after the reporting date; or

iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i) it is expected to be settled in the Group's operating cycle.

ii) it is held primarily for the purpose of being traded.

iii) it is due to be settled within 12 months after the reporting date; or

iv) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. 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 Group

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.12 Business combinations and goodwill

i) Business combinations (other than common control business combinations):

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combinations, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquired a business, it assessed the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of entities comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, and fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the consolidated statement of profit and loss or other comprehensive income, as appropriate.

ii) Common control business combinations

Business combinations arising from transfers of interests in entities by way of acquisition, amalgamation or merger (combination) that are under the control of the shareholder that controls the Group are accounted for as if the acquisition, amalgamation or merger had occurred at the beginning of the earliest comparative years presented or, if later, at the date that common control was established. The Group has followed pooling of interest method to account acquisition of entities under common control in its consolidated financial statements as per para 9 of Ind AS 103 (Appendix C).

- The assets and liabilities of the combining entities are recognised at their carrying amounts.
- The identity of the reserves is preserved, and they appear in the consolidated financial statements of the Company in the same form in which they appeared in the financial statements of the combining entities.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve on acquisition.

As per para 9(iii) of Ind AS 103 (Appendix C), the financial information in the consolidated financial statements in respect of prior years should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

2.13 Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

a) represents a separate major line of business or geographic area of operations;

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b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or

c) is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year. The results of discontinued operations are presented separately in the statement of profit and loss.

2.14 Revenue recognition

The Group is engaged in generation and supply of electricity. Revenue from operations are primarily from sale of electricity.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment excluding discounts, rebates, and taxes or duty. When there is uncertainty as to measurement or ultimate collectability of revenue, recognition is postponed until such uncertainty is resolved.

Revenue from the sale of electricity is recognised from the time when production output is delivered to the power network. Revenue from energy units sold as per the terms of the Power Purchase Agreements ('PPA') and Letter Of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled receivables accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers.

Revenue/charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognised/ charged at rates notified by Central Electricity Regulatory Commission ('CERC') from time to time as revenue from sale of electricity and adjusted with revenue from sale of electricity.

Unbilled receivables represent energy units delivered to the power network as per the terms of PPAs and was not invoiced to the Customers on the reporting date. The Group has unconditional right to receive the cash, and only act of invoicing is pending as on balance sheet date, as per contractual terms. Unearned income (contract liability) is recognised when the billing is in excess of revenue earned.

The Group accounts for fuel and power purchase price adjustment claims in case of claims change in law and etc., as and when allowed by the regulatory authorities and truing-up adjustment claims as and when realised.

Income from generation-based incentive (GBI) is recognised on the basis of supply of units generated by the Group to the Electricity Board in respect of the eligible projects in accordance with the scheme of 'Generation Based Incentive for Grid Interactive Wind Power Projects'.

Revenue from sale of renewable energy certificates (RECs) and voluntary emission reduction certificates (VERs) are recognised when the control has been passed to the buyer, which generally coincides with the delivery of RECs or VERs.

Claims for delayed payment charges, insurance claims and any other claims, which the Group is entitled to under the PPAs, are accounted for to the extent Group is reasonably certain of their ultimate collection.

The Group accounts for fuel and power purchase price adjustment claims in case of claims of change in law etc. as and when allowed by the regulatory authorities and truing-up of adjustment claims as and when realised.

Claims i.e. late payment interest/surcharge recoverable from customer, insurance claims and liquidated damages, are accounted for to the extent the Group is reasonably certain of their ultimate collection.

Interest income is recognized based on effective interest rate method (EIR). It is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend income is recognised when the unconditional right to receive the income is established which is generally when shareholders approves the dividend.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group fulfils its performance obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

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Trade Receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract Liabilities in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognised as revenue when the Group performs under the contract.

2.15 Property, plant and equipment (PPE) and depreciation

i. Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the assets to its working condition for their intended use, and estimated costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Tangible assets under construction are disclosed as capital work-in-progress. Software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Cost of other item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Fiscal benefits as available under various industrial promotional schemes are presented by deducting from the carrying amount of the PPE when there is a reasonable assurance that the Group will comply with the conditions attached to the benefit.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii. Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is recognised in the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and its costs can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The costs of day-to-day servicing of property, plant and equipment are recognised as an expense when incurred.

iii. Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale is not depreciated.

Regulated assets

Depreciation on the renewable power plants included under plant and machinery are provided at the rates as well as methodology notified (i.e. assets is depreciated at the rate of 5.83% per annum for first 12 years from commissioning date of the assets and remaining value of the asset is depreciated over the next 13 years) by the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2012.

Non-regulated assets

Depreciation on property, plant and equipment is provided on straight line method based on the useful life as specified in Schedule II of the Act, except in respect of the following category of assets, in whose case the estimated useful life of the assets has been assessed based on technical assessment, taking into

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account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, residual value etc.

Category	Life as per Schedule II	Life considered
Thermal power plants	40 years	30 years
Renewable power plants (won under competitive bidding)	22 years	30 years
Office equipments	5 years	3 years to 5 years
Site equipment (included in plant and machinery)	15 years	3 years to 15 years
Furniture and fixtures	10 years	5 years to 10 years

Leasehold land and improvements are amortised over the lease-term including the optional period, if any, available to the Group, where it is reasonably certain at the inception of lease that such option would be exercised by the Group.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate and the residual values are not more than 5% of the original cost of the asset.

iv. De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss on the date of retirement or disposal.

2.16 Intangible assets

Intangible assets other than Goodwill are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets that are acquired are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The intangible assets are amortised over the estimated useful lives as given below:

Category	Life considered
Computer software	3 years
Customer contracts	5 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in the consolidated statement of profit and loss.

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill has indefinite useful life and tested for impairment annually.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

2.17 Inventories

Inventories which comprise of fuel, stores and spares are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

2.18 Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss unless it relates to a long-term foreign currency monetary item.

Monetary assets and liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resultant exchange differences are recognised in the consolidated statement of profit and loss unless it relates to a long-term foreign currency monetary item.

Non-monetary assets are recorded at the rate prevailing on the date of the transaction.

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Under Indian GAAP, paragraph 46/46A of AS 11, The Effects of Changes in Foreign Exchange Rates, provide accounting treatment with respect to exchange differences arising on restatement of long-term foreign currency monetary items. Ind AS 101 provides an optional exemption that allows to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the consolidated financial statements as on transition date. Certain subsidiaries in the Group have had adopted such exemption with respect of long-term foreign currency borrowings taken in past. Therefore, exchange differences (favorable as well as unfavorable) arising in respect of translation/settlement of long-term foreign currency borrowings attributable to the acquisition of a depreciable asset is added or deducted from the cost of the asset, which would be depreciated over the balance life of the asset.

2.19 Employee benefits

Short-term employee benefits

All employee benefits expected to be settled wholly within twelve months from the reporting date are classified as short-term employee benefits. An employee who has rendered services to the Group during an accounting period, the Group recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense or as required under Ind AS 19 which permits the inclusion of the benefits in the cost to be recognised as an asset. Benefits such as salaries, wages and bonus etc. are recognised in the consolidated statement of profit and loss in the period in which the employee renders the related service.

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Group recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Defined benefit plans

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Group recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset), which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to the consolidated statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no legal or constructive obligation to pay any further amounts. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the consolidated balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the consolidated balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

Bonus plans

The Group recognises a liability and an expense for bonus. The Group recognises a provision where contractually obliged or where there is a contractual obligation.

Share based payment transactions

The Group has not issued any shares / stock options on its shares. The ultimate holding company has however issued certain options on its own shares to certain employees of the Group which are in the nature of equity settled awards. Share-based payment expenses are recognised over the period during which the employees provide the relevant services. The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding

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increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

2.20 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and unwinding of discount on asset retirement obligation. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the consolidated statement of profit and loss over the tenure of the loan.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the consolidated statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. Interest income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense on borrowings is recorded using the effective interest rate (EIR). EIR is the rate that discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.21 Financial instruments

i. Recognition and initial measurement

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

Initial recognition

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

ii. Financial assets - Classification and subsequent measurement:

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order 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.

b) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the consolidated statement of profit and loss.

iii. Financial liabilities - Classification and subsequent measurement:

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

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a) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the consolidated statement of profit and loss.

b) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv. De-recognition of financial instruments

a) Financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transaction whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

b) Financial liability

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or the same expires.

The Group also derecognise 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 the consolidated statement of profit and loss.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the Group has a legally enforceable right to set off the amount and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.22 Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its commodity price, foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequently to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the consolidated statement of profit and loss.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

i. Financial assets or financial liabilities, at fair value through profit or loss

In case of certain forward exchange contracts, the Group designates only the changes in fair value of the spot element of a forward contract as a hedging instrument. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

Any derivative that is either not designated a hedge or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the consolidated statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in the consolidated statement of profit and loss.

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Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

ii. Cash flow hedge accounting

Where a derivative is designated as a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised directly in other comprehensive income and presented in the hedge reserve in equity. The ineffective portion of changes in the fair values of the derivative is recognised immediately in the consolidated statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedge reserve is transferred to the net profit in the consolidated statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the consolidated statement of profit and loss.

2.23 Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

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

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

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

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

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

When the fair values of financial assets and financial liabilities recorded in the consolidated financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgements is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk volatility and discount rates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.24 Impairment

i. Financial assets (other than at fair value)

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses ('ECL') to be measured through a loss allowance. The Group recognises lifetime expected losses for trade receivables including unbilled receivables and contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The allowance for doubtful debts/ advances or impairment of assets is made on case to case basis by considering relevant available information.

ii. Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

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If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Goodwill has indefinite useful life and tested for impairment annually.

2.25 Leases

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

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

2.26 Income taxes

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income). Current tax and deferred tax are recognised in the consolidated statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax reflects the best estimate the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit and loss.

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The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of allowances and disallowances which is exercised while determining the provision for income tax.

Minimum alternate tax (MAT) on the book profits or corporate tax payable on taxable profit is charged to the consolidated statement of profit and loss as current tax.

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 amounts used for taxation purposes. Deferred tax is not recognised for:

a) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

b) Temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

c) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset with deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

In situations where any entity under the Group is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the said company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Future taxable profits are determined based on business plans. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets include Minimum Alternative Tax (MAT) paid, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in the consolidated statement of profit and loss.

2.27 Provisions and contingent liabilities

A provision is recognised when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each 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 recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognised when it is probable that an outflow

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of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

In case of provision for asset retirement obligation, the Group estimates the expected amount that it may have to incur in respect of asset retirement where the Group has its projects / operations. The management obtains quotes from vendors in respect of the estimated expense that it may have to incur in this respect considering the term of Power Purchase Agreement, lease period and inflation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

2.28 Cash flow statement

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

2.29 Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.1 Property, plant and equipment (PPE) and capital work-in-progress

Particulars	Freehold land (owned)	Land (leased) (subnote 1)	Roads	Right of use assets (refer note 3.32)	Office building	Factory building	Furniture and fittings	Vehicles	Office equip-ment	Electrical install-ations	Plant and machinery	Comp-uters	Leasehold improv-ements	Total property, plant and equipment	Capital work-in-progress
Gross carrying amount															
Balance as at April 1, 2020	3,720.30	587.25	2,317.81	941.23	1,530.26	790.55	112.90	79.59	225.64	95.93	2,82,371.96	135.96	37.26	2,92,946.64	4,935.31
Additions	245.16	–	–	21.77	0.27	5.53	0.11	9.14	5.65	–	5,486.04	30.24	0.21	5,804.12	1,715.86
Disposals/adjustments	–	–	–	(9.19)	(10.20)	–	(22.43)	(1.16)	(16.47)	–	(238.42)	(13.58)	–	(311.45)	(0.88)
Capitalised during the year	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(5,649.25)
Balance as at March 31 2021	3,965.46	587.25	2,317.81	953.81	1,520.33	796.08	90.58	87.57	214.82	95.93	2,87,619.58	152.62	37.47	2,98,439.31	1,001.04
Additions	61.72	0.50	–	2.85	–	3.14	0.11	2.69	12.48	–	3,123.27	19.08	3.12	3,228.96	1,102.88
Disposals/adjustments	–	–	–	(25.47)	–	–	–	(1.68)	–	–	(103.51)	(5.43)	–	(136.09)	–
Capitalised during the year	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(1,527.33)
Disposal of discontinued operation	(1,392.81)	(587.75)	–	(199.39)	(3.67)	–	–	–	(103.58)	–	(1,06,289.01)	(41.93)	(40.59)	(1,08,658.73)	(417.11)
Balance as at March 31 2022	**2,634.37**	**–**	**2,317.81**	**731.80**	**1,516.66**	**799.22**	**90.69**	**88.58**	**123.72**	**95.93**	**1,84,350.33**	**124.34**	**–**	**1,92,873.45**	**159.48**
Accumulated depreciation and impairment															
Balance as at April 1, 2020	25.12	107.12	961.99	138.21	105.06	130.31	42.26	33.22	145.51	60.64	44,777.46	89.53	14.29	46,630.72	297.86
Depreciation for the year	–	24.66	197.33	32.32	29.90	25.92	11.19	10.11	30.21	13.43	12,071.73	26.25	4.21	12,477.26	–
Disposals/adjustments	–	–	–	(2.72)	(0.91)	–	(14.68)	(0.66)	(15.39)	–	(46.18)	(13.07)	–	(93.61)	–
Balance as at March 31 2021	25.12	131.78	1,159.32	167.81	134.05	156.23	38.77	42.67	160.33	74.07	56,803.01	102.71	18.50	59,014.37	297.86
Depreciation for the year	–	18.60	188.66	41.04	29.75	23.36	9.76	10.00	19.65	7.79	9,917.44	20.65	3.43	10,290.13	–
Disposals/adjustments	–	–	–	(25.47)	–	–	–	(1.60)	–	–	–	(5.12)	–	(32.19)	–
Disposal of discontinued operation	(25.12)	(150.38)	–	(103.00)	(0.94)	–	–	–	(71.68)	–	(25,041.69)	(23.78)	(21.93)	(25,438.52)	(297.86)
Balance as at March 31 2022	**–**	**–**	**1,347.98**	**80.38**	**162.86**	**179.59**	**48.53**	**51.07**	**108.30**	**81.86**	**41,678.76**	**94.46**	**–**	**43,833.79**	**–**
Net block															
As at March 31 2021	3,940.34	455.47	1,158.49	786.00	1,386.28	639.85	51.81	44.90	54.49	21.86	2,30,816.57	49.91	18.97	2,39,424.94	703.18
As at March 31 2022	**2,634.37**	**–**	**969.83**	**651.42**	**1,353.80**	**619.63**	**42.16**	**37.51**	**15.42**	**14.07**	**1,42,671.57**	**29.88**	**–**	**1,49,039.66**	**159.48**

1. In earlier years, the Group had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited. ('APIIC') for occupation of two tranches of land for SEIL-P1. One tranche of land was transferred to the Group as freehold land. For the other tranche of land, admeasuring Acre 680.55 cents, a lease deed for a period of 21 years was entered with APIIC on 25 November 2009. As per the lease deed, APIIC had agreed to sell the land even during the subsistence of the lease deed on securing necessary clearances and approvals for such sale to the Group on such mutually agreed terms and conditions. Further, in the unlikely event of not transferring the land through sale to the Group, APIIC agreed to renew the lease for a further period on such mutually agreed terms and conditions. All the requirements of the agreement including the payment of consideration of ₹ 612.50 million has been complied with by the Group to purchase the land. The said consideration was paid on 12 November 2009 and the same had been considered as cost of land. The Group had complied with all the requirements for purchase of land and paid the full consideration. The delay from APIIC is of administrative in nature and said sale will happen in due course of time.

   During the earlier year, APIIC had raised a demand amounting to ₹ 19.81 million for lease rentals (including interest) pertaining to previous years which was paid by the Group. On transition to Ind AS 116 the Group had categorized the payment of consideration of ₹ 612.50 million as right of use (ROU) assets and recognized the present value of the remaining lease payment as ROU assets and lease liability accordingly and being amortised over its useful life.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.1 Property, plant and equipment (PPE) and capital work-in-progress (Contd..)

2. Title deeds of certain portions of land in the name of the Group are under dispute. In respect of such disputes, the Group has been legally advised that it has valid title in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property. (refer note 3.38)

3. During the year, the management has carried out a review of useful life of its Thermal Power Plant assets and determined the revised useful life to be 30 years from 25 years based on a technical assessment performed by an external consultant. This is considered as change in estimate and accounted prospectively from October 01, 2021 onwards. As a result of this change, the depreciation expense for the current year has reduced by ₹ 685.76 million, while annual depreciation will be reduced ₹ 1,375.29 million from FY 22-23 onwards.

4. Refer note 3.13 and 3.17 for assets pledged against the borrowings of the Group and refer note 3.38 for contractual commitments and obligations.

5. Capital Work-in-progress details as on March 31, 2022

(a) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	100.05	39.31	13.81	6.31	159.48
Projects temporarily suspended	–	–	–	–	–

b) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 21, 2022.

Capital Work-in-progress details as on March 31, 2021

(a) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	266.42	16.32	420.44	–	703.18
Projects temporarily suspended	–	–	–	–	–

b) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 21, 2021.

6. Additions in plant and machinery (including capital work-in-progress) includes directly attributable expenses capitalised as under:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Other expenses		
Legal and professional expenses	3.01	4.40
Salaries, allowance and bonus	31.90	31.57
Miscellaneous expenses	2.20	2.36
Finance costs		
- Finance costs	0.37	59.92
- Net foreign exchange (gain)/loss (decapitalised)/capitalised in plant and machinery	(63.76)	(149.62)
Total	**(26.28)**	**(51.37)**

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3.2 Other intangible assets and Goodwill

Particulars	Customer contracts	Softwares and licenses	Total of other intangible assets	Goodwill
Gross carrying amount				
Balance as at April 1 2020	32.10	110.46	142.56	1,234.20
Additions	-	19.38	19.38	-
Disposals	-	-	-	-
Balance as at March 31 2021	32.10	129.84	161.94	1,234.20
Additions	-	4.61	4.61	-
Disposals	(32.10)	-	(32.10)	-
Disposal of discontinued operation	-	(21.23)	(21.23)	-
Balance as at March 31 2022	**-**	**113.22**	**113.22**	**1,234.20**
Accumulated amortisation				
Balance as at April 1 2020	23.59	108.61	132.20	-
Amortisation for the year	6.42	3.36	9.78	-
Disposals	-	-	-	-
Balance as at March 31 2021	30.01	111.97	141.98	-
Amortisation for the year	2.09	6.64	8.73	-
Disposals	(32.10)	-	(32.10)	-
Disposal of discontinued operation	-	(15.34)	(15.34)	-
Balance as at March 31 2022	**-**	**103.27**	**103.27**	**-**
Net block				
As at March 31 2021	2.09	17.87	19.96	1,234.20
As at March 31 2022	**-**	**9.95**	**9.95**	**1,234.20**

Assessment of carrying value of goodwill and PPE relating to SEIL P-2:

The carrying value of property, plant and equipment (PPE) and goodwill relating to SEIL-P2 which was acquired by the Group in an earlier year amounting to Rs 79,407.83 million (March 31, 2021: Rs 80,826.71 million) and Rs 1,234.20 (March 31, 2021: Rs 1,234.20 million) respectively.

The goodwill represents the excess of consideration paid over the net assets acquired under the Scheme of Amalgamation of 'Nelcast Energy Corporation Limited (Nelcast)' with Sembcorp Gayatri Power Limited (SEIL-P2) approved by the High Court of Madras on October 12, 2011. Nelcast was the 100% subsidiary of SEIL-P2. The Group opted to apply Ind AS 103 exemption for the business combinations which occurred prior to transition into Ind AS and accordingly, amalgamation of Nelcast with the Group and the resultant Goodwill has not been restated.

The said PPE and goodwill are considered as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. The recoverable amount of the said CGU is based on discounted value of estimated cash flows over the remaining useful life of 25 years.

Revenue, plant load factor, coal prices, margins and cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by the management. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles.

Key assumptions used in the value-in-use calculation:

Assumption	Basis
Cash flow projections period	Remaining useful life of PPE assumed 25 years (March 31, 2021: 21 years) Refer note 3.1 for change in useful of PPE
Weighted average cost of capital % (WACC) post tax	9.38% (March 31 2021: 9.7%)
Revenue and margins	Primarily based on the forecasted combination of long-term and short-term contracts and electricity spot prices with reference to estimated demand and supply of electricity as well as margin.

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3.2 Other intangible assets and Goodwill (Contd..)

As at March 31, 2022 the estimated recoverable amount of the CGU exceeds its carrying amount and accordingly no adjustment is required to such carrying amount. The management has also performed sensitivity analysis of the key assumptions applied and no impairment would need to be recognised in the event of a reasonable change in the underlying key assumptions as there exists significant headroom between the recoverable amount and carrying amount.

3.3 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured considered good, unless otherwise stated)		
Non-current		
Security deposits	10.67	53.26
Derivative assets on fair valuation of financial instruments^		
Derivatives not designated as cashflow hedge		
- Fair value of cross currency interest rate swaps	–	332.54
Others:		
Margin money deposits and other deposits with banks*	2,745.35	6,905.46
Interest accrued on bank deposits	66.67	209.71
	2,822.69	**7,500.97**
Current		
Security deposits	–	16.52
Derivative assets on fair valuation of financial instruments^		
Derivative designated as cash flow hedge		
– Fair value of commodity hedge contracts	–	251.86
– Fair value of Cross currency interest rate swaps	–	1,067.52
Derivatives not designated as cash flow hedge		
– Fair value of Foreign exchange forward contracts	–	17.00
– Fair value of Foreign exchange option contracts	–	5.31
Others:		
Income accrued on generation based incentive	–	243.77
Interest accrued on bank deposits	23.40	39.63
Advance given for purchase of mutual funds	–	40.00
Premium on forward contracts	–	325.06
Other recoverable	–	369.83
	23.40	**2,376.50**

* includes reserved against margin money for bank guarantees, other commitments and debt service reserves on long-term borrowings.

^ The Group's exposure to currency and liquidity risk related to above derivative assets are disclosed in note 3.30.

3.4 Non-current tax assets

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured considered good, unless otherwise stated)		
Advance income taxes (net of provision for tax)	977.66	685.38
Taxes paid under protest (refer note 3.38)	–	448.05
	977.66	**1,133.43**

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.5 Deferred tax assets and liabilities

i) Deferred tax asset and liabilities attributable to the following

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities:		
Excess of depreciation on assets under Income Tax law over depreciation provided in accounts	15,625.43	22,215.32
Fair value adjustment of current investments	6.71	13.42
Unamortised part of prepayment expenses	76.16	209.05
Unamortised part of borrowing costs	–	106.55
Fair value adjustment of derivatives	–	4.15
	15,708.30	**22,548.49**
Deferred tax assets:		
Provision for asset retirement obligation	–	81.47
Allowance for expected credit loss	294.10	250.38
Lease liabilities	4.23	39.91
Operation and maintenance expenses equalization	–	134.79
MAT credit entitlement	–	586.24
Expenses to be allowed as deductible in future	3,779.99	3,571.70
Hedge reserve	60.34	–
Unabsorbed depreciation/tax losses #	10,702.28	17,403.26
	14,840.94	**22,067.75**
Net deferred tax liabilities	**867.36**	**480.74**

#Till previous year deferred tax assets were recognised on unabsorbed depreciation/carried forward tax losses only if, there was a reasonable certainty that such deferred tax assets could be realised against future taxable profit.

During the year ended March 31 2022, the Group did not recognise deferred tax assets of ₹ Nil (31 Mar 2021: ₹ 769.33 million) on unused tax loss and unabsorbed depreciation in absence of reasonable certainty that such deferred tax assets can be realised against future taxable profit at each entity.

Classification of deferred tax assets and liabilities:

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities (net)	867.36	724.42
Deferred tax assets (net)	–	243.68
	867.36	**480.74**

ii) Movement in temporary differences

Particulars	As at April 1, 2021	Impact in Statement of profit and loss	Impact in other comprehensive income	Disposal of discontinued operation	As at March 31, 2022
Deferred tax liabilities on:					
Excess of depreciation on assets under Income Tax law over depreciation provided in accounts	22,215.32	2,629.36	–	(9,219.25)	15,625.43
Fair value adjustment of current investments	13.42	(2.20)	–	(4.51)	6.71
Unamortised part of prepayment expenses	209.05	(11.44)	–	(121.45)	76.16
Unamortised part of borrowing costs	106.55	(105.03)	–	(1.52)	–
Fair value adjustment of derivatives	4.15	(4.15)	–	–	–
Total deferred tax liabilities	**22,548.49**	**2,506.54**	**–**	**(9,346.73)**	**15,708.30**
Deferred tax assets on:					
Provision for asset retirement obligation	81.47	6.04	–	(87.51)	-
Allowance for expected credit loss	250.38	128.48	–	(84.76)	294.10

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.5 Deferred tax assets and liabilities (Contd..)

Particulars	As at April 1, 2021	Impact in Statement of profit and loss	Impact in other compre-hensive income	Disposal of discontinued operation	As at March 31, 2022
Lease liabilities	39.91	1.15	–	(36.83)	4.23
Operation and maintenance expenses equalization	134.79	(17.50)	–	(117.29)	-
MAT credit entitlement	586.24	41.73	–	(627.97)	-
Expenses to be allowed as deductible in future	3,571.70	258.85	(0.97)	(49.59)	3,779.99
Hedge reserve	–	–	60.34	–	60.34
Unabsorbed depreciation/tax losses #	17,403.26	566.58	–	(7,267.56)	10,702.28
Total deferred tax assets	**22,067.75**	**985.33**	**59.37**	**(8,271.51)**	**14,840.94**
Net deferred tax assets and liabilities	**480.74**	**1,521.21**	**(59.37)**	**(1,075.22)**	**867.36**

Particulars	As at April 1, 2021	Impact in Statement of profit and loss	Impact in other compre-hensive income	As at March 31, 2021
Deferred tax liabilities on:				
Excess of depreciation on assets under Income Tax law over depreciation provided in accounts	17,888.25	4,327.07	–	22,215.32
Fair value adjustment of current investments	11.92	1.50	–	13.42
Unamortised part of prepayment expenses	341.81	(132.76)	–	209.05
Unamortised part of borrowing costs	128.57	(22.02)	–	106.55
Fair value adjustment of derivatives	–	4.15	–	4.15
Total deferred tax liabilities	**18,370.55**	**4,177.94**	**–**	**22,548.49**
Deferred tax assets on:				
Provision for asset retirement obligation	73.05	8.42	–	81.47
Allowance for expected credit loss	185.31	65.07	–	250.38
Lease liabilities	43.96	(4.05)	–	39.91
Operation and maintenance expenses equalization	112.45	22.34	–	134.79
MAT credit entitlement	560.78	25.46	–	586.24
Expenses to be allowed as deductible in future	3,506.65	64.74	0.31	3,571.70
Unabsorbed depreciation/tax losses #	13,294.74	4,108.52	–	17,403.26
Total deferred tax assets	**17,776.94**	**4,290.50**	**0.31**	**22,067.75**
Net deferred tax liabilities	**593.61**	**(112.56)**	**(0.31)**	**480.74**

3.6 Other assets

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured considered good, unless otherwise stated)		
Non-current		
Capital advances	183.17	202.91
Less: Provision for capital advance	(5.06)	(5.06)
Balance with government authorities paid under protest (refer note 3.38)	119.98	119.98
Contribution to gratuity fund (refer note 3.35)	–	15.29
Prepayments	22.49	605.90
	320.58	**939.02**
Current		
Advance to suppliers	3,291.59	1,186.52
Balance with government authorities (refer note 3.41)	2,527.95	1,556.16
Staff imprest	–	0.22
Prepayments	448.26	785.69
	6,267.80	**3,528.59**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.6 Other assets (Contd..)

During the year ended March 31, 2022 and March 31, 2021, the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Group has not given any loans or advances in the nature of loans to any firms/ companies, in which Directors are interested.

3.7 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
(Valued at lower of cost and net realisable value)		
Fuel*	5,053.01	2,493.59
Stores and spares	2,269.48	2,286.99
	7,322.49	**4,780.58**

* includes materials-in-transit amounting to ₹3,244.39 million, (March 31, 2021: ₹ 1,065.38 million).

3.8 Current investments

Particulars	Number of Units		As at	
	March 31 2022	March 31 2021	March 31 2022	March 31 2021
Investment in mutual funds (debt securities)				
Quoted, valued at fair value through profit or loss				
IDFC Cash Fund-Direct Plan-Growth	2,06,348	2,06,348	530.51	512.98
DSP Liquidity Fund-Direct Plan-Growth	–	1,00,247	–	294.84
L&T Liquid Fund-Direct Plan-Growth	–	91,933	–	259.15
Kotak Liquid Fund-Direct Plan-Growth	–	37,868	–	157.50
TATA Liquid Fund-Direct Plan-Growth	–	1,42,269	–	462.04
UTI Liquid Cash Fund-Direct Plan-Growth	1,44,422	1,53,836	503.75	518.50
Axis Liquid Fund-Direct Plan-Growth	1,84,487	2,10,016	436.14	479.84
SBI Liquid Fund-Direct Plan-Growth*	1,48,770	1,44,528	495.86	465.61
Aditya Birla Sun Life Liquid Fund-Direct Plan-Growth	–	11,75,904	–	389.85
ICICI Prudential Liquid Fund-Direct Plan-Growth	–	11,58,239	–	352.96
Nippon India liquid fund -Direct plan-Growth	96,973	1,00,611	505.04	506
Invesco India Liquid Fund-Direct Plan-Growth	–	13,815	–	39
			2,471.30	**4,438.65**
Aggregate fair value and market value of quoted investments			2,471.30	4,438.65
Aggregate provision for impairment in value of investments			–	–

* It includes ₹70.41 million invested from sale of fly ash and in future these funds will be used for pollution control related activities.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.9 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured, considered good)		
Trade receivables		
- Billed	34,580.83	30,498.65
- Unbilled*	5,034.10	6,872.76
Total	**39,614.93**	**37,371.41**
Less: allowance for expected credit loss	(1,004.01)	(736.69)
	38,610.92	**36,634.72**
Break-up of security details		
Trade receivables considered good – unsecured^	39,614.93	37,371.41
Trade receivables which have significant increase in credit risk	–	–
Trade receivables - credit impaired	–	–
Total	**39,614.93**	**37,371.41**
Less: allowance for expected credit loss	(1,004.01)	(736.69)
	38,610.92	**36,634.72**

Trade receivables aging schedule

Particulars	As at 31 March 2022	As at 31 March 2021
Outstanding for following periods from due date of receipt		
(i) Undisputed Trade receivables – considered good		
Unbilled receivables	5,034.10	6,834.46
Less than 6 months	20,544.71	20,935.31
6 months -1 year	7,227.33	7,289.93
1-2 years	6,121.41	660.64
2-3 years	5.66	511.16
More than 3 years	681.72	270.15
Total	**39,614.93**	**36,501.65**
(ii) Disputed Trade receivables – considered good		
Unbilled receivables	–	38.30
Less than 6 months	–	265.94
6 months -1 year	–	225.28
1-2 years	–	257.39
2-3 years	–	23.79
More than 3 years	–	59.06
Total	**–**	**869.76**

* The receivable is 'unbilled' because the group has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person nor any trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

The Group's exposure to credit and currency risk and loss allowance related to trade receivables are disclosed in note 3.30.

^ Includes receivables against which the Group holds revolving letter of credit from two customers

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The Group considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.9 Trade receivables (Contd..)

The relevant carrying amounts are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Total transferred trade receivables	2,990.48	–
Associated secured borrowing (refer note 3.17)	2,990.48	–

3.10 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents:		
Balance with banks:		
On current accounts	444.20	507.65
Deposits with original maturity of less than three months	4,314.81	2,684.03
	4,759.01	**3,191.68**
Bank balances other than those disclosed above		
Deposits due to mature after three months but before twelve months from the reporting date	2,039.50	3,637.21
	2,039.50	**3,637.21**

3.11 Equity Share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
Equity shares		
15,000,000,000 (March 31 2021: 15,000,000,000) number of equity shares of ₹10 each	1,50,000.00	1,50,000.00
	1,50,000.00	**1,50,000.00**
Issued, Subscribed and fully paid up		
5,433,668,574 (March 31 2021: 5,433,668,574) number of equity shares of ₹10 each, fully paid up (refer note below)	54,336.69	54,336.69
	54,336.69	**54,336.69**

Notes:

643,970,442 (March 31, 2021: 643,970,442) and 408,480,080 (March 31, 2021: 408,480,080) number of equity shares of ₹ 10 each, fully paid-up are pledged against secured term loans availed from banks by SEIL-P1 & SEIL-P2 respectively.

(i) The reconciliation of shares outstanding at the beginning and at the end of reporting year is set out as below:

Particulars	As at March 31 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Outstanding at the beginning of the year	5,43,36,68,574	54,336.69	5,43,36,68,574	54,336.69
Shares issued during the year	–	–	–	–
Outstanding at the end of the year	**5,43,36,68,574**	**54,336.69**	**5,43,36,68,574**	**54,336.69**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

(ii) Shares held by the holding company

Particulars	As at March 31 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,43,36,68,574	54,336.69	5,43,36,68,574	54,336.69
	5,43,36,68,574	**54,336.69**	**5,43,36,68,574**	**54,336.69**

(iii) Details of shareholders holding more than 5% shares in the company

Name of shareholders	As at March 31 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,43,36,68,574	100.00%	5,43,36,68,574	100.00%

(iv) Details of shareholding of Promoters

Name of shareholders	As at March 31 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	5,43,36,68,574	100.00%	5,43,36,68,574	100.00%

There is no change in the share holding held by the promoters during the current year.

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Terms and rights attached to equity shares:

Equity shares of the Company have par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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.

Aggregate number of bonus shares issued and shares issued for consideration other than cash during the five years immediately preceding the reporting date:

During the year ended March 31, 2018, the Company has issued 2,568,750,000 number of equity shares of ₹ 10 each fully paid at a premium of ₹ 8.80 per share to Sembcorp Utilities Pte Ltd as a consideration of acquisition of Sembcorp Gayatri Power Limited and Sembcorp Green Infra Limited in the said year.

3.12. Other equity

Particulars	As at 31 March 2022	As at 31 March 2021
Securities premium		
Balance at the beginning of the year	40,207.03	40,207.03
Add: Additions during the year	–	–
Less: Disposal of discontinued operation	–	–
Balance at the end of the year	**40,207.03**	**40,207.03**
Capital reserve on acquisition		
Balance at the beginning of the year	(14,550.18)	(14,550.18)
Add: Additions during the year	–	–
Less: Disposal of discontinued operation	–	–
Balance at the end of the year	**(14,550.18)**	**(14,550.18)**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.12. Other equity (Contd..)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital reserve		
Balance at the beginning of the year	1,121.58	1,121.58
Add: Additions during the year	–	–
Less: Disposal of discontinued operation	–	–
Balance at the end of the year	**1,121.58**	**1,121.58**
Capital redemption reserve		
Balance at the beginning of the year	2.18	1.86
Add: Transfers from retained earnings	–	0.32
Less: Disposal of discontinued operation	(1.17)	–
Balance at the end of the year	**1.01**	**2.18**
Debenture redemption reserve		
Balance at the beginning of the year	–	–
Adjustment due to disposal of discontinued operation	125.00	–
Balance at the end of the year	**125.00**	**–**
General reserve		
Balance at the beginning of the year	199.00	199.00
Less: Disposal of discontinued operation	(125.00)	–
Balance at the end of the year	**74.00**	**199.00**
Share-based payments reserve		
Balance at the beginning of the year	–	–
Add: Share-based payments charged to profit or loss	166.98	–
Add: Adjustment for recharge of share-based payments	2.38	–
Less: Disposal of discontinued operation	(26.30)	–
Balance at the end of the year	**143.06**	**–**
Other reserves		
Balance at the beginning of the year	1,399.45	1,167.19
Add: Adjustments due to change in stake of step-down subsidiaries	0.60	(2.46)
Add: Fair value of interest free INR denominated notes from holding company	(297.70)	234.72
Less: Disposal of discontinued operation	(6.62)	–
Balance at the end of the year	**1,095.73**	**1,399.45**
Retained earnings		
Balance at the beginning of the year	1,132.44	(7,359.15)
Less: Transfers to capital redemption reserve	–	(0.32)
Less: Transition adjustment of Ind AS 116 "Leases"	–	–
Add: Profit for the year	27,241.98	8,491.91
Less: Disposal of discontinued operation	(8.09)	–
Balance at the end of the year	**28,366.33**	**1,132.44**
Other items of other comprehensive income		
Remeasurement of post-employment benefit obligations		
Balance at the beginning of the year	(41.46)	(38.18)
Items that will not be reclassified to profit or loss		
- Remeasurements of post-employment benefit obligations	(40.68)	(3.28)
Less: Disposal of discontinued operation	8.08	–
Balance at the end of the year	**(74.06)**	**(41.46)**
Effective portion of cash flow hedges		
Balance at the beginning of the year	(41.64)	(598.78)
Add: Change in fair value, net of tax	128.31	557.14
Balance at the end of the year	**86.67**	**(41.64)**
Hedge Reserve - cost of Hedging		
Balance at the beginning of the year	–	–
Add: Change in fair value, net of tax	58.04	–
Balance at the end of the year	**58.04**	**–**
Total other equity	**56,654.21**	**29,428.40**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.12. Other equity (Contd..)

Nature and purpose of other equity

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Capital reserve on acquisition

Capital reserve on acquisition is the difference between the consideration for acquisition of Sembcorp Gayatri Power Limited (SGPL) and Sembcorp Green Infra Limited (SGIL) and the amount of share capital and security premium of SGPL and SGIL as per Ind AS 103 (Appendix C), Business combinations of entities under common control.

Capital reserve

Capital reserve is the excess of fair value of net identified assets acquired over the purchase consideration of the business acquired by the Group from other than business combination of entities under common control.

Capital redemption reserve

Capital redemption reserve represents amounts set aside out of retained earnings on redemption of preference shares by one of the subsidiary Green Infra Wind Farm Limited. These represent the pre-acquisition reserves and are continued to be retained after loss of control of subsidiary (refer note-3.37).

Debenture redemption reserve

In earlier year, one of the subsidiary, GIWFAL allotted 500, 12% non-convertible debentures of face value of ₹ 1.00 million each. GIWFAL had transferred ₹ 125.00 million to 'Debenture redemption reserve' (DRR) out of profits available for distribution of dividends, as required under section 71 of the Companies Act, 2013. These represent the pre-acquisition reserves and are continued to be retained after loss of control of subsidiary (refer note-3.37).

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to retained earnings.

Share based payments reserve

Shae based payments reserve represents expense recognised over the vesting period of the awards during which the employees provide the relevant services, based on grant-date fair value of equity-settled share-based payment arrangements.

Other reserves

Other reserves include all other transactions with the owners in their capacity as owners, impact of changes in the ownership interest do not result in loss of control and fair value adjustments.

Retained earnings

Retained earnings mainly represents all current and prior year profits as disclosed in the consolidated statement of profit and loss less dividend distribution and transfers to general reserve and remeasurement gain/(loss) relating to defined benefit liability.

Other items of other comprehensive income

Remeasurement of post-employment benefit obligations

Remeasurement of post-employment benefit obligations represents remeasurement gain/(loss) relating of post-employment benefit obligations.

Effective portion of cash flow hedges

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instrument related to hedged transactions that have not yet occurred.

Hedge reserve-Cost of Hedging

This mainly represents the net change in fair value of forward element of the hedging instrument.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
From banks		
External commercial borrowings	–	954.14
Rupee term loans	54,551.40	69,379.54
Foreign currency non repatriable (FCNR) term loan*	15,390.39	27,534.84
From financial institutions		
External commercial borrowings	–	2,205.59
Term loans	–	16,967.22
From others		
10,000 (March 31 2021: 10,000) 9.65% Non-convertible debentures of face value of ₹ 1.00 million each	–	9,100.00
Unsecured		
From related party (refer note 3.36)		
INR denominated notes	–	42,400.00
	69,941.79	**1,68,541.33**
Less: Unamortised part of loan origination cost	(268.81)	(671.52)
	69,672.98	**1,67,869.81**

* As on March 31, 2021, the Group had converted Rupee term loan of ₹ 26,589.25 million of SEIL-P1 for a period of 365 days and Rupee term loan of ₹ 1,850.00 million of SEIL-P2 into FCNR Loans for a period 364 days. As on March 31, 2022, the Group had converted Rupee term loan of ₹ 16,513.18 million of SEIL-P1 for a period of 90 to 363 days.

During the year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

Details of securities given, repayment terms and other details are given below:

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
External commercial borrowings (ECB) of Nil (March 31 2021: ₹ 15,399.29 million) from banks for SEIL – P1	ECB loans carry interest at 3-month LIBOR plus 1.15% p.a. (March 31 2021: 3-month LIBOR plus 1.15% p.a.) These ECB loans are payable in 20 quarterly structured unequal instalments starting from 30 June 2017. The Group has entered into cross currency interest rate swaps and the applicable interest rate under the hedge agreement is 8.36% p.a. (March 31 2021: 8.36% p.a.) External commercial borrowings loans have been repaid in full during the year.	ECB loans are guaranteed by Sembcorp Utilities Pte Ltd, the holding company.
Rupee term loans of ₹ 32,374.15 million (March 31 2021: 13,818.01 million) from banks for SEIL – P1	The Rupee Term Loans in respect of facility - I and II carry an interest of SBI MCLR plus 1.25% p.a. Interest rate applicable during the year was 8.20% to 8.25%(March 31, 2021: 8.20% to 9.25% p.a.). Rupee Term Loan facility -I from banks are repayable in 79 quarterly structured unequal instalments commenced from December 31, 2016 and Rupee Term Loan facility - II from banks are repayable in 77 quarterly structured unequal instalments commenced from June 30, 2017.	First ranking pari passu charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of lease land situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL P1. 643,970,442 (March 31 2021: 643,970,442) equity shares of ₹10 each of the Company, fully paid up are pledged by the holding company.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
Rupee term loans of ₹ 26,099.64 million (March 31 2021: 25,718.04 million) from banks for SEIL - P2	Rupee term loans carry an interest of SBI one year MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.20% to 9.15% p.a.(March 31, 2021: 8.25% to 9.70% p.a.). Rupee term loans facilities are repayable in 78 quarterly structured unequal instalments commenced from September 30, 2017	First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL - P2. Further, the holding company has pledged 408,480,080 (March 31 2021: 408,480,080) equity shares of ₹ 10 each of the Company for borrowings availed by SEIL – P2 and also have given corporate guarantees to cover the outstanding balance.
Nil (March 31 2021: 42,400.00 million) INR denominated notes for SEIL - P2.	INR denominated notes are repayable in structured unequal tranche and interest are payable on quarterly basis.	These notes are unsecured and are fully subscribed by holding company i.e. Sembcorp Utilities Pte Ltd.

INR denominated notes are unsecured and are fully subscribed by the holding company. During the previous year, the holding company has deferred the repayment of tranche 1 principal amounting to ₹ 7,893.90 Mn and interest accrued as at March 31 2021 to 30 September 2022 at the request of the Company. Finance component on account of interest free deferment is recognised at fair value in other equity. In the current year, the entire principal and interest accrued on INR denominated notes have been prepaid to Sembcorp Utilities Pte. Ltd. The difference between the carrying value of the liability and the repayment is adjusted in other equity component originally created on INR denominated notes.

Foreign currency non repatriable (FCNR) term loan of ₹ 16,595.76 million (March 31 2021: 27,534.84 million) for SEIL - P1 and P2	FCNR term loans tenure is 7 to 365 days from the date of conversion and these loans are repayable in one lump sum on the date of maturity. As per the terms of FCNR term loan agreements, the Group can rollover the facility (or) can convert it into Rupee term loans. The business model of the Group is either to rollover or conversion into Rupee term loans. The Group has classified the borrowings in the financial statements as per the original Rupee term loan agreement and repayments during the year have been honored as per original Rupee term loan agreement. The rate of interest applicable on these FCNR term loans is at 12 months LIBOR plus Spread plus Hedging cost plus upfront conversion cost (All in cost is in range of 7.42% to 7.93% p.a.) (March 31, 2021: 7.73% to 7.81% p.a.). The Group has obtained hedge contract on principle and interest payable.	The FCNR is secured as per the rupee term loan with respective lenders as mentioned above.
(i) Term loans of Nil (March 31, 2021: ₹ 24,674.08 million) from banks in GIWEL	Interest rates on loans are in the range of 6.50% - 8.05% p.a. (March 31, 2021: 7.75% - 9.65% p.a.) which includes borrowings repayable in 32 unequal quarterly installments starting from June 30, 2020, 32 unequal quarterly installments starting from December 31, 2020, 76 unequal quarterly installments starting from January 31, 2021, 23 unequal quarterly installments starting from January 31, 2021 and 18 unequal quarterly	Secured by pari passu first charge on all immovable properties and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures of the respective projects, and other assets of project, intangibles relating to the project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits, project documents, clearances, letter of credit, guarantees, performance bond, trust and retention

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
	installments starting from April 30, 2022 (March 31, 2021: repayable in 12 unequal quarterly installments starting from June 30, 2020, 76 unequal quarterly installments starting from January 31, 2021 and 19 unequal quarterly installments starting from December 31, 2020). During the year ended March 31, 2022, and March 31, 2021, few existing borrowings having interest rate in the range of 8.65% p.a. (March 31, 2021: 8.65% - 9.65% p.a.) has been fully refinanced by another long-term borrowings. Under such refinancing, the new lenders have disbursed and repaid loan amounting to ₹ 6,135.58 million to the erstwhile lenders directly.	account, debt service reserve account and any other reserves and bank accounts of the SECI II and SECI III projects under GIWEL in favour of the Security Trustee
Nil numbers (March 31, 2021: 10,000 numbers) of 9.15% non-convertible debentures (NCDs) of ₹ 1.00 million each of value Nil (March 31, 2021: ₹ 9,700.00 million) in GIWEL.	NCDs are repayable in 12 quarterly unequal installments starting from October 31, 2020 and carry an interest rate in range of 9.15% - 9.65% p.a. (March 31, 2021: 9.65% p.a.).	Secured by providing charge/assignment on all assets including land and movable assets, cash flows, project documents for the 248.90 MW wind projects installed in various States in GIWEL as security.
(i) Term loans of Nil (March 31, 2021: ₹ 7,435.80 million) from banks in GIREL	Interest rate on loans availed during the current year is in the range of 6.79% - 7.05% p.a. and are repayable in 21 structured unequal quarterly installments starting from December 31, 2021.	Term loan availed during the current year is secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company.
(ii) Term loans of Nil (March 31, 2021: ₹ 5,236.90 million) from financial institutions in GIREL	During the year ended March 31, 2022, and March 31, 2021, GIREL has refinanced part of its existing borrowings having interest rate in the range of 8.35% - 8.90% p.a. (March 31, 2021: 8.35% - 9.85% p.a.) by another long-term borrowings. The said loan was repayable in 71 structured unequal quarterly installments starting from December 31, 2019.	Erstwhile loans were secured by charge on all immovable properties, the entire movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles and intangible assets along with first charge on the goodwill, uncalled capital, cash flows, receivables, book debts, revenues, first charge on all bank accounts, debt service reserve account, trust and retention account; by way of assignment of security interests on project documents and contracts.
Term loans of Nil (March 31, 2021: ₹ 1,364.43 million) from banks in GICSL	Interest rate on loans availed during the current year is 7.40% - 7.45% p.a. and are repayable in 20 quarterly unequal installments starting from June 30, 2022 and 21 quarterly unequal installments starting from April 15, 2022.	Term loans availed during the current year are secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company.
Term loans of Nil (March 31, 2021: ₹ 3,274.27 million) from financial institutions in GICSL	During the year ended March 31, 2022, all existing borrowings has been entirely refinanced by another long-term borrowings. Interest rate on these loans were in the range of 8.95% - 10.81% p.a. (March 31, 2021: 10.80% - 10.81% p.a.) and were repayable in 57 quarterly unequal installments starting from 15 January 2016 and June 30, 2016. Under such refinancing, the new lenders have disbursed loan amounting to ₹ 4,221.00 million to the erstwhile lenders directly.	Erstwhile loans were secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits of project in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of borrower in favour of the Security Trustee of the

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
		respective projects under GICSL. The loan was also secured by pledge of 61,233,150 equity shares and 105,526,100 preference shares of GICSL held by its promoter.
External commercial borrowings of Nil (March 31, 2021: ₹ 2,137.97 million) from foreign financial institution in GICSL	Interest rates are in the range of 9.78% - 10.97% p.a. (March 31, 2021: 10.28% - 10.97% p.a.) and are repayable in 57 quarterly unequal installments starting from January 15, 2016 (March 31, 2021: repayable in 57 quarterly unequal installments starting from January 15, 2016).	Secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits of projects in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of borrower in favour of the Security Trustee of the respective projects under GICSL. The loan is also secured by pledge of 61,233,150 equity shares and 105,526,100 preference shares of GICSL held by its promoter.
Term loans of Nil (March 31, 2021: ₹ 4,039.76 million) from financial institutions in GIWPGL Term loan of Nil (March 31, 2021: ₹ 229.36 million) from a bank in GIWPGL	Interest rates are in the range of 7.45% - 10.20% p.a. (March 31, 2021: 9.25% - 10.50% p.a.) and are repayable in 20 quarterly structured unequal instalments starting from June 30, 2022 and in 60 quarterly structured unequal instalments starting from June 30, 2016 (March 31, 2021: repayable in 60 quarterly structured unequal instalments starting from June 30, 2016 and 56 quarterly structured unequal instalments starting from March 31, 2018) During the year ended March 31, 2022, one of the existing loan having interest rate of 9.25% p.a. has been fully refinanced by another long-term borrowings. Under such refinancing, the new lenders have disbursed loan for amounting ₹ 1,330.00 million to the erstwhile lenders directly. Further, GIWPGL has refinanced remaining borrowings by another long-term borrowings in the month of April 2022. During the year ended March 31, 2021, GIWPGL had prepaid its partial long-term borrowings.	Term loan amounting to ₹ 1,330.00 million availed during the current year is secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company. Remaining loans are secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts of the respective project.
Term loan of Nil (March 31, 2021: ₹ 705.50 million) from financial institution in GIWFL	Interest on the loan is 10.00% p.a. (March 31, 2021: 10.00% p.a.) and is repayable in 44 structured unequal quarterly installments starting from June 30, 2019. During the year ended March 31, 2021, the GIWFL has made partial prepayment of its long-term borrowings.	Secured by first charge on all movable assets and intangible assets pertaining to project including plant and machinery, spares, tools, accessories, furniture, fixtures, goodwill, rights, undertakings and other assets, cash flows, receivables, book debts, assignment of security interest of all rights, title, interest, benefits of project in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and any other reserves and bank accounts

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
Term loan of Nil (March 31, 2021: ₹ 478.50 million) from financial institution in GIWPL	Interest on loan is 9.70% p.a. (March 31, 2021: 9.70% p.a.) and is repayable in 54 structured unequal quarterly installments starting from March 15, 2016. GIWPL has prepaid and refinanced its existing borrowings by another long-term borrowings in the month of April 2022. During the year ended March 31, 2021, GIWPL has made partial prepayment of its long-term borrowings.	Secured by way of first charge on freehold immovable property and movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, cash flows, reserves, receivables, intangibles, goodwill, assignment or creation of security on all rights, title, interest, benefits claim and demands, letter of credit, insurance contract/ insurance proceeds, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the projects documents, trust and retention account, debt service reserve account and 51.00% (March 31, 2021: 51.00%) equity shares of ₹ 10 each of the GIWPL held by promoter (i.e. GIWVL) have been pledged in favour of the financial institution
Term loan of Nil (March 31, 2021: ₹ 485.66 million) from financial institution in GICWL	Interest on loan is 9.70% p.a. (March 31, 2021: 9.70% p.a.) and is repayable in 54 structured unequal quarterly installments starting from March 15, 2016. GICWL has prepaid and refinanced its existing borrowings by another long-term borrowings in the month of April 2022. During the year ended March 31, 2021, GICWL has made partial prepayment of its long-term borrowings.	Secured by way of first charge on freehold immovable property and movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, cash flows, reserves, receivables intangibles, goodwill, assignment or creation of security on all rights, title, interest, benefits claim and demands in any letter of credit, insurance contract, insurance proceeds, performance bond, corporate guarantee, bank guarantee provided by any party to the project documents, trust and retention account, debt service reserve account and 51.00% (March 31, 2021: 51.00%) Equity shares of the GICWL held by promoter (i.e. GIWVL) have been pledged in favour of the financial institution.
Term loan of Nil (March 31, 2021: ₹ 347.00 million) from financial institution in GISEL	Interest rate is 9.60% p.a. (March 31, 2021: 9.60% p.a) and is repayable in 49 structured unequal quarterly installments starting from September 30, 2019.	Secured by first charge on all movable assets and intangible assets pertaining to project including plant and machinery, spares, tools, accessories, furniture, fixtures, goodwill, rights, undertakings and other assets of project, cash flows, receivables, book debts, reserves, assignment of security interest of all rights, title, interest, benefits of project in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and bank accounts.
Term loan of Nil (March 31, 2021: ₹ 679.29 million) from financial institution in GIWGL	Interest on loan is in the range of 9.25% - 10.08%. (March 31, 2021: 10.08% p.a.) and is repayable in 59 structured unequal quarterly installments starting from September 31, 2017. During the year ended March 31, 2021, GIWGL has made prepayment of its partial long-term borrowings.	Secured by first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, reserves, revenues, intangible assets, assignment of security interest on all rights, title, interest, benefits, claims and demands in the project documents, clearances, letter of credit, guarantee, performance bond and bank guarantee trust and retention account, debt service reserve account and any other reserves and bank accounts.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
Term loan of Nil (March 31, 2021: ₹ 521.14 million) from financial institution in GIWPPL	Interest on loan is 9.25% (March 31, 2021: 10.04% p.a.) and is repayable in 48 structured unequal quarterly installments starting from June 30, 2017. During the year ended March 31, 2021, GIWPPL has made prepayment of its partial long-term borrowings.	Secured by pari-passu first charge on all immovable and movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, reserves, revenues, intangible assets, assignment of security interest on all rights, title, interest, benefits, claims and demands in the project documents, clearances, letter of credit, guarantee, performance bond and bank guarantee, trust and retention account, debt service reserve account, bank account in favour of the Security Trustee.
Term loans of Nil (March 31, 2021: ₹ 1,347.63 million) from financial institutions in GIWFAL	Term loan availed during the current year is having interest rate of 7.45% and is repayable in 21 structured quarterly unequal installments starting from April 1, 2022. Interest rate on loan was in the range of 9.30% - 10.35% p.a. (March 31, 2021: 10.00% - 11.45% p.a.) and was repayable in 64 structured quarterly unequal installments starting from April 1, 2015. During the current year, these loan has been partially prepaid and balance has been fully refinanced by another long-term borrowing. Under such refinancing, the new lender has disbursed the loan for ₹ 1,105.00 million to the erstwhile lenders directly. During the year ended March 31, 2021, Non-convertible debentures having 12.00% p.a. interest rate had been prepaid entirely.	Term loan availed during the current year is secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company. Erstwhile loans were secured by way of pari passu mortgage on immovable property, hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, intangibles, goodwill, receivables, in any letter of credit, insurance proceeds, performance bond, corporate guarantee, bank guarantee provided by any party to the projects documents, trust and retention account, debt service reserve account and any other bank account and pledge of Nil equity shares (March 31, 2021: 51.00%) of the of GIWFAL held by promoter (i.e. GIWVL) in favour of the Security Trustee
Term loan of Nil (March 31, 2021: ₹ 469.00 million) from financial institution in GIWEPL	Interest rates are in the range of 9.25% - 10.04% p.a. (March 31, 2021: 10.04% p.a.) and is repayable in 44 structured unequal quarterly installments starting from June 30, 2017.	Secured by first charge by way of hypothecation on entire movable assets, cash flows, receivables, book debts and revenues, any other reserves intangible assets, assignment or creation of security interest of all rights, title, interest benefits, claims and demands in the project documents, clearances, letter of credit, performance bond, corporate guarantee, bank guarantee provided by any party to the project documents; trust and retention account, debt service reserve account and bank account.
Term loan of ₹ Nil (March 31, 2021: ₹ 829.52 million) from financial institution in MREL	Term loan availed during the current year is having interest rate of 7.45% and is repayable in 21 structured quarterly unequal installments starting from March 31, 2022. During the year ended March 31, 2022, and March 31, 2021, MREL has refinanced its existing borrowings having interest rate in the range of 8.90% - 9.00% p.a. (March 31, 2021: 9.00% - 9.80%) by another long-term borrowings. The said loan was repayable in 59 structured unequal quarterly installments starting from December 31, 2017. Under such refinancing, the new lenders have disbursed loan for amounting ₹ 1,260.00 million to the erstwhile lenders directly.	Term loan availed during the current year is secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company. Erstwhile loans were secured by charge on all immovable properties, the entire movable assets and intangible assets including plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles along with charge on the goodwill, uncalled capital, cash flows, receivables, book debts, revenues, first charge on all bank accounts, debt service reserve, trust and retention account; an assignment by way of security on project documents and contracts.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
Term loans of Nil (March 31, 2021: ₹ 2,123.87 million) from banks in GIWSL	Term loan availed during the current year is having interest rate of 7.45% and is repayable in 21 structured quarterly unequal installments starting from March 31, 2022. During the year ended March 31, 2022, and March 31, 2021, GIWSL has refinanced its existing borrowings having interest rate in the range of 8.65% - 8.75% p.a. (March 31, 2021: 8.30% - 9.80% p.a.) by another long-term borrowings. The said loan was repayable in 63 structured unequal quarterly installments starting from June 30, 2018.	Term loan availed during the current year is secured by corporate guarantee provided by the Sembcorp Utilities Pte. Ltd., intermediate holding company. Erstwhile loans were secured by charge on all immovable properties, the entire movable assets and intangible assets including plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles along with first charge on the goodwill, uncalled capital, cash flows, receivables, book debts, revenues, first charge on all bank accounts, debt service reserve account, trust and retention account; an assignment by way of security on project documents and contracts and pledge of Nil equity shares (March 31, 2021: 26.00%) of the GIWSL held by promoter have been pledged in favour of the Lender.
(i) External commercial borrowing of USD Nil equivalent to ₹ Nil (March 31, 2021: USD 7.74 million equivalent to ₹ 568.69 million) from bank and financial institution in GISFL (ii) External commercial borrowings of Nil (March 31, 2021: ₹ 241.06 million) from foreign financial institution in GISFL	(i) External commercial borrowing carries interest rate of 3M LIBOR + 2.5% p.a. (March 31, 2021: 3M LIBOR + 2.5% p.a.) and is repayable in 45 structured unequal quarterly installments starting from October 15, 2013. The said borrowing is completely hedged against interest and foreign currency risk on interest and principal repayment as per repayment schedule. (ii) External commercial borrowing from foreign financial institution is rupee dominated and carries an interest rate in the range of 10.57% - 11.48% p.a. (March 31, 2021: 10.57% - 11.48% p.a.) and is repayable in 26 structured unequal half-yearly installments starting from October 15, 2013.	Secured by first charge on immovable properties, all movable assets including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, revenues, by way of assignment of security interest of all rights, title, interest, benefits in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and other reserves and bank accounts of GISFL and GISPL (co-borrower), along with 51.00% (March 31, 2021: 51.00%) of equity shares of GISFL and GISPL have been pledged in favour of the Security Trustee under the common loan agreement between the lenders with GISFL and GISPL.
(i) External commercial borrowing of USD Nil equivalent to ₹ Nil (March 31, 2021: USD 2.02 million equivalents to ₹ 148.74 million) from bank and financial institution in GISPL (ii) External commercial borrowings of Nil (March 31, 2021: ₹ 62.54 million) from foreign financial institution in GISPL	(i) External commercial borrowing carries an interest rate of 3M LIBOR + 2.5% p.a. (March 31, 2021: 3M LIBOR + 2.5% p.a.) and is repayable in 45 structured unequal quarterly installments starting from October 15, 2013. The said borrowings are completely hedged against interest and foreign currency fluctuation by cross currency and interest rate swaps. (ii) External commercial borrowing from foreign financial institution is rupee dominated and carries an interest rate in the range of 10.57% - 11.48% p.a. (March 31, 2021: 10.57% - 11.48% p.a.) and is repayable in 26 structured unequal half-yearly installments starting from October 15, 2013.	Secured by first charge on immovable properties all movable including plant and machinery, spares, tools, accessories, furniture, fixtures and other assets of project, cash flows, receivables, book debts, revenues, by way of assignment of security interest of all rights, title, interest, benefits in project documents, clearances, letter of credit, guarantees, performance bond, trust and retention account, debt service reserve account and other reserves and bank accounts of GISPL and GISFL (co-borrower), along with 51.00% (March 31, 2021: 51.00%) of equity shares of the GISPL and GISFL have been pledged in favour of the Security Trustee under the common loan agreement between the lenders with GISFL and GISPL.
External commercial borrowings of Nil (March 31, 2021: JPY 45.46 million equivalent to ₹ 30.16 million) from bank in GIBTVL	External commercial borrowing from bank was carried an interest rate of JPY LIBOR + 1.81% p.a. and was repaid entirely in current year as per its repayment schedule. The said borrowing was completely hedged against interest and foreign currency risk on interest and principal repayment as per repayment schedule.	The said loan was secured by first pari passu charge on assets including land, plant and machinery and movable assets including books debts, operating cash flow, receivable in pertaining to the 23.75 MW wind farms projects at Vagaikulam and Theni, Tamil Nadu in GIBTVL.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.13 Long-term borrowings (Contd..)

Long-term borrowings in the Group*	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
External commercial borrowings of USD Nil equivalents to ₹ Nil (March 31, 2021: USD 9.60 million equivalent to ₹ 705.65 million) from banks in GIBTVL	External commercial borrowings carries an interest rate of 6M LIBOR + 2.74% p.a. (March 31, 2021: 6M LIBOR + 2.74% p.a.) and are repayable in 6 installments. First installment of USD 0.60 million was paid on September 23, 2013 and remaining balance are repayable in 5 structured unequal half-yearly installments starting from March 22, 2021. The said borrowing is completely hedged against interest and foreign currency risk on interest and principal repayment as per repayment schedule.	Secured by first pari passu charge on all immovable and movable assets pertaining to the 25.50 MW wind farms projects at Satara, Maharashtra in GIBTVL

*Amounts outstanding for loans in SGIL and its subsidiaries as at March 31, 2022 is Nil due to discontinued operation (refer note 3.37)

3.14 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Interest accrued on INR denominated notes (refer terms of note 3.13 and note 3.36)	-	5,956.52
Derivative liabilities on fair valuation of financial instruments		
Derivatives not designated as cash flow hedge		
- Fair value of interest rate swaps	-	5.58
	-	**5,962.10**
Current		
Amount payable for purchase of PPE [refer note 3.38 (IV)]	453.76	1,767.61
Amount payable for purchase of PPE (dues of micro and small enterprises)	5.20	-
Interest accrued on borrowings	3.95	444.72
Retention money payable [refer note 3.38 (IV)]	6,887.61	6,796.47
Accrued employee liabilities	609.23	183.05
Other payables	-	216.16
Derivative liabilities on fair valuation of financial instruments		
Derivatives designated as cash flow hedge		
- Fair value of forward contracts	-	5.55
Derivatives not designated as cash flow hedge		
- Fair value of interest rate swaps	-	0.33
- Fair value of forward contracts	250.50	333.88
	8,210.25	**9,747.77**

The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 3.30.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.15 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Provision for employee benefits		
– Gratuity (refer note 3.35)	29.13	45.93
– **Compensated absences**	79.04	86.20
Other provisions		
Provision for asset retirement obligation (refer subnote below)	–	316.84
	108.17	**448.97**
Current		
Provision for employee benefits		
– Gratuity (refer note 3.35)	–	0.09
– Compensated absences	9.90	10.11
Other provisions		
Provision for captive consumption tax	–	2.27
	9.90	**12.47**

Particulars	As at 31 March 2022	As at 31 March 2021
Subnote:		
Movement in provision for asset retirement obligation is as follows:		
At the beginning of the year	316.84	284.04
Movement in provision during the year (including unwinding of interest)	(316.84)	32.80
At the end of the year	**–**	**316.84**

3.16 Other liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Operation and maintenance expenses equalisation reserve	-	495.39
	-	**495.39**
Current		
Operation and maintenance expenses equalisation reserve	-	49.98
Contract liabilities	24.71	313.83
Dues to statutory authorities	220.50	332.73
Other payables [refer note 3.38 (IV)]	5,558.51	3,924.30
	5,803.72	**4,620.84**

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.17 Short-term borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
Current maturities of long-term borrowings	5,093.98	23,920.71
Working capital demand loans	4,749.72	6,920.00
Bills discounted (refer note no. 3.9)	2,990.48	–
Buyers credits	–	2,138.50
Cash credit accounts	–	0.63
Unsecured		
Working capital demand loans	–	250.00
Commercial papers	2,481.84	–
	15,316.02	**33,229.84**

The Group has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed are in agreement with the books of accounts.

During the year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

Details of securities given, repayment terms and other details are given below:

Short-term borrowings in the Group*	Interest rate and repayment terms of the short-term borrowings	Security terms of the short-term borrowings
Working capital demand loans from banks including buyer's credit of ₹ 4,749.72 million (March 31 2021: 7,919.13 million) for SEIL – P1 and P2	During the year working capital demand loans carries interest rate in the range of 4.00% to 7.00% p.a. (March 31, 2021: 6.50% to 8.55% p.a.) and tenure upto 180 days from the date of draw down and cash credits are repayable on demand.	Short-term borrowings for SEIL-P1 Secured by mortgage pari passu first charge of registered mortgage of freehold land of 160 sq. mt. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL – P1. Borrowings to the extent of ₹ 2,000 million from Development Bank of Singapore Limited is secured by corporate bank guarantee from Sembcorp Utilities Pte, Ltd. Short-term borrowings for SEIL-P2 Secured by first ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs at Village Zaap, Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL – P2 The fund based working capital facilities from Development Bank of Singapore and Hongkong and Shanghai Banking Corporation Limited are secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd. Federal Bank working capital limits of ₹ 2,000 million is unsecured facility Working Capital limits of Standard Chartered Bank of ₹ 3,000 million is secured by Corporate Guarantee of Sembcorp utilities Pte Ltd.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Short-term borrowings in the Group*	Interest rate and repayment terms of the short-term borrowings	Security terms of the short-term borrowings
Commercial papers of ₹ 2,481.84 million (March 31 2021: Nil) for SEIL – P1	Commercial paper carries an interest rate in the range of 4.35% to 4.45% p.a. (March 31 2021: 4.11% to 6.50% p.a.).	These commercial papers are unsecured.
Nil (March 31, 2021: ₹ ₹ 250.00 million) loan from bank in SGIL	In previous year, interest rates on loan were in the range of 5.95% - 7.90% p.a and were repayable within 150 days from the date of disbursement.	The said facility is unsecured.
Working capital loan of Nil (March 31, 2021: ₹ 1,140.00 million) from banks in GIWEL	In previous year, interest rates on loan were in the range of 3.95% - 7.65% p.a and were repayable within 7-14 days from the date of disbursement.	The said facility is unsecured.

*Amounts outstanding for loans in SGIL and its subsidiaries as at March 31, 2022 is Nil due to discontinued operation (refer note 3.37)

3.18 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding dues to micro and small enterprises	13.42	8.25
Total outstanding dues to other than micro and small enterprises		
– related parties (refer note 3.36)	65.38	80.14
– others	4,789.67	2,119.33
	4,868.47	**2,207.72**

The Group's exposure to currency and liquidity risks related to trade payables are disclosed in note 3.30.

Trade payables aging schedule

Particulars	March 31, 2022	March 31, 2021
Outstanding for following periods from due date of payment		
(i) Undisputed micro and small enterprises		
Unbilled payables	–	–
Note due	13.42	2.51
Less than 1 year	–	5.74
1-2 years	–	–
2-3 years	–	–
More than 3 years	–	–
Total	**13.42**	**8.25**
(ii) Undisputed Others		
Unbilled payables	3,220.45	1,739.04
Note due	1,633.10	388.93
Less than 1 year	–	69.25
1-2 years	1.50	2.18
2-3 years	–	0.07
More than 3 years	–	–
Total	**4,855.05**	**2,199.47**

3.19 Current tax liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for taxes (net of advance tax: ₹63.14 million, (March 31, 2021: ₹ 194.22 million)	149.48	339.24
	149.48	**339.24**

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3.20 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of electricity (refer note 3.42)	76,766.78	73,591.41
Other operating revenues		
Other operating revenue (including sale of fly ash)	124.22	82.78
	76,891.00	**73,674.19**
a. Reconciliation of revenue from electricity recognised with the contracted price is as follows:		
Contract price	77,193.58	73,868.41
Adjustments for:		
Rebate to customers	(60.85)	(141.98)
Deviation settlement charges	(662.27)	(137.69)
Unearned income	296.32	2.67
Sale of electricity	**76,766.78**	**73,591.41**
b. Changes in contract liabilities*		
Balance at the beginning of the year	313.47	305.46
Add: Amount received during the year	166.42	17.15
Less: Amount recognised as revenue/other adjustments during the year	(455.18)	(9.14)
Balance at the end of the year	**24.71**	**313.47**

* Contract liabilities include unearned income and advance from customer.

c. Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date."

d. Refer note 3.33 for Revenue disaggregation by geography.

3.21 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income from financial assets measured at amortised cost	264.67	363.80
Net gain on fair value changes classified at FVTPL		
– mutual funds	81.62	76.59
Late payment surcharges from customers (refer note 3.42 and 3.43)	989.50	2,846.56
Income from insurance claims (refer note 3.40)	–	790.70
Gain on derivative contracts, net at FVTPL	29.98	–
Gain on sale of property, plant and equipment, net	0.42	–
Scrap sales	54.70	29.43
Miscellaneous income	0.18	0.41
	1,421.07	**4,107.49**

3.22 Cost of fuel

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Coal and fuel cost	46,729.68	40,519.73
	46,729.68	**40,519.73**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.23 Transmission charges

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Transmission charges	3,113.82	2,378.99
	3,113.82	**2,378.99**

3.24 Employee benefits expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	2,166.92	1,425.66
Contribution to provident and other funds (refer note 3.35)	80.83	86.00
Employee shared based expenses (refer note 3.39)	136.20	56.35
Staff welfare expenses	92.62	84.36
	2,476.57	**1,652.37**

3.25 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on financial liabilities measured at amortised cost	10,187.00	12,676.12
Unwinding of discount on lease liabilities (refer note 3.32)	6.41	6.81
Other borrowing costs	699.31	715.10
	10,892.72	**13,398.03**

3.26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment	6,659.90	7,442.25
Depreciation on right to use assets (refer note 3.32)	27.38	12.88
Amortisation on intangible assets	5.12	2.71
	6,692.40	**7,457.84**

3.27 Operating and other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Consumption of stores, spares and consumables	925.86	777.67
Repairs and maintenance		
– Buildings and civil works	50.05	48.89
– Plant and equipment	1,058.02	885.12
– Others	14.95	22.25
IT maintenance expenses	125.01	61.34
Travelling and conveyance	76.05	58.92
Insurance	475.62	563.89
Security charges	56.44	56.79
Legal and professional expenses (refer subnote below)	272.59	276.55
Health and safety expenses	38.15	37.91
Expenditure on corporate social responsibility	52.58	18.29
Rates and taxes	27.32	287.34
Rent (refer note 3.32)	3.56	3.50
Directors' sitting fee	6.37	5.37
Commission charges	12.13	15.15

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.27 Operating and other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Communication expenses	13.50	15.07
Business promotion	6.35	4.70
Loss on foreign exchange fluctuations, net	132.38	93.83
Loss on derivative contracts, net at FVTPL	–	117.07
Property, plant and equipment written off	0.26	23.99
Allowance for expected credit loss	462.62	217.89
Doubtful receivables and advances written off	–	5.06
Miscellaneous expenses	52.16	58.37
	3,861.97	**3,654.96**

Auditor's remuneration (including taxes)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
– Statutory audit fee	3.30	4.13
– For other services	6.02	8.48
– For reimbursement of expenses	0.19	0.56
	9.51	**13.17**

Notes:

The above auditor's remuneration includes audit fees paid to auditors of subsidiaries in the Group.

3.28 Tax expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax expense	62.81	49.95
Current tax expense (changes in estimates related to prior years)	(252.15)	0.76
Deferred tax credit	1,501.77	(112.56)
	1,312.43	**(61.85)**
Tax effect on other comprehensive income	(59.37)	(0.31)
	1,253.06	**(62.16)**
Tax expense is attributable to:		
Profit from continuing operations	615.21	–
Profit/(loss) from discontinued operation	637.85	(61.54)
	1,253.06	**(61.54)**
Reconciliation of effective tax rate		
Profit before tax from continuing operations	4,544.91	8,719.76
Profit/(loss) before tax from discontinued operation	24,114.39	(345.04)
	28,659.30	**8,374.72**
Enacted tax rate in India	25.17%	25.17%
Computed expected tax expenses (a)	7,212.97	2,107.75
Effect of		
MAT credit not recognised	14.25	12.37
Tax on changes in estimates related to prior years	–	5.72
Adjustments due to income taxable at different tax rates	(0.10)	(0.26)
Non-deductible expenses (i.e. CSR expense, fair valuation)	110.89	156.16
Changes in permanent difference of deferred tax assets/liabilities	22.92	30.06
Non-taxable income (income under section 80IA)	(73.25)	(59.85)
Gain on disposal of discontinued operation	(5,380.84)	–
Income taxes related to prior years	(252.15)	–
Deferred tax asset not recognised on tax losses in earlier years	(266.44)	(2,313.80)
Others	(75.82)	–
Income tax expense (b)	**1,312.43**	**(61.85)**
Tax effect on other comprehensive income	(59.37)	(0.31)
	1,253.06	**(62.16)**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.29 Earnings per Equity share

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity shareholders of the Company	(A)	27,241.98	8,491.91
Profit attributable to equity shareholders of the Company -Continuing operations	(B)	3,869.36	8,719.76
Profit/(Loss) attributable to equity shareholders of the Company -Discontinued operation (C=A-B)		23,372.62	(227.85)
Number of equity shares			
Number of shares at the beginning of the year		5,43,36,68,574	5,43,36,68,574
Add: Weighted average number of shares issued during the year		–	–
Weighted average number of shares outstanding during the year (D)		**5,43,36,68,574**	**5,43,36,68,574**
Earnings per equity share - Continuing and discontinued operation (face value of share ₹10 each)			
- Basic and diluted earnings per equity share (₹)	(A/D)	5.01	1.56
Earnings per equity share -Continuing operations (face value of share ₹10 each)			
- Basic and diluted earnings per equity share (₹)	(B/D)	0.71	1.60
Earnings per equity share -Discontinued operation (face value of share ₹10 each)			
- Basic and diluted earnings/(loss) per equity share (₹)	(C/D)	4.30	(0.04)

Note: The Group did not have any potentially dilutive securities in any of the years presented.

3.30. Financial instruments - fair values and risk management

A) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows:

As at March 31 2022:	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Investments - mutual funds	3.8	2,471.30	–	–	2,471.30	2,471.30	–	–
Trade receivables	3.9	–	–	38,610.92	38,610.92	–	–	–
Cash and cash equivalents	3.10	–	–	4,759.01	4,759.01	–	–	–
Other bank balances	3.10	–	–	2,039.50	2,039.50	–	–	–
Other financial assets	3.3	–	–	2,846.09	2,846.09	–	–	–
		2,471.30	**–**	**48,255.52**	**50,726.82**	**2,471.30**	**–**	**–**
Financial liabilities								
Borrowings	3.13 & 3.17	–	–	84,989.00	84,989.00	–	–	–
Lease liabilities	–	–	–	61.39	61.39	–	–	
Trade payables	3.18	–	–	4,868.47	4,868.47	–	–	–
Other financial liabilities	3.14	–	250.50	7,959.75	8,210.25	–	250.50	–
		–	**250.50**	**97,878.61**	**98,129.11**	**–**	**250.50**	**–**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

As at March 31 2021:	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets		266.42	420.44	–	703.18	266.42	–	703.18
Investments - mutual funds	3.8	4,438.65	–	–	4,438.65	4,438.65	–	–
Trade receivables	3.9	–	–	36,634.72	36,634.72	–	–	–
Cash and cash equivalents	3.10	–	–	3,191.68	3,191.68	–	–	–
Other bank balances	3.10	–	–	3,637.21	3,637.21	–	–	–
Other financial assets	3.3	354.85	1,319.38	8,203.24	9,877.47	–	1,674.23	–
		4,793.50	**1,319.38**	**51,666.85**	**57,779.73**	**4,438.65**	**1,674.23**	**–**
Financial liabilities								
Borrowings	3.13 & 3.17	–	–	2,01,099.65	2,01,099.65	–	–	–
Lease liabilities	–	–	231.35	231.35	–	–	–	
Trade payables	3.18	–	–	2,207.72	2,207.72	–	–	–
Other financial liabilities	3.14	339.79	5.55	15,364.53	15,709.87	–	345.34	–
		339.79	**5.55**	**2,18,903.25**	**2,19,248.59**	**–**	**345.34**	**–**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

Net gain on fair value changes classified as FVTPL

Particulars	March 31, 2022	March 31, 2021
Net gain on fair value changes classified as FVTPL:		
- mutual funds	81.62	76.59
Loss on fair value changes of derivative contracts	–	117.07
Net gain on fair value changes classified as FVTPL	**81.62**	**193.66**

Valuation techniques and significant unobservable inputs

Investment in mutual funds:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Forward exchange/ option contracts, swap contracts and commodity hedge contracts:

Foreign exchange forward/option contracts, Interest rate swaps and commodity hedge contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

B. Financial risk management objectives and policies

The Group's activities exposes it to market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk and liquidity risk.

As part of the Group's enterprise risk management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Group's liquidity, counterparty risk, foreign exchange and derivative transactions and financing.

The Group uses foreign exchange contracts, foreign exchange swaps, interest rate swaps, and various financial instruments to manage exposures to interest rate and foreign exchange risks arising from operating and financing activities. The Group uses commodity hedge contract to manage exposure for international coal prices. All such transactions must involve underlying assets or liabilities and no speculative transactions are allowed.

The financial authority limits seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and commodity prices which affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and reduce market risk exposures within acceptable parameters.

i) Interest rate risk

The Group's exposure to market risk for changes in interest rate environment mainly relates to its debt obligations.

The Group's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts under long-term and short-term borrowings.

The Group entered into various cross currency interest rate swaps to reduce its exposure to interest rate volatility. In accordance with the Group's policy, the duration of such cross currency interest rate swaps must not exceed the tenure of the underlying debt. The Group's borrowings majorly consists of project funding and working capital loans having variable rate of interest.

The Group has entered into cross currency interest rate swap to hedge the interest rate exposure and currency exposure for external commercial borrowings and forward contracts/options for payments of interest and principle for FCNR term loans.

The interest rate profile of the Group's long-term interest-bearing instruments as reported to management is as follows:

Particulars	March 31 2022	March 31 2021
Fixed rate instruments		
Non-current and current borrowings	10,222.04	63,424.21
Effect of interest rate swaps	–	16,816.14
	10,222.04	**80,240.35**
Variable rate instruments		
Non-current and current borrowings	74,766.96	1,38,174.84
Effect of interest rate swaps	–	(16,816.14)
	74,766.96	**1,21,358.70**
	84,989.00	**2,01,599.05**

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Group's assets are located in India. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating and financing activities. The functional currency of the Group is Indian rupee. The currencies in which these transactions are primarily denominated in US dollars (USD) and Singapore dollar (SGD).

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

The Group evaluates the exposure and enters into foreign currency derivative instruments like forward contracts, cross currency interest rate swaps to mitigate the exposure.

The quantitative data about the Group's exposure to currency risk (based on notional reports) is as follows:

Particulars	Currency	March 31 2022		March 31 2021	
		Indian Rupees	Foreign currency	Indian Rupees	Foreign currency
Financial assets					
Trade receivables	USD	1,985.30	26.19	1,708.98	23.25
Total financial assets		**1,985.30**		**1,708.98**	
Financial liabilities					
Borrowings ECB, FCNR and Buyer's credit	USD	(16,620.31)	(219.24)	(47,389.57)	(646.80)
Borrowings ECB	JPY	–	–	(30.16)	(45.46)
Trade payables	USD	(3,930.22)	(51.70)	(998.19)	(13.58)
Trade payables	SGD	(64.65)	(1.16)	(55.23)	1.02
Other financial liabilities	SGD	–	–	(100.94)	(1.87)
Other financial liabilities	USD	(3,991.04)	(52.65)	(3,884.27)	(52.74)
Other financial liabilities	JPY	–	–	(0.10)	(0.19)
Total financial liabilities		**(24,606.22)**		**(52,458.46)**	
Net financial liabilities		**(22,620.92)**		**(50,749.48)**	
less:					
Foreign exchange forward contracts (Buyer's credit)	USD	–	–	2,138.25	29.09
Foreign exchange forward contract (FCNR term loans)	USD	16,620.31	219.24	28,428.76	388.85
Cross currency and interest rate swaps	USD	–	–	16,835.08	228.93
Forward options	JPY	–	–	30.26	45.65
Total		**16,620.31**		**47,432.35**	45.65
Net exposure in respect of recognised assets/(liabilities)		**(6,000.61)**		**(3,317.13)**	–

Sensitivity analysis

A reasonably possible strengthening (weakening) of Indian rupee against US dollar as at balance sheet date would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Particulars	Profit/(loss)		Equity increase/(decrease), net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)				
March 31 2022	296.80	(296.80)	296.80	(296.80)
March 31 2021	158.05	(158.05)	158.05	(158.05)
March 31 2022	3.23	(3.23)	3.23	(3.23)
March 31 2021	7.81	(7.81)	7.81	(7.81)

(iii) Commodity price risk

The prices of imported coal purchases are linked to price fluctuations in international coal market. Significant portion of cost and inventories are exposed to the risk of price fluctuations in international coal markets. The Group uses commodity hedge contracts to hedge the price risk of forecasted transactions.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

The Group operates a risk management desk that uses hedging instruments to seek to reduce the impact of market volatility in coal prices on the Group's profitability. The Group's risk management desk uses coal commodity hedge contracts that are available in the commodity derivative markets. (The derivative instruments used for hedging purposes typically do not expose the Group to market risk because the change in their market value is usually offset by an equal and opposite change in the market value of the underlying asset, liability or transaction being hedged). The Group's open positions in commodity hedge contracts are monitored and managed on a regular basis to ensure compliance with its stated risk management policy which has been approved by the management.

Break-up of commodity hedge contracts entered into by the Group and outstanding as at balance sheet date:

Particulars	Contracts currency	Quantity of open contracts (MT)		Fair value of derivative assets/liability, net (₹)	
		March 31 2022	March 31 2021	March 31 2022	March 31 2021
Coal commodity hedge contracts	USD	–	1,56,850	–	251.86

iv) Derivative financial instruments

Cash flow hedges:

Cross currency interest rate swaps

The Group has entered into currency swap contracts to cover the currency risk on USD external commercial borrowings. The Group has also entered into interest rate swap contracts, under which the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

Commodity hedge contracts

The Group uses commodity hedge contracts to hedge the price risk of forecasted coal purchase transactions. The prices of imported coal purchases are linked to price fluctuations in international coal market. These contracts enable the Group to mitigate the risk of changing coal prices and corresponding cash outflows.

Forward contracts

The Group uses foreign exchange forward contracts to hedge the currency risk on Interest portion of foreign currency denominated loans. These contracts enable the Group to mitigate the risk of change in foreign exchange rates and corresponding cash outflows.

Fair value hedges:

Forward contracts and options

The fair value of foreign exchange contracts/options which are not designated as cash flow hedges are accounted for based on the difference between the contractual price and the current market price. "

The following table gives details in respect of outstanding nominal value and hedge contract details:

Particulars	Fair value of derivative asset/(liability) (₹ In million)		Nominal values in Foreign currency i.e. USD /JPY		Nominal values (₹ In million)	
	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021
Derivatives designated as cash flow hedges:						
Cross currency interest rate swaps						
In USD	–	1,067.52	–	209.50	–	13,984.13
Commodity hedge contracts						
In USD	–	251.86	–	12.60	–	926.07

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

Particulars	Fair value of derivative asset/(liability) (₹ In million)		Nominal values in Foreign currency i.e. USD /JPY		Nominal values (₹ In million)	
	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021	As at March 31 2022	As at March 31 2021
Forward contracts and swaps						
In USD	(0.82)	(5.55)	1.33	6.54	102.07	481.04
Derivatives not designated as cash flow hedges:						
Options						
In USD	–	–	–	–	–	–
In JPY	–	5.31	–	46.37	–	30.77
Forward contracts and swaps						
In USD	(249.68)	10.08	219.23	460.21	16,976.25	33,461.29
In JPY	–	(0.33)	–	150.46	–	7,748.16

b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer, employee or counterparty to a financial instrument fails to meet its contractual obligations leading to financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade and unbilled receivables) and from its financing activities, including short-term deposits with banks, and other financial assets. The carrying amounts of the financial assets as disclosed in note no. 3.9 represent the maximum credit risk exposure."

Trade receivables and unbilled receivables

The Group has exposure to credit risk from a limited customer group on account of specialized nature of business, i.e. sale of power. The Group ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed undertakings which are sovereign backed and other large corporates.

Customer credit risk is managed by the Group subject to the Group's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Group has adopted a policy of dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and credit worthiness of its customers are continuously monitored.

The Group also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade receivables.

Impairment

The movement in allowance for expected credit loss in respect of trade receivables and unbilled revenue during the year end is as follows:

Particulars	Allowance for expected credit loss		
	Trade receivables	Unbilled revenue	Total
March 31 2022			
Balance at the beginning of the year	736.69	17.30	753.99
Movement in expected credit loss allowance	584.26	3.50	587.76
Disposal of discontinued operation	(323.92)	(13.82)	(337.74)
Balance at the end of the year	**997.03**	**6.98**	**1,004.01**
March 31 2021			
Balance at the beginning of the year	494.87	12.47	507.34
Movement in expected credit loss allowance	241.82	4.83	246.65
Balance at the end of the year	**736.69**	**17.30**	**753.99**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Contd..)

Other financial assets/derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks and financial institutions (including derivatives contracts), investments in mutual funds.

Credit risk on cash and cash equivalents, other bank balances and derivative assets and liabilities are limited as the Group generally invests in deposits with banks with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks, the Group does not expect these banks and financial institutions to fail in meeting their obligations.

Credit risk arising from investment in mutual funds is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The mutual funds are valued at market price prevailing at reporting date which represents the fair value.

The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price. The fair value of interest rate swaps and cross currency swaps are the indicative amounts that the Group is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Group is exposed to this risk from its operating activities and financing activities. The Group's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liability when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Group to meet its obligations.

The below table provides details regarding the contractual maturities of financial liabilities as of the reporting date.

As at March 31 2022

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	74,770.91	11,149.66	40,845.47	67,808.77	1,19,803.90
Borrowings - short-term (excluding current maturities)	10,222.04	10,222.04	–	–	10,222.04
Trade payables	4,868.47	4,868.47	–	–	4,868.47
Other financial liabilities (excluding interest accrued on borrowings)	8,206.30	8,206.30	–	–	8,206.30
	98,067.72	**34,446.47**	**40,845.47**	**67,808.77**	**1,43,100.71**

As at March 31 2021

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	1,98,191.76	34,933.94	1,17,250.88	1,45,368.70	2,97,553.52
Borrowings - short-term (excluding current maturities)	9,309.13	9,309.13	–	–	9,309.13
Trade payables	2,207.72	2,207.72	–	–	2,207.72
Other financial liabilities (excluding interest accrued on borrowings)	9,308.63	9,308.63	–	–	9,308.63
	2,19,017.24	**55,759.42**	**1,17,250.88**	**1,45,368.70**	**3,18,379.00**

*Contractual cash flows includes contractual interest payments based on the interest rate prevailing at the reporting date.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.31. Capital management

The Group aims to maintain sound capital base so as to maintain investor, creditor and market confidence and to sustain future development and growth of its business, while at the same time maintaining an appropriate dividend policy to reward shareholders. The Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The capital structure of the Group consist of Borrowings and total equity of the Group. The Group seeks to maintain a balance between the higher returns that might be possible with highest levels of borrowings and the advantages and security afforded by a sound capital position.

The Group is not subject to any externally imposed capital requirements. However, under the terms of the major borrowings, the Group has to comply with certain financial covenants under borrowing agreements. Capital is defined as equity attributable to the equity holders (including non-controlling interest). Debt consists of non-current borrowings, current borrowings and current maturities of long-term borrowings.

The Group's debt to equity ratio as at the balance sheet date is as follows:

Particulars		March 31 2022	March 31 2021
Debt	A	84,989.00	2,01,099.65
Total equity	B	1,10,990.90	83,897.39
Total debt and equity		**1,95,979.90**	**2,84,997.04**
Debt-to-equity ratio	**(A/B)**	**0.77**	**2.40**

3.32. Leases

The amount recognised in the Balance Sheet for the right-of-use assets and lease liability are as follows:

Particulars	Gross carrying amount	Accumulated Depreciation	Net carrying amount
As at March 31 2022			
Leasehold land and buildings	720.26	76.54	643.72
Vehicles	11.54	3.84	7.70
Total	**731.80**	**80.38**	**651.42**
As at March 31 2021			
Leasehold land and buildings	942.27	166.85	775.42
Vehicles	11.54	0.96	10.58
Total	**953.81**	**167.81**	**786.00**

Lease liability	As at March 31 2022	As at March 31 2021
Present value of lease liability		
Current	17.49	32.30
Non- current	43.90	199.05
Maturity analysis		
0 - 1 year	27.40	51.02
1 - 5 years	51.77	180.36
More than 5 years	18.21	171.63

The amount recognised in consolidated statement of profit and loss for the right-of-use assets and lease liability are as follows:

For the year ended March 31 2022

Particulars	Leasehold land and buildings	Vehicles	Total
Depreciation charged on right-of-use assets	38.16	2.88	41.04
Unwinding of discount on lease liabilities	16.02	0.91	16.93

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.32. Leases (contd.)

For the year ended March 31 2021

Particulars	Leasehold land and buildings	Vehicles	Total
Depreciation charged on right-of-use assets	31.36	0.96	32.32
Unwinding of discount on lease liabilities	23.28	0.34	23.62

Further, the Group incurred ₹ 5.71 million (March 31 2021: ₹ 5.96 million) towards expenses relating to short-term leases and leases of low-value assets. Lease contracts entered by the Group majorly pertains for land taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is ₹ 40.56 million (March 31 2021: ₹ 50.14 million).

3.33. Segment reporting

The Group is engaged in the business of generation of power, which in the context of Ind AS 108 "Operating Segments", notified by the Companies (Indian Accounting Standards) Rules, 2015 is considered the only operating segment. Since the operations of the Group exist in India and Bangladesh and all its assets are located only in India, disclosures under paragraphs 32-34 of Ind AS 108 are not required. Revenue to specific customers exceeding 10% of total revenue for the years ended March 31 2022 and March 31 2021 were as follows:

Customer name	For the year ended March 31 2022		For the year ended March 31 2021	
	Revenue	%	Revenue	%
Telangana State Government utilities	30,226.32	33.71%	29,994.00	34.26%
Indian Energy Exchange (IEX)	22,416.67	25.00%	13,977.07	15.96%
Bangladesh Power Development Board	10,174.18	11.35%	9,545.43	10.90%
Andhra Pradesh State Government utilities	7,679.73	8.57%	8,932.19	10.20%

Geographical segments

Revenue from operations	For the year March 31 2022	For the year March 31 2021
India	79,478.44	78,013.87
Bangladesh	10,174.18	9,545.43
Total	**89,652.62**	**87,559.30**

The total of non-current assets other than financial instruments and tax assets, broken down by location of the assets, is shown below:

Non-current assets	For the year March 31 2022	For the year March 31 2021
India	1,53,586.56	2,49,338.85
Bangladesh	–	–
Total	**1,53,586.56**	**2,49,338.85**

3.34. Change in Liabilities arising from financing activities

Particulars	Lease liabilities	Borrowings	Total
As at April 1, 2020	243.77	2,13,948.49	2,14,192.26
Net cash flows	(497.23)	(4,12,881.09)	(4,13,378.32)
Foreign exchange movement and borrowing cost	–	(2,167.05)	(2,167.05)
Movement in lease liabilities	15.30	–	15.30
Unwinding of discount on lease liabilities	6.81	–	6.81
As at March 31, 2021	**(231.35)**	**(2,01,099.65)**	**(2,01,331.00)**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.34. Change in Liabilities arising from financing activities(contd..)

Net cash flows	307.03	1,82,943.48	1,83,250.51
Foreign exchange movement and borrowing cost	–	(1.48)	(1.48)
Movement in lease liabilities	2.85	–	2.85
Unwinding of discount on lease liabilities	6.41	–	6.41
Disposal of discontinued operation	(146.33)	(66,831.35)	(66,977.68)
As at March 31, 2022	**(61.39)**	**(84,989.00)**	**(85,050.39)**

3.35. Assets and liabilities relating to employee benefits

i) Defined contribution plan

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contribution to provident fund charged to the consolidated statement of profit and loss is ₹ 86.53 million (March 31 2021: ₹ 86.61 million).

ii) Defined benefit plan

The Group provides gratuity for its employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 1-5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof. The gratuity plan is a funded plan and the Group makes contributions to recognized funds in India. Liability with regard to this plan is determined by an actuarial valuation as at the end of the year and the expenses are charged to the consolidated statement of profit and loss.

A. Funding

The Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Group carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

The following tables summaries the components of net benefit expense recognised in consolidated statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

B. Reconciliation of the present value of defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	152.60	115.74
Current service cost	27.78	25.69
Interest cost	9.57	7.90
Past service cost	–	5.88
Benefits paid	(6.58)	(5.74)
Actuarial loss recognised in the other comprehensive income	41.87	3.13
Disposal of discontinued operation	(58.50)	–
Balance at the end of the year	**166.74**	**152.60**

C. Reconciliation of the present value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	121.87	102.73
Contributions made by employer	16.39	26.96
Benefits paid	(5.06)	(14.32)
Interest income on plan assets	8.47	7.04
Actuarial gain on plan assets	1.85	(0.54)

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.35. Assets and liabilities relating to employee benefits (Contd..)

Disposal of discontinued operation	(5.91)	–
Balance at the end of the year	**137.61**	**121.87**
Net defined benefit obligation	29.13	30.73
Disclosure in the Balance sheet:		
Funded asset (refer note 3.6)	–	15.29
Provision for employee benefits (refer note 3.15)	(29.13)	46.02

D. Expense recognised in the consolidated statement of profit and loss

Particulars	For the year ended March 31 2022	For the year ended March 31 2021
Current service cost	27.78	25.69
Past service cost	–	5.88
Interest cost	9.57	7.90
Interest income	(8.47)	(7.04)
Total expense during the year	**28.88**	**32.43**

E. Remeasurements recognised in other comprehensive income

Particulars	For the year ended March 31 2022	For the year ended March 31 2021
Actuarial loss on defined benefit obligation	41.87	3.13
Actuarial loss on planned asset	(1.85)	0.54
Actuarial loss for the year	**40.02**	**3.67**

F. Plan assets

Plan assets comprise of the following:

Particulars	As at 31 March 2022	As at 31 March 2021
New Group Gratuity Cash Accumulation Plan with LIC	137.61	121.87

G. Summary of actuarial assumptions

Demographic assumptions

Particulars	For the year ended March 31 2022	For the year ended March 31 2021
Mortality rate (% of IALM 06-08 and 12-14)	100.00%	100.00%
Attrition rate		
18-30 years	8.00% - 10.00%	10.00%
31-40 years	4.00% - 10.00%	5.00%
41 years and above	2.00% - 10.00%	1.00%
Financial assumptions		
Discount rate	7.15% - 7.25%	6.82% - 7.05%
Future salary growth rate	8.00%	5% - 10%

The estimates of future salary increase considered in actuarial valuation, takes account of inflation seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.35. Assets and liabilities relating to employee benefits (Contd..)

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amount shown below.

Particulars	As at 31 March 2022	As at 31 March 2021
Impact of the change in discount rate %		
0.50% increase	(9.80)	(8.88)
0.50% decrease	10.70	9.69
Impact of the change in salary growth rate %		
0.50% increase	10.58	9.65
0.50% decrease	(9.78)	(8.93)

H. Asset-liability matching strategy

The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Group, as part of the policy rules, makes payment of all gratuity payables falling due during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

I. Maturity profile of the defined benefit obligation

Expected cash flows over the next year (valued on undiscounted basis):

Particulars	As at 31 March 2022	As at 31 March 2021
Within 1 year	6.29	8.50
2 to 5 years	34.62	30.13
6 to 9 years	59.53	40.49
For year 10 and above	394.95	244.23

iii) Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the consolidated statement of profit and loss amounting to ₹ 35.98 million (March 31 2021: ₹ 34.26 million).

3.36. Related party disclosure

a) List of related parties

Name of the party	Nature of relationship
Sembcorp Industries Ltd, Singapore	Ultimate holding company
Sembcorp Utilities Pte. Ltd., Singapore	Holding company
Sembcorp Green Infra Limited, India	Entity under common control (w.e.f December 23, 2021)
Sembcorp India Private Limited, India	Entity under common control
Wong Kim Yin	Chairman (w.e.f. August 11, 2020)
Neil Garry Mcgregor	Chairman (upto June 30, 2020)
Vipul Tuli	Managing Director
Looi Lee Hwa	Director
Eugene Chee Mun Zheng Zhiwen Cheng	Director (w.e.f May 1, 2021)

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Name of the party	Nature of relationship
Radhey Shyam Sharma	Independent Director
Kalaikuruchi Jairaj	Independent Director
Sangeeta Talwar	Independent Director
Bobby Kanubhai Parikh	Independent Director (upto September 1, 2020)
Juvenil Jani	Chief Financial Officer
Narendra Ande	Company Secretary

b) The following are the transactions with related parties during the year

Particulars	For the year ended March 31 2022	For the year ended March 31 2021
Rent and utility expense		
Sembcorp India Private Limited	21.35	21.92
Consultancy expenses		
Sembcorp Utilities Pte Ltd.	202.82	217.82
Interest expense on INR Denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd.	3,140.73	4,397.88
Bank guarantee fees/commission		
Sembcorp Utilities Pte Ltd.	212.75	223.55
Purchase of other intangible assets (SAP licenses)		
Sembcorp Utilities Pte. Ltd.	–	33.12
Reimbursement of share based payment		
Sembcorp Utilities Pte Ltd.	166.98	66.57
Reimbursement of expenses		
Sembcorp Utilities Pte Ltd.	6.92	8.48
Sembcorp India Private Limited	–	0.30
Sembcorp Industries Ltd	–	0.41
Repayment of INR Denominated notes		
Sembcorp Utilities Pte Ltd	42,400.00	–
Interest paid on INR Denominated notes (Net of TDS)		
Sembcorp Utilities Pte Ltd.	9,548.63	5,498.15
Salaries to Key managerial person*		
Vipul Tuli	155.34	61.49
Juvenil Jani	36.42	21.00
Narendra Ande	6.42	5.60
Sitting fees to Directors (including taxes)		
Kalaikuruchi Jairaj	2.12	1.62
Radhey Shyam Sharma	2.12	1.65
Sangeeta Talwar	2.12	2.22
Bobby Kanubhai Parikh	–	0.47

* Key Managerial Personnel and relatives of Promoters who are under the employment of the Group are entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

c) Details of related party balances is as under:

Particulars	As at 31 March 2022	As at 31 March 2021
Related party payables		
Sembcorp Utilities Pte Ltd. (Trade payables)	64.65	79.18
Sembcorp Utilities Pte Ltd. (Other payables)	–	100.94
Sembcorp India Private Limited (Trade payables)	–	0.96
INR denominated Notes		

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.36. Related party disclosure (Contd..)

Sembcorp Utilities Pte Ltd	–	42,400.00
Interest accrued on INR denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	–	6,662.98
Corporate guarantee given for external commercial borrowings/term loans		
Sembcorp Utilities Pte Ltd (Represents the amount of facility outstanding)	25,947.69	42,718.33

3.37 Discontinued operation

a) Description

Sembcorp Energy India Limited (SEIL) entered into Share Purchase Agreement on December 10, 2021 for sale of its 100% investments in Sembcorp Green Infra Limited (SGIL) to holding company Sembcorp Utilities Pte Ltd, (SUPL) for consideration of ₹ 52,321.20 million and recognised a gain amounting to ₹ 21,379.67 million on disposal. The Group received all the amount from SUPL by end of December 31, 2021 and SGIL shares were transferred to SUPL on December 22, 2021 and accordingly SGIL ceased to be a subsidiary of the company w.e.f December 23, 2021. As SGIL is representing separate major line of business, the said sale is treated as discontinued operation.

Consequent to the above the consolidated balance sheet as at March 31, 2022 is not comparable with previous year ended March 31, 2021.

b) Financial performance and cash flow information

The financial performance and cashflow information presented are for the period from April 1 to December 22, 2021 and with comparative for the full year ended March 31, 2021 is as follows:

Particulars	Note	For the year ended March 31 2022	For the year ended March 31 2021
Total Income		13,346.83	14,407.20
Total expenses		10,612.11	14,752.24
Profit/(loss) before tax		**2,734.72**	**(345.04)**
Tax expense/(credit)		636.88	(61.85)
Profit/(loss) after tax		**2,097.84**	**(283.19)**
Gain on sale of discontinued operation		21,379.67	–
Profit/(loss) from discontinued operation		**23,477.51**	**(283.19)**
Earnings per equity share - discontinued operation	3.29		
(face value of share ₹10 each)			
- Basic and diluted (₹)		4.30	(0.04)

The cash flows attributable to the discontinued operation are as follows

Particulars	Note	For the year ended March 31 2022	For the year ended March 31 2021
Net cash generated from operating activities		11,728.48	9,943.88
Net cash generated/ (used) in investing activities		46,935.14	(3,225.84)
Net cash used in financing activities		(7,634.03)	(8,193.97)
Net cash generated/ (used) in discontinued operation		**51,029.59**	**(1,475.93)**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.37 Discontinued operation (contd..)

The cash flows attributable to the discontinued operation are as follows

c) **Carrying value of Net assets of discontinued operation and financial effect arising from disposal of discontinued operation is as follows:**

Particulars	Amount
Property, plant and equipment	83,220.12
Other Non-current assets	3,959.65
Trade receivables	4,843.84
Cash and cash equivalents	3,767.86
Other current assets	6,121.61
Total assets (A)	**1,01,913.08**
Non-current liabilities	61,594.17
Trade payables	240.79
Other current liabilities	8,892.50
Total liabilities (B)	**70,727.46**
Net assets (C)=(A-B)	**31,185.62**
Consideration received	52,321.20
Add: Non-controlling interests	244.09
Less: Net assets	31,185.62
Gain on disposal of discontinued operation	**21,379.67**
Movement in cashflows:	
Consideration received	52,321.20
Less: Cash and cash equivalents disposed off	(3,767.86)
Net Cash inflow	**48,553.34**

3.38. Contingent liabilities and commitments (to the extent not provided for)

I) Commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	192.07	493.50

II) Claims against the Group not acknowledged as debt in respect of

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Income tax (refer subnote a below)	730.83	749.53
(ii) Stamp duty (refer subnote b below)	-	-
(iii) Buildings and other construction works cess (BOCW Cess)	287.21	287.21
(iv) Entry tax	150.62	150.62
(v) Service tax (refer subnote c below)	798.13	798.13
(vi) Demand for fly ash disposal (National Green Tribunal) #	-	85.31
(vii) Township construction contract works ##	149.92	149.92
(viii) Goods and service tax (refer note d below)	1,108.27	-
(ix) Others (refer note e,f and g below)	Amount not ascertainable	Amount not Ascertainable

#During the previous year, the Group has received a demand order from National Green Tribunal (NGT) levying environmental compensation charges towards non utilization/disposal of 100.00% fly ash. on May 1, 2022 The Honourable Supreme Court has set aside the order issued by National Green Tribunal (NGT) levying environmental compensation charges /penalty towards non utilisation /disposal of 100% fly ash on.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.38. Contingent liabilities and commitments (to the extent not provided for) (Contd..)

##The Group had earlier entered into a contract with a vendor for construction of township at Nellore for an amount of Rs. 454.06 million. The contract was completed on October 31, 2017 and the full and final settlement was agreed with the vendor on December 15, 2017. Final payment was released by the Group on November 15, 2018. During the previous year, the vendor sought additional compensation of Rs. 149.91 million (approx.) from the Group for additional work executed, damages, loss of profits, recovery of liquidated damages etc., sought appointment of an arbitrator and also filed proceedings application under Section 11 of Arbitration and Conciliation Act, 1996 against the Group before the Hon'ble High Court of Telangana. The Group is contesting the matter and has obtained legal opinion on the validity of the claims. As per the legal opinion, Group has a good arguable case in its favour and management is of the view that no provision is required in the books of accounts.

Note:

a) During the previous year, the Group has opted Vivad Se Vishwas Scheme (VSVS) for settlement of withholding tax litigations for the previous years (from FY 2011-12 to FY 2015-16) pertaining to tax on guarantee fees to banks on buyer's credit and on service contracts pertaining to a vendor.

b) Based on the Warranty and Indemnity agreement dated February 1, 2014 entered between the Group and NCC Limited ('EPC Contractor') and other counterparts, the liability, if any arising on account of dispute relating to the Group, would be to the account of EPC Contractor. Accordingly, there would not be any impact on the financial position of the Group on account of Stamp duty relating to the Group.

c) During the previous year, an order has been passed by the office of the Principal Commissioner of Central Tax, Hyderabad consequent to the audit memo and show cause notice issued in the previous years towards levy of service tax on liquidated damages claim on NCCL by SEIL. The order was issued for tax demand, interest and penalty of Rs. 796.80 million and Rs. 1.33 million retroactively towards service tax on liquidated damages and reimbursement of expenses to SCU respectively. The Group has filed appeal with the appellate tribunal on March 20, 2020 and also deposited 7.5% tax thereon and the hearing is currently awaited.

d) During the year, Assistant Commissioner (State Tax), Nellore in its order has confirmed a demand for Goods & Service Tax (GST) for an amount of Rs. 639.18 million (of which Rs. 366.67 million pertains to FY 2017-18 and Rs. 272.51 million for FY 2018-19) along with interest of Rs. 405.17 million and penalty of Rs. 63.92 million aggregating to a total tax demand of Rs. 1,108.27 million against the earlier Show Cause Notices (SCNs) issued for levy of GST on Transmission charges incurred and reimbursed by the Company. Group has obtained a expert opinion and filed its reply to the said authorities contending that such transmission charges are not subject to GST. Considering the facts of the case and expert opinion obtained, the company believes it has a good case in its favour and no adjustments are required in the financial statements.

e) The Group is contesting legal cases in the local courts against the claims made on certain portion of the project lands, under dispute and amount is not ascertainable.

f) The Group has a process whereby periodically all long-term contracts including derivative contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that there are no material foreseeable losses on such long-term contracts which needs to be provided for in the books of account and the Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts.

g) On February 28, 2019 the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, considering that there are numerous interpretative issues relating to retrospective application of this judgement, the Group has assessed the impact of the matter and concluded that there is no material impact on the financial statements. The Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject.

III) Bank guarantees

Particulars	As at 31 March 2022	As at 31 March 2021
Bank guarantees with customs and excise	8,345.24	8,387.81
Bank guarantees for PPA and other commitments	8,714.90	6,487.14
	17,060.14	**14,874.95**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.38. Contingent liabilities and commitments (to the extent not provided for) (Contd..)

IV) Liquidated damages and bank guarantees encashment:

In earlier years the Group raised a claim of ₹ 2,882.50 million and of US$ 9.04 million towards liquidated damages on one of its EPC contractor for delay in the achievement of provisional acceptance for which the Group had to incur additional cost to commence operations and encashed performance bank guarantee of ₹ 516.00 million on April 19, 2017 and ₹ 2,915.00 million on November 3, 2017 respectively. Also, a claim of US $ 40.97 million was raised on EPC equipment suppliers consortium towards the delay in agreed delivery schedule and non-achievement of project provisional acceptance.

The EPC contractor had invoked Arbitration proceedings and filed its statement of claims of ₹ 15,579.00 million with interest. The Group filed its statement of defence along with a counter claim of ₹ 10,127.00 million and US$ 9.04 million. The matter is pending disposal as of date. Based on the statement of defense filed by the Group and legal counsel view, the Group believes it has a good case in its favour and no adjustment is required in the financial statements.

V) Electricity duty demand:

During earlier years, the Group received an intimation from the Chief Electrical Inspector, Government of Andhra Pradesh ('GoAP'), whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to ₹1493.62 million. Based on the internal assessment and legal opinion obtained by the Group, the management believes that the provisions of Electricity Duty Act, and Rules, 1939 in respect of payment of electricity duty are not applicable to the Group and accordingly no adjustments has been made in financial statements of the Group for the year ended March 31, 2022.

3.39 Share-based payments

The Group participates in Share based plans of ultimate holding company, Sembcorp Industries Limited (SCI) for its share-based remuneration arrangements which include Restricted Share Plan (SCI RSP) and Performance Share Plan (SCI PSP), collectively known as 'Share Plans 2010 and Share Plans 2020'. The SCI RSP is for directors and employees of the Group, whereas the SCI PSP is primarily for key executives of the Group. The details of share plans are as follows:

a) SCI Restricted Share Plan (RSP)

The number of the restricted share awards granted are based on the achievement of stretched financial and nonfinancial targets for the preceding calendar year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards. For the grant awarded during the year, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

b) SCI Performance Share Plan (PSP)

The SCI PSP is targeted at senior management who shoulder the responsibility for the Group's performance and who are able to drive the growth of the Group to deliver long-term shareholder value. Awards granted under the SCI PSP are performance-based and performance targets set under the SCI PSP are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

The following is the summary of movement in RSP and PSP

Particulars	March 31 2022		March 31 2021	
	RSP	PSP	RSP	PSP
Outstanding at the beginning of the year	12,78,220	4,58,752	6,82,859	3,26,000
Granted during the year	3,83,514	30,33,800	12,70,353	3,23,636
Vested and exercised during the year	(4,59,072)	(4,33,100)	(6,74,992)	–
Forfeited / lapsed during the year	(13,222)	–	–	(1,90,884)
Disposal of discontinued operation	(4,12,623)	–	–	–
At the end of the year	**7,76,817**	**30,59,452**	**12,78,220**	**4,58,752**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.39 Share-based payments (Contd..)

Information on outstanding and exercisable RSP and PSP is as set out below:

Particulars	March 31 2022		March 31 2021	
	RSP	PSP	RSP	PSP
Options outstanding at the end of the year				
Number of options outstanding	7,76,817	30,59,452	12,78,220	4,58,752
Remaining contractual life in years	0.00-1.25	0.00-4.06	1.83-2.44	1.62
Risk free interest rate (depending in maturity)	0.47% – 0.96%	0.4% – 1.3%	0.77% – 0.96%	0.77% – 0.96%
Expected dividend yield shares	3.50%-4.20%	3.50%-4.20%	3.50%	3.50%
Weighted average price (SGD)	1.75	1.71	1.59	1.24

The fair values of the PSP and RSP are estimated using a Monte Carlo simulation at the grant dates. The Group had charged ₹ 166.98 million (March 31 2021: ₹ 66.57 million) on account of share based payment based on the fair value of the performance shares and restricted shares at the grant date and is being expensed over the vesting period.

3.40 During the previous years, the Group had filed insurance claim for damage and business interruption on account of breakdown of stator and repair of rotor with New India Assurance Company Limited. During the previous year the Group had received an insurance claim amounting to ₹ 781.72 million and the same was accounted as insurance claim recovered.

3.41 The Group has accounted Rs 2,525.86 million (March 31, 2021: Rs. 1,543.88 million) as Goods and service tax(GST) input tax credit for claiming refund against export of electricity made to Bangladesh. However, the input tax credit refund has been disputed by GST Authorities primarily for non-submission of shipping bill as a proof of export for which representation has been filed by the Group with Ministry of Finance and seeking assistance from Ministry of Power for resolution of the matter. The Group has also filed writ petitions with High Court of Andhra Pradesh, seeking relief against the order of GST Authorities in which they have rejected GST refund applications of the Group.

During the year, the Group has received a notice from the office of the Commissioner of Central Tax, Guntur Commissionerate (Anti Evasion) requesting the Group to reverse the input tax credit ('ITC') availed in earlier years. Group has provided relevant replies to the department for the notice so received, stating that the sale of electricity to Bangladesh qualifies as an export and eligible for ITC.

The Group has taken a legal opinion on the above matter and based on such opinion, management is of the view that it has a good case and no adjustment is required in the financial statements.

3.42 The Group had in earlier year filed a petition under Section 79 of the Electricity Act, 2003 seeking compensation on account of Change in Law events in terms of its Power Purchase Agreement (PPA) entered into with Andhra Pradesh and Telangana DISCOMs for supply of 500 MW power from its power generation plant. Central Electricity Regulatory Commission (CERC) vide its order dated August 21, 2020, had accepted the events and claims set out by the Group as Change in Law events. Accordingly, during the previous year, the Group had accounted an amount of ₹ 6,478.22 million for change in law claims up to March 31, 2021 of which ₹ 5,225.90 million has been accounted as revenue from operations while ₹ 1,252.31 million related to carrying cost has been classified as Other income.

3.43 During the previous year ended March 31 2021, the Group has accounted Late payment surcharges from customers ₹ 2,846.56 million which includes ₹686.94 million as an adjusting event inline with the guidance under Ind AS 10 ('Events after the reporting period').

3.44 As per the Mega Power Projects Policy 2009, the Group needs to enter into a long term PPAs for a minimum of 85% of the net capacity to avail the customs/excise duty benefits for capital equipment procured for power generation. During the year, the Group determined that the duty benefit will not be available for ₹ 2,047.64 million due to absence of long term PPAs and consequently provided for the same towards cost of PPE. In case of the remaining unfilled conditions, , the Group believes it will be able to comply with the conditions attached to benefit.

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.45 The Group has assessed the impact of Covid-19 on the financial information, business operations, liquidity position and cash flows and has concluded no adjustments are required in respect of carrying amounts of assets and liabilities as at March 31, 2022. The Group will continue to closely monitor the situation arising on account of Covid-19 pandemic considering both internal and external factors.

3.46 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

3.47 Relationship with struck off companies:

Name of the struck off company	Nature of transaction with struck off company	Balance Outstanding as at March 31 2022	Balance Outstanding as at March 31 2021	Relationship with the stuck off company, if any, to be disclosed
G8ARK factories private limited	Advance from customer	(0.01)	(0.01)	Not applicable
Omega power erectors private limited	Payable towards repairs and maintenance expense	(0.05)	–	Not applicable

3.48 During the year ended March 31, 2022 and March 31, 2021, the Group 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 group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries"

3.49. Additional information as required under schedule III of the Companies Act, 2013, in respect of consolidated subsidiaries for financial year 2021-22 and 2020-21 are as below:

Financial year 2021-22

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/ (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income/(loss)
Parent								
Sembcorp Energy India Limited	1,10,993.13	100.00%	1,423.65	40.61%	142.15	91.43%	1,565.80	42.76%
Subsidiaries								
Sembcorp Green Infra Limited	–	0.00%	245.94	7.02%	0.85	0.55%	246.79	6.74%
TPCIL Singapore Pte. Ltd	0.69	0.00%	(0.31)	(0.01%)	–	0.00%	(0.31)	(0.01%)
Step-down subsidiaries								
Green Infra Wind Energy Limited	–	0.00%	843.38	24.06%	1.13	0.73%	844.51	23.06%
Green Infra Corporate Solar Limited	–	0.00%	0.02	0.00%	0.43	0.28%	0.45	0.01%
Green Infra Wind Power Limited	–	0.00%	(7.92)	(0.23%)	0.63	0.41%	(7.29)	(0.20%)
Green Infra Corporate Wind Limited	–	0.00%	4.32	0.12%	0.61	0.39%	4.93	0.14%
Green Infra Wind Energy Assets Limited	–	0.00%	(5.41)	(0.15%)	0.77	0.50%	(4.64)	(0.13%)
Green Infra Wind Farm Assets Limited	–	0.00%	92.61	2.64%	1.30	0.84%	93.91	2.57%

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/(loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income/(loss)
Green Infra Wind Energy Project Limited	–	0.00%	21.25	0.61%	2.05	1.32%	23.30	0.64%
Green Infra Wind Solutions Limited	–	0.00%	20.04	0.57%	(0.07)	(0.05%)	19.97	0.55%
Green Infra Wind Power Generation Limited	–	0.00%	70.69	2.02%	0.30	0.19%	70.99	1.94%
Green Infra Wind Farms Limited	–	0.00%	62.78	1.79%	0.08	0.05%	62.86	1.72%
Green Infra Wind Generation Limited	–	0.00%	189.97	5.42%	–	0.00%	189.97	5.19%
Green Infra Wind Power Projects Limited	–	0.00%	24.40	0.70%	0.58	0.37%	24.98	0.68%
Green Infra BTV Limited	–	0.00%	63.61	1.81%	0.10	0.06%	63.71	1.74%
Green Infra Wind Energy Theni Limited	–	0.00%	18.43	0.53%	0.29	0.19%	18.72	0.51%
Green Infra Wind Power Theni Limited	–	0.00%	5.43	0.16%	0.07	0.05%	5.50	0.15%
Mulanur Renewable Energy Limited	–	0.00%	25.92	0.74%	(0.03)	(0.02%)	25.89	0.71%
Green Infra Solar Energy Limited	–	0.00%	54.68	1.56%	1.44	0.93%	56.12	1.53%
Green Infra Solar Farms Limited	–	0.00%	82.26	2.35%	1.74	1.12%	84.00	2.29%
Green Infra Solar Projects Limited	–	0.00%	15.39	0.44%	0.54	0.35%	15.93	0.44%
Green Infra Wind Ventures Limited	–	0.00%	(67.60)	(1.93%)	–	0.00%	(67.60)	(1.85%)
Green Infra Renewable Energy Limited	–	0.00%	339.66	9.69%	0.51	0.33%	340.17	9.29%
Green Infra Wind Assets Limited	–	0.00%	(49.21)	(1.40%)	–	0.00%	(49.21)	(1.34%)
Green Infra Wind Technology Limited	–	0.00%	(4.62)	(0.13%)	–	0.00%	(4.62)	(0.13%)
Green Infra Wind Limited	–	0.00%	(0.08)	(0.00%)	–	0.00%	(0.08)	(0.00%)
Green Infra Renewable Projects Limited	–	0.00%	36.79	1.05%	–	0.00%	36.79	1.01%
Green Infra Solar Power Projects Limited	–	0.00%	–	0.00%	–	0.00%	–	0.00%
Green Infra Solar Generation Limited	–	0.00%	–	0.00%	–	0.00%	–	0.00%
Total	**1,10,993.82**	**100.00%**	**3,506.07**	**100.00%**	**155.47**	**100.00%**	**3,661.54**	**100.00%**
Non-controlling interests in subsidiaries	–		104.89		0.11		105.00	
Inter group eliminations and adjustments	(2.92)		23,735.91		(9.80)		23,726.11	
Consolidated figures	**1,10,990.90**		**27,346.87**		**145.78**		**27,492.65**	

Financial year 2020-21

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/(loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income/(loss)
Parent								
Sembcorp Energy India Limited	1,09,581.97	66.14%	8,720.12	103.51%	554.68	89.02%	9,274.80	102.51%
Subsidiaries								
Sembcorp Green Infra Limited	24,484.03	14.78%	535.93	6.36%	(0.07)	(0.01%)	535.86	5.92%
TPCIL Singapore Pte. Ltd	1.00	0.00%	(0.36)	(0.00%)	–	0.00%	(0.36)	(0.00%)
Step-down subsidiaries								

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.49. (Contd..)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/ (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income/(loss)
Green Infra Wind Energy Limited	17,855.42	10.78%	(328.84)	(3.90%)	(0.58)	(0.09%)	(329.42)	(3.64%)
Green Infra Corporate Solar Limited	1,561.84	0.94%	(258.03)	(3.06%)	0.12	0.02%	(257.91)	(2.85%)
Green Infra Wind Power Limited	203.13	0.12%	(23.49)	(0.28%)	4.84	0.78%	(18.65)	(0.21%)
Green Infra Corporate Wind Limited	223.76	0.14%	(17.65)	(0.21%)	5.40	0.87%	(12.25)	(0.14%)
Green Infra Wind Energy Assets Limited	345.32	0.21%	(15.53)	(0.18%)	5.31	0.85%	(10.22)	(0.11%)
Green Infra Wind Farm Assets Limited	1,035.49	0.63%	70.35	0.84%	8.69	1.40%	79.04	0.87%
Green Infra Wind Energy Project Limited	867.08	0.52%	44.48	0.53%	13.43	2.16%	57.91	0.64%
Green Infra Wind Solutions Limited	822.56	0.50%	4.66	0.06%	–	0.00%	4.66	0.05%
Green Infra Wind Power Generation Limited	1,074.64	0.65%	(73.23)	(0.87%)	(0.02)	(0.00%)	(73.25)	(0.81%)
Green Infra Wind Farms Limited	(38.69)	(0.02%)	7.30	0.09%	(0.09)	(0.01%)	7.21	0.08%
Green Infra Wind Generation Limited	(337.84)	(0.20%)	(92.28)	(1.10%)	–	0.00%	(92.28)	(1.02%)
Green Infra Wind Power Projects Limited	154.71	0.09%	(45.00)	(0.53%)	4.73	0.76%	(40.27)	(0.45%)
Green Infra BTV Limited	1,519.25	0.92%	(86.76)	(1.03%)	(0.14)	(0.02%)	(86.90)	(0.96%)
Green Infra Wind Energy Theni Limited	201.59	0.12%	8.79	0.10%	2.23	0.36%	11.02	0.12%
Green Infra Wind Power Theni Limited	104.88	0.06%	17.41	0.21%	0.54	0.09%	17.95	0.20%
Mulanur Renewable Energy Limited	492.86	0.30%	16.20	0.19%	(0.01)	(0.00%)	16.19	0.18%
Green Infra Solar Energy Limited	670.90	0.41%	67.96	0.81%	9.12	1.46%	77.08	0.85%
Green Infra Solar Farms Limited	1,236.35	0.75%	69.87	0.83%	11.38	1.83%	81.25	0.90%
Green Infra Solar Projects Limited	325.27	0.20%	11.28	0.13%	3.62	0.58%	14.90	0.17%
Green Infra Wind Ventures Limited	787.28	0.48%	(36.52)	(0.43%)	–	0.00%	(36.52)	(0.40%)
Green Infra Renewable Energy Limited	2,774.51	1.67%	131.33	1.56%	(0.05)	(0.01%)	131.28	1.45%
Green Infra Wind Assets Limited	(119.15)	(0.07%)	(162.06)	(1.92%)	–	0.00%	(162.06)	(1.79%)
Green Infra Wind Technology Limited	0.49	0.00%	(8.00)	(0.10%)	–	0.00%	(8.00)	(0.09%)
Green Infra Wind Limited	(1.92)	(0.00%)	(0.08)	(0.00%)	–	0.00%	(0.08)	(0.00%)
Green Infra Renewable Projects Limited	(132.90)	(0.08%)	(132.99)	(1.58%)	–	0.00%	(132.99)	(1.47%)
Total	**1,65,693.83**	**100.00%**	**8,424.86**	**100.00%**	**623.13**	**100.00%**	**9,047.99**	**100.00%**
Non-controlling interests in subsidiaries	132.30		(55.34)		(0.08)		(55.42)	
Inter group eliminations and adjustments	(81,928.74)		67.05		(69.27)		(2.22)	
Consolidated figures	**83,897.39**		**8,436.57**		**553.78**	**–**	**8,990.35**	**–**

Notes to the Consolidated Financial Statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.50 Additional regulatory information required by Schedule III

i) There are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period.

ii) The Group is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction of number of Layers) Rules, 2017 during the year ended March 31, 2022 and March 31, 2021.

iii) The Group has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.

iv) Details of benami property held : No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2022 and March 31, 2021.

v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2022 and March 31, 2021

vi) During the year ended March 31, 2022 and March 31, 2021, the Group has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

viii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

ix) During the year ended March 31, 2022 and March 31, 2021, the Group 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 Group 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 to or on behalf of the Ultimate Beneficiaries,

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: 26 May 2022

for and on behalf of the Board of Directors of
Sembcorp Energy India Limited
CIN: U40103HR2008PLC095648

Wong Kim Yin
Chairman
DIN: 08806258

Vipul Tuli
Managing Director
DIN: 07350892

Juvenil Jani
Chief Financial Officer

Narendra Ande
Company Secretary
Membership No: A14603

Place: Gurugram
Date: 26 May 2022

Standalone Financial Statements

Independent Auditor's Report

To the Members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

Report on the audit of the standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023 and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of the carrying value of property, plant and equipment and goodwill relating to SEIL-P2 (Refer note 2.2 to the standalone financial statements) The carrying value of property, plant and equipment (PP&E) and goodwill relating to SEIL-P2 which was acquired by the Company in an earlier year amounts to Rs. 76,500 million and Rs. 1,234 million respectively as at March 31, 2023.	Our procedures included the following: • Obtained an understanding of the design and tested the operating effectiveness of the key controls surrounding impairment assessment. • Evaluated the Company's accounting policy in respect of impairment assessment of PP&E and goodwill and assessed whether the Company's determination of CGU was consistent with our knowledge of the Company's operations.

Key audit matter	How our audit addressed the key audit matter
The said PP&E are carried at cost less accumulated depreciation. At the end of the reporting period, the Company assesses their carrying values and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', if there is any indication of impairment to the carrying value. Goodwill is carried at cost and is tested annually for impairment. As mentioned in the note 2.2, the Management considers the said PP&E and goodwill as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. During the year, the Company has carried out an impairment assessment by estimating the recoverable amount of the CGU using discounted cash flow model over the remaining useful life of the CGU and comparing the same with its carrying value. Based on their assessment, the management concluded that no provision for impairment was necessary as at March 31, 2023. We considered this a key audit matter given the significance of the carrying value of PP&E and goodwill belonging to the CGU, estimations and the significant judgements involved in respect of key inputs like discount rate, future cash flows for the purpose of impairment assessment.	• Evaluated the cash flow forecasts from our understanding of the internal and external factors, compared them to the budgets, actual past results and other supporting documents. • With the involvement of auditor's experts, assessed the reasonableness of the methodology used, key assumptions considered in the discounted cash flow projections for determining the recoverable value of the CGU. • Enquired with the management about justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same. • Checked the mathematical accuracy of the computations included in the discounted cash flow projections. • Assessed the adequacy of disclosures in the standalone financial statements. Based on the above procedures performed, management's assessment of carrying value of PP&E and goodwill relating to SEIL-P2 are considered to be reasonable.

Other Information

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

   Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes

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

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

Auditor's responsibilities for the audit of the standalone financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

11. 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.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. 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, except that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis, on servers physically located in India.

    c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.

    d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    e. On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    g. With respect to the maintenance of accounts and other matters connected therewith, we draw reference to our comment in paragraph 14(b) above.

    h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.28 to the standalone financial statements;

ii. The Company was not required to recognise a provision as at March 31, 2023 under the

applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 2.53 to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 2.53 to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFRT2686

Place: Gurugram
Date : May 24, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. 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 issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. 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 standalone financial statements, whether due to fraud or error.

5. 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

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles.

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements for the year ended March 31, 2023

A company's internal financial controls 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. 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 controls 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.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFRT2686

Place: Gurugram
Date : May 24, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 2.1 to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Rupees in millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Freehold land	43.93	Nelcast Energy Corporation Limited & Sembcorp Gayatri Power Limited (SGPL)	No	Since July 09, 2010	Title deeds of entire land in the name of Nelcast Energy Corporation Limited & SGPL were transferred to SEIL by virtue of merger order pursuant to the scheme of amalgamation of SGPL into SEIL. However, in respect of land of Acres 48.535 cents is pending for mutation in the name of the Company due to certain disputes and also administrative delays.
Freehold land	36.72	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	Since April 08, 2013	As per the terms of agreement for sale of land entered by NCC Power Projects Limited (erstwhile SGPL) with APIIC, the sale deed was to be executed after commissioning the plant. However, the said sale deed is yet to be executed in the name of the Company on account of certain administrative delays.

(d) The Company has not revalued its property, plant and equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. (Also refer note 2.17 to the standalone financial statements)

iii. The Company has, during the year, not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by it, as applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, professional tax, income tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 2.28 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute. The particulars of dues of income tax, service tax, goods and services tax and entry tax as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

Name of the statute	Nature of dues	Amount of demand without netting off amount paid under protest (Rupees in millions)	Amount paid under protest (Rupees in millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax and interest	82.71	29.48	AY 2012-13	Hon'ble High Court of Telangana
Income Tax Act, 1961	Income tax and interest	548.75	181.38	AY 2013-14, AY 2014-15, AY 2015-16, AY 2016-17	Commissioner of Income-tax, Appeals
Income Tax Act, 1961	Income tax and interest	115.87	23.17	AY 2017-18, AY 2018-19	Deputy Commissioner of Income tax, Appeals
Telangana Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	43.3	15.15	FY 2013-15	Deputy Commercial Tax officer
AP Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	107.32	26.83	FY 2015-17	Hon'ble High Court of Andhra Pradesh
The Finance Act, 1994	Service tax	798.14	59.89	FY 2016-17	Central Excise and Service tax Appellate Tribunal (CESAT), Hyderabad*
AP GST Act, 2017	Goods and Service tax	1,108.27	63.92	FY 2017-18, FY 2018-19	Appellate Additional Commissioner (State Tax), Tirupati

The above amounts contain interest and penalty wherever included in the order issued by the relevant authorities to the Company.

*CESAT vide its order dated April 21, 2023 allowed the appeal in favour of the Company in respect of demand of Rs. 796.80 millions.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer note 2.12 to the standalone financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that the Company has used funds raised on short-term basis aggregating to Rs. 20,000 millions for long-term purposes for the reasons stated in note 2.17 to the standalone financial statements.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer note 2.40 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the standalone financial statements as of and for the year ended March 31, 2023

xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Details are given as below:

Financial year	Amount to be spent in accordance with section 135(5)	Amount remaining unspent as at the year-end to be transferred special account u/s 135(6)	Amount transferred to Special Bank Account u/s 135(6), within 30 days from end of financial year (or till the date of audit report, if that is earlier)	Amount transferred to Special Bank Account u/s 135(6), after a period of 30 days from end of financial year (till the date of audit report)	Amount not transferred to Special Bank Account u/s 135(6), till the date of audit report
(a)	(b)	(c)	(d)	(e)	(f)
2022-23	92	58.17	58.17		

(Also refer note 2.36 to the standalone financial statements)

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFRT2686

Place: Gurugram
Date : May 24, 2023

Standalone Balance Sheet

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	1,43,292.52	1,49,039.66
Capital work-in-progress	2.1	306.39	159.48
Goodwill	2.2	1,234.20	1,234.20
Other intangible assets	2.2	12.65	9.95
Financial assets			
Investments	2.7	2.92	2.92
Trade receivables	2.8	3,208.67	-
Other financial assets	2.3	1,088.30	2,822.69
Non-current tax assets (net)	2.4	1,075.19	977.66
Other non-current assets	2.5	491.63	320.58
Total non-current assets		**1,50,712.47**	**1,54,567.14**
Current assets			
Inventories	2.6	10,014.36	7,322.49
Financial assets			
Investments	2.7	157.44	2,471.30
Trade receivables	2.8	37,284.90	36,785.74
Cash and cash equivalents	2.9	1,029.92	4,757.98
Bank balances other than cash and cash equivalents	2.9	-	2,039.50
Other financial assets	2.3	1,096.95	1,844.56
Other current assets	2.5	6,748.70	6,267.80
Total current assets		**56,332.27**	**61,489.37**
Total assets		**2,07,044.74**	**2,16,056.51**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10	54,336.69	54,336.69
Other equity	2.11	62,726.67	56,656.44
Total equity		**1,17,063.36**	**1,10,993.13**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	2.12	34,747.76	69,672.98
Lease liabilities	2.31	36.99	43.9
Provisions	2.14	-	29.13
Deferred tax liabilities (net)	2.15	3,167.69	867.36
Total non-current liabilities		**37,952.44**	**70,613.37**
Current liabilities			
Financial liabilities			
Borrowings	2.17	32,519.91	15,316.02
Lease liabilities	2.31	19.48	17.49
Trade payables	2.18		
Dues to micro and small enterprises		82.74	25.54
Dues to creditors other than micro and small enterprises		5,068.40	4,826.53
Other financial liabilities	2.13	8,170.38	8,210.25
Other current liabilities	2.16	5,951.67	5,815.76
Provisions	2.14	66.88	88.94
Current tax liabilities (net)	2.19	149.48	149.48
Total current liabilities		**52,028.94**	**34,450.01**
Total liabilities		**89,981.38**	**1,05,063.38**
Total equity and liabilities		**2,07,044.74**	**2,16,056.51**

Significant accounting policies (Refer Note-1)

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone Cash Flow Statement referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Standalone statement of profit and loss

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	2.20	93,886.00	76,891.00
Other income	2.21	4,226.64	1,421.70
Total income		**98,112.64**	**78,312.70**
Expenses			
Cost of fuel	2.22	65,178.26	46,729.68
Transmission charges	2.23	3,806.83	3,113.82
Employee benefits expense	2.24	1,881.73	2,476.57
Finance costs	2.25	7,955.56	10,892.72
Depreciation and amortisation expenses	2.26	5,940.76	6,692.40
Impairment Loss / (Reversal) on Financial Assets (Net)		(796.81)	462.62
Derecognition of financial assets measured at amortised cost		1,885.67	-
Operating and other expenses	2.27	3,789.47	3,399.67
Total expenses		**89,641.47**	**73,767.48**
Profit before exceptional items and tax		**8,471.17**	**4,545.22**
Exceptional item (refer note 2.45)		-	2,446.02
Profit before tax		**8,471.17**	**2,099.20**
Tax expense			
Current tax expense		-	-
Current tax adjustment relating to earlier years	2.38	-	(252.15)
Deferred tax expense		2,256.60	927.7
Total tax expense		**2,256.60**	**675.55**
Profit after tax		**6,214.57**	**1,423.65**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligations		8.05	(44.2)
Income tax effect on above item		16.61	-
		24.66	**(44.2)**
Items that will be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedge		(115.83)	157.47
Cost of hedging reserve – changes in fair value		31.46	(31.46)
Income tax effect on above item		(60.34)	60.34
		(144.71)	**186.35**
Total comprehensive income for the year		**6,094.52**	**1,565.80**
Earnings per equity share (Face value of share Rs.10 each) Basic and diluted (Rs.)	2.30	1.14	0.26

Significant accounting policies (Refer Note-1)

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone statement of profit and loss referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: May 24, 2023

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Nellore
Date: May 24, 2023

Standalone cash flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit before tax	8,471.17	2,099.20
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	5,940.76	6,692.40
Finance costs	7,955.56	10,892.72
Impairment Loss/ (Reversal) on Financial Assets (Net)	(796.81)	462.62
Loss on derecognition of financial assets measured at amortised cost	1,885.67	-
Unwinding of discount on trade & late payment surcharge receivables	(1,008.26)	-
Interest income on bank deposits	(300.64)	(264.67)
Property, plant and equipment written off	3.25	0.26
Net gain on financial assets measured at FVTPL	(77.39)	(81.62)
Net unrealised loss on foreign exchange differences	356.39	114.07
Exceptional Item (refer note 2.45)	-	2,446.02
Operating cash flows before working capital changes	**22,429.70**	**22,361.00**
(Increase) in inventories	(2,691.87)	(2,741.87)
(Increase) in trade receivables and late payment surcharge receivables	(3,140.83)	(6,548.47)
(Increase) in financial and non-financial assets including derivative assets	(564.82)	(675.59)
(Decrease)/ increase in trade payable, other financial liabilities and current liabilities	(26.59)	3,659.43
Increase/(decrease) in provisions	(43.14)	1.99
Cash generated from operations	**15,962.45**	**16,056.49**
Income-tax paid (net of refund)	(97.53)	(76.6)
Net cash generated from operating activities (A)	**15,864.92**	**15,979.89**
Cash flows from investing activities		
Payment for purchase of property, plant and equipment and capital work-in-progress	(456.38)	(2,113.01)
Proceeds from sale of property, plant and equipment	-	0.51
Interest income received on bank deposits	366.85	330.17
(Investment in)/maturity of bank deposits, net	3,799.25	(-80.16)
Redemption of mutual funds, net	2,391.25	93.59
Proceeds from sale of investment in subsidiary	-	52,321.20
Net cash generated from investing activities (B)	**6,100.97**	**50,552.30**
Cash flows from financing activities		
Proceeds from long-term borrowings	30,000.00	12,150.00
Repayment of long-term borrowings	(67,023.04)	(46,178.64)
Proceeds /(Repayment) of short-term borrowings, net	19,286.16	(12,157.37)
Payment of lease liabilities	(10.54)	(17.79)
Finance cost paid	(7,946.53)	(17,469.45)
Net cash used in financing activities (C)	**(25,693.95)**	**(63,673.25)**
Net increase in cash and cash equivalents (A+B+C)	(3,728.06)	2,858.94
Cash and cash equivalents at the beginning of the year	**4,757.98**	**1,899.04**
Components of cash and cash equivalents		
Cash on hand		
Balance with scheduled banks		
In current accounts	725.62	443.17
Deposits with original maturity of less than three months	304.3	4,314.81
Total cash and cash equivalents	**1,029.92**	**4,757.98**

Significant accounting policies (Refer Note-1)

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone Cash Flow Statement referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

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Partner
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Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Standalone statement of changes in equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at April 1, 2021	5,43,36,68,574	54,336.69
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2022	**5,43,36,68,574**	**54,336.69**
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2023	**5,43,36,68,574**	**54,336.69**

B. Other Equity

	Reserves and surplus					Other comprehensive income			
	Other reserve								
Particulars	Securities premium	Capital reserve on amalgamation	Fair value of interest free INR denominated notes from erstwhile holding company (SCU)	Share-based payments reserve	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging	Total
Balance as at April 1, 2021	40,207.03	16,013.56	1,390.14	-	(2,293.95)	(29.86)	(41.64)	-	55,245.28
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2021	40,207.03	16,013.56	1,390.14	-	(2,293.95)	(-29.86)	(41.64)	-	55,245.28
Profit for the year	-	-	-	-	1,423.65	-	-	-	1,423.65
Share-based payments charged to profit or loss	-	-	-	136.2	-	-	-	-	136.2
Adjustment for recharge for share-based payments	-	-	-	6.86	-	-	-	-	6.86
Remeasurement of post-employment benefit obligations	-	-	-	-	-	(44.2)	-	-	(44.2)
Other comprehensive income/ (loss)	-	-	-	-	-	-	128.31	58.04	186.35
Fair value of interest free INR denominated notes from erstwhile holding company	-	-	(297.7)	-	-	-	-	-	(-297.7)
	-	-	**(297.7)**	**143.06**	**1,423.65**	**(44.2)**	**128.31**	**58.04**	**1,411.16**
Balance as at March 31, 2022	**40,207.03**	**16,013.56**	**1,092.44**	**143.06**	**(870.3)**	**(74.06)**	**86.67**	**58.04**	**56,656.44**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2022	**40,207.03**	**16,013.56**	**1,092.44**	**143.06**	**(870.30)**	**(74.06)**	**86.67**	**58.04**	**56,656.44**

Standalone statement of changes in equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

B. Other Equity (Contd.)

Particulars	Reserves and surplus					Other comprehensive income			Total
	Other reserve								
	Securities premium	Capital reserve on amalgamation	Fair value of interest free INR denominated notes from erstwhile holding company (SCU)	Share-based payments reserve	Retained earnings	Remeasurement of post-employment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging	
Profit for the period	-	-	-	-	6,214.57	-	-	-	6,214.57
Share-based payments charged to profit or loss	-	-	-	97.13	-	-	-	-	97.13
Adjustment for recharge for share-based payments	-	-	-	(121.42)	-	-	-	-	(121.42)
Remeasurement of post-employment benefit obligations	-	-	-	-	-	24.66	-	-	24.66
Other comprehensive income/(loss)	-	-	-	-	-	-	(86.67)	(58.04)	(144.71)
Fair value of interest free INR denominated notes from holding company	-	-	-	-	-	-	-	-	-
	-	-	-	**(24.29)**	**6,214.57**	**24.66**	**(86.67)**	**(58.04)**	**6,070.23**
Balance as at March 31, 2023	**40,207.03**	**16,013.56**	**1,092.44**	**118.77**	**5,344.27**	**(49.40)**	**-**	**-**	**62,726.67**

Significant accounting policies (Refer Note-1)

The accompanying notes form an integral part of the standalone financial statements
This is the Standalone statement of changes in equity referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

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Partner
Membership No: 057084

Place: Gurugram
Date: May 24, 2023

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DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Nellore
Date: May 24, 2023

Notes to the standalone financial statements

for the year ended March 31, 2023

Corporate information

SEIL Energy India Limited (formerly Sembcorp Energy India Limited) ('the Company') was incorporated on January 8, 2008 as a public limited company. The Company has been established for developing, constructing, commissioning, operating and maintaining a 1,320-megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh (hereinafter referred to as "SEIL-P1"). The Company had successfully commenced full commercial operations of SEIL-P1 in September 2015.

On October 31, 2018, the Regional Director (RD), Ministry of Corporate Affairs, Hyderabad had approved the scheme of amalgamation (the Scheme) of Sembcorp Gayatri Power Limited (SGPL), one of the wholly owned subsidiary of the Company. The appointed date as per the Scheme was April 1, 2017. Erstwhile SGPL (hereinafter referred to as "SEIL-P2") has been operating and maintaining a 1,320-megawatt (2 X 660 megawatt) coal based thermal power plant at Ananthavaram-Village / Varkavipudi Panchayat, TP Gudur-Mandal,, Nellore District in the state of Andhra Pradesh. The commercial operations of SEIL-P2 had commenced on November 17, 2016, for unit I and on February 21, 2017, for unit II.

1. Basis of preparation, measurement and significant accounting policies

1.1. Basis of preparation and statement of compliance

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

These financial statements have been prepared by the Company on a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023.

The financial statements were authorised for issue by the Company's Board of Directors on May 24, 2023.

1.2. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR) rounded off to the nearest million to two decimal places except when otherwise indicated, which is the functional and presentation currency of the Company.

1.3. Basis of measurement

These financial statements have been prepared on the historical cost basis, except for the following:

- Certain financial assets and liabilities and contingent consideration is measured at fair value
- Financial instruments comprising mutual funds,
- Derivatives instruments i.e. cross currency swap, interest rate swaps, forward contracts and options,
- Defined benefit plans - plan assets
- Share based payments

1.4. New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2022.

Notes to the standalone financial statements

for the year ended March 31, 2023

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. Below is a summary of such amendments:

Title	Key requirements
Ind AS 16, Property, Plant and Equipment	Proceeds before intended use of property, plant and equipment The amendment clarifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).
Ind AS 37, Provisions,	Onerous Contracts – Cost of fulfilling a contract
Contingent Liabilities and Contingent Assets	The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.
Ind AS 103, Business combinations	References to the conceptual framework The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
Ind AS 109, Financial Instruments	Fees included in the 10% test for derecognition of financial liabilities The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.5. New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 1, 2023. The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the company's accounting policy already complies with the now mandatory treatment.

1.6. Use of estimates and judgements

The preparation of these financial statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities as at the date of the financial statements.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made, if material, their effects are disclosed

Notes to the standalone financial statements

for the year ended March 31, 2023

in the notes to the financial statements. Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

i. Impairment of investments in subsidiaries

In case of investments made by the company in its subsidiaries, the Management assesses whether there is any indication of impairment in the value of investments. The carrying amount is compared with the present value of future net cash flow of the subsidiaries.

ii. Impairment of trade receivable and unbilled receivables

The Company has measured the lifetime expected credit loss by using practical expedients. It has accordingly used a provision matrix derived by using a flow rate model to measure the expected credit losses for trade receivables. Further, need for incremental provisions have been evaluated on a case to case basis where forward-looking information on the financial health of a customer is available and in cases where there is an ongoing litigation/dispute.

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

iii. Useful lives of property, plant and equipment and intangible assets.

The Company reviews the useful life of property, plant and equipment and intangible at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

iv. Valuation of deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent there is reasonable certainty of future taxable income which will be available against the deductible temporary differences, unused tax losses and depreciation carry-forwards.

v. Defined benefit plans

The obligation arising from defined benefit plan is determined based on actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates, and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

vi. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed

Notes to the standalone financial statements

for the year ended March 31, 2023

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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

vii. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

viii. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ix. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational

performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management.

1.7. Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i. It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

ii. It is held primarily for the purpose of being traded.

iii. It is expected to be realised within 12 months after the reporting date; or

iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Notes to the standalone financial statements

for the year ended March 31, 2023

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i. It is expected to be settled in the Company's operating cycle.

ii. It is held primarily for the purpose of being traded.

iii. It is due to be settled within 12 months after the reporting date; or

iv. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. 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 or non-current classification of assets and liabilities.

1.8. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company is engaged in generation of electricity and revenue from operations are primarily from sale of electricity. Revenue from sale of electricity is recognised net of cash discount, rebate, etc. when the power is supplied as it best depicts the value to the customer and complete satisfaction of performance obligation. Variable Consideration forming part of the total transaction price including compensation on account of change in law will be allocated and recognised when the terms of variable payment relate specifically to the Company's efforts to satisfy the performance obligation i.e. in the year of occurrence of event linked to variable consideration.

The difference between the revenue recognised and amount invoiced has been presented as deferred revenue/ unbilled revenue.

Income from power generation

Revenue from the sale of electricity is recognised from the time when production output is delivered to the power network. Revenue from energy units sold as per the terms of the Power Purchase Agreements ('PPA') and Letter of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled receivables accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers.

Revenue/charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognised/ charged at rates notified by Central Electricity Regulatory Commission ('CERC') from time to time as revenue from sale of electricity or adjusted with revenue from sale of electricity.

Claims i.e. late payment interest/surcharge recoverable from customers, insurance claims and liquidated damages, are accounted for to the extent it is probable that the entity will collect the consideration.

Other Income

Interest income from financial assets at fair value through profit or loss is disclosed as interest

Notes to the standalone financial statements

for the year ended March 31, 2023

income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss. Dividends are recognised as other income in profit or loss when the right to receive payment is established.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are

transferred to receivables when the rights become unconditional.

Trade Receivables

A receivable represents the company right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract Liabilities in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognised as revenue when the performance obligation is satisfied.

1.9. Property, plant and equipment and depreciation

i. Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the assets to its working condition for their intended use, and estimated costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Tangible assets under construction are disclosed as capital work-in-progress. Software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Cost of other item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Fiscal benefits as available under various industrial promotional schemes are presented by deducting from the carrying amount of the PPE when there is a reasonable assurance that the Company will comply with the conditions attached to the benefit.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

Notes to the standalone financial statements

for the year ended March 31, 2023

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii. Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is recognised in the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Company and its costs can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised as an expense when incurred.

iii. Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale is not depreciated.

Depreciation on property, plant and equipment is provided on straight line method based on the useful life as specified in Schedule II of the Act, except in respect of the following category of assets, in whose case the estimated useful life of the assets has been assessed based on technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance etc.

Category	Life as per Schedule II	Life considered
Thermal power plants	40 years	30 years
Office equipments	5 years	3 years to 5 years
Site equipment (included in plant and machinery)	15 years	3 years to 15 years
Furniture and fixtures	10 years	5 years to 10 years

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate and the residual values are not more than 5% of the original cost of the asset

iv. Disposals

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss on the date of retirement or disposal.

1.10. Intangible assets

Intangible assets other than Goodwill are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets that are acquired are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The intangible assets are

Category	Life considered
Computer software	3 -5 years

amortised over the estimated useful lives as given below:

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in the statement of profit and loss.

Goodwill represents the cost of business acquisition in excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill has indefinite useful life and tested for impairment annually.

Notes to the standalone financial statements

for the year ended March 31, 2023

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

1.11. Inventories

Inventories which comprise of coal, fuels, stores and spares are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

1.12. Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss unless it relates to a long term foreign currency monetary item.

Monetary assets and liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resultant exchange differences are recognised in the statement of profit and loss unless it relates to a long-term foreign currency monetary item.

Non-monetary assets are recorded at the rate prevailing on the date of the transaction.

1.13. Employee benefits

Short-term employee benefits

All employee benefits expected to be settled wholly within twelve months from the reporting date are classified as short-term employee benefits. An employee who has rendered services to the Company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense or as required under Ind AS 19 which permits the inclusion of the benefits in the cost to be recognised as an asset. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Company recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Defined benefit plans

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset), which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to the statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

A net defined benefit asset arise where a defined benefit plan has been overfunded or where actuarial gains have arisen. Such asset is recognised as the future economic benefits are available to the Company in the form of a reduction in future contributions.

Notes to the standalone financial statements

for the year ended March 31, 2023

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no legal or constructive obligation to pay any further amounts. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

Bonus plans

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Share based payment transactions

The Company has not issued any shares / stock options on its shares. The erstwhile ultimate holding company has however issued certain restricted stock units, options on its own shares to certain employees of the Company which are in the nature of equity settled awards. Share-based payment expenses are recognised over the period during which the employees provide the relevant services. The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

1.14. Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss over the tenure of the loan.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. Interest income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense on borrowings is recorded using the effective interest rate (EIR). EIR is the rate that discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Notes to the standalone financial statements

for the year ended March 31, 2023

1.15. Financial instruments

i. Recognition and initial measurement

Financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A Financial asset and liability are initially measured at its fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables are initially recognised when they are originated at their transaction price as they do not contain significant financing components.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

ii. Financial assets - Classification and subsequent measurement:

a. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order 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.

b. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

c. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

iii. Financial liabilities - Classification and subsequent measurement:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities.

a. Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the statement of profit and loss.

b. Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Notes to the standalone financial statements

for the year ended March 31, 2023

iv. De-recognition of financial instruments

a. Financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right 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.

If the Company enters transaction whereby it transfers assets recognised on its balance sheet but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

b. Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or the same expires.

The Company also derecognise 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 the statement of profit and loss.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the Company has a legally enforceable right to set off the amount and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1.16. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgements is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk volatility and discount rates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.17. Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequently to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement of profit and loss.

At inception of designated hedging relationships,

Notes to the standalone financial statements

for the year ended March 31, 2023

the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

i. Financial assets or financial liabilities, at fair value through profit or loss

In case of certain forward exchange contracts, the Company designates only the changes in fair value of the spot element of a forward contract as a hedging instrument. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

Any derivative that is either not designated a hedge or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the consolidated statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in the consolidated statement of profit and loss.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

ii. Cash flow hedge accounting

Where a derivative is designated as a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised directly in other comprehensive income and presented in the hedge reserve in equity. The ineffective portion of changes in the fair values of the derivative is recognised immediately in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedge reserve is transferred to the net profit in the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the statement of profit and loss.

1.18. Impairment

i. Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses ('ECL') to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables including unbilled receivables and contract assets that do not contain significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes to the standalone financial statements

for the year ended March 31, 2023

The allowance for doubtful debts/ advances or impairment of assets is made on case to case basis by considering relevant available information.

ii. Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. Goodwill has indefinite useful life and tested for impairment annually.

1.19. Investment in subsidiaries

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

1.20. Leases

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

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount

Notes to the standalone financial statements

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(i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the lessee's incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

1.21. Income taxes

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income). Current tax and deferred tax are recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax reflects the best estimate the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of allowances and disallowances which is exercised while determining the provision for income tax. Minimum alternate tax (MAT) on the book profits or the Corporate tax payable on taxable profit is charged to the statement of profit and loss as current tax.

ii. 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 amounts used for taxation purposes. Deferred tax is not recognised for:

a. Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

b. Temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

c. Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset with deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Notes to the standalone financial statements

for the year ended March 31, 2023

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Future taxable profits are determined based on business plans. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets include Minimum Alternative Tax (MAT) paid, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in the statement of profit and loss.

1.22. Provisions and contingent liabilities

A provision is recognised when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each 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 recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

1.23. Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

1.24. Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit or loss after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the

Notes to the standalone financial statements

for the year ended March 31, 2023

weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.25. Cash flow statement

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

1.26. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.27. Business combinations

i. Business combinations (other than common control business combinations):

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of entities comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Company, and fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the statement of profit and loss or other comprehensive income, as appropriate.

ii. Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the preceding period in the financial statements or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the standalone financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

Notes to the standalone financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2.1 Property, plant and equipment and capital work-in-progress

Particulars	Freehold Land	Roads	Right of use assets (refer note no 2.31)	Office buildings	Factory buildings	Furniture and fittings	Vehicles	Office equipment	Electrical installations	Plant and equipment	Computers	Total	Capital work-in-progress
Gross carrying amount													
Balance as at April 1, 2021	**2,613.10**	**2,317.81**	**751.97**	**1,516.66**	**796.08**	**90.58**	**87.57**	**113.51**	**95.93**	**1,81,880.32**	**117.49**	**1,90,381.02**	**599.41**
Additions	21.27	-	2.85	-	3.14	0.11	2.69	10.21	-	2,470.01	12.10	2,522.38	498.79
Disposals	-	-	(23.02)	-	-	-	(1.68)	-	-	-	(5.25)	(29.95)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	(938.72)
Balance as at March 31, 2022	**2,634.37**	**2,317.81**	**731.8**	**1,516.66**	**799.22**	**90.69**	**88.58**	**123.72**	**95.93**	**1,84,350.33**	**124.34**	**1,92,873.45**	**159.48**
Additions	-	28.23	12.03	13.15	1.84	4.01	2.39	9.00	-	107.53	12.08	190.26	303.17
Disposals	-	-	-	(3.71)	(0.72)	(7.26)	(2.47)	(12.18)	-	(1.10)	(22.22)	(49.66)	-
Capitalised during the period	-	-	-	-	-	-	-	-	-	-	-	-	(156.26)
Balance as at March 31, 2023	**2,634.37**	**2,346.04**	**743.83**	**1,526.10**	**800.34**	**87.44**	**88.50**	**120.54**	**95.93**	**1,84,456.76**	**114.20**	**1,93,014.05**	**306.39**
Accumulated depreciation													
Balance as at April 1, 2021	**-**	**1,159.32**	**76.02**	**133.22**	**156.23**	**38.77**	**42.67**	**103.37**	**74.07**	**35,308.03**	**84.42**	**37,176.12**	**-**
Depreciation for the year	-	188.66	27.38	29.64	23.36	9.76	10.00	4.93	7.79	6,370.73	15.03	6,687.28	-
Disposals	-	-	(23.02)	-	-	-	(1.60)	-	-	-	(4.99)	(29.61)	-
Balance as at March 31, 2022	**-**	**1,347.98**	**80.38**	**162.86**	**179.59**	**48.53**	**51.07**	**108.30**	**81.86**	**41,678.76**	**94.46**	**43,833.79**	**-**
Depreciation for the period	-	180.91	40.5	29.53	32.85	9.70	10.05	4.32	1.45	5,610.75	14.09	5,934.15	-
Disposals	-	-	-	(3.53)	(0.69)	(6.67)	(2.22)	(11.53)	-	(0.67)	(21.10)	(46.41)	-
Balance as at March 31, 2023	**-**	**1,528.89**	**120.88**	**188.86**	**211.75**	**51.56**	**58.90**	**101.09**	**83.31**	**47,288.84**	**87.45**	**49,721.53**	**-**
Net block													
As at March 31, 2022	**2,634.37**	**969.83**	**651.42**	**1,353.80**	**619.63**	**42.16**	**37.51**	**15.42**	**14.07**	**1,42,671.57**	**29.88**	**1,49,039.66**	**159.48**
As at March 31, 2023	**2,634.37**	**817.15**	**622.95**	**1,337.24**	**588.59**	**35.88**	**29.60**	**19.45**	**12.62**	**1,37,167.92**	26.75	**1,43,292.52**	**306.39**

Note 1: In earlier years, the Company had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited. ('APIIC') for occupation of two tranches of land for SEIL-P1. One tranche of land was transferred to the Company as freehold land. For the other tranche of land, admeasuring Acre 680.55 cents, a lease deed for a period of 21 years was entered with APIIC on November 25, 2009. As per the lease deed, APIIC had agreed to sell the land even during the subsistence of the lease deed on securing necessary clearances and approvals for such sale to the Company on such mutually agreed terms and conditions. Further, in the unlikely event of not transferring the land through sale to the Company, APIIC agreed to renew the lease for a further period on such mutually agreed terms and conditions. All the requirements of the agreement including the payment of consideration of Rs. 612.50 million has been complied with by the Company to purchase the land. The said consideration was paid on November 12, 2009 and the same had been considered as cost of land. The Company had complied with all the requirements for purchase of land and paid the full consideration. The delay from APIIC is of administrative in nature and said sale will happen in due course of time. During the earlier year, APIIC had raised a demand amounting to Rs. 19.81 million for lease rentals (including interest) pertaining to previous years which was paid by the Company. On transition to Ind AS 116 the Company had categorized the payment of consideration of Rs. 612.50 million as right of use(ROU) assets and recognized the present value of the remaining lease payment as ROU assets and lease liability accordingly and being amortised over its useful life.

Note 2: Refer note 2.28 and 2.29 for Contractual commitments/ obligations.

Note 3: Title deeds of certain portions of land in the name of the Company are under dispute. In respect of such disputes, the Company has been legally advised that it has valid title in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property (refer note 2.28).

Note 4: During the previous year, the management has carried out a review of useful life of its Thermal Power Plant assets and determined the revised useful life to be 30 years from 25 years based on a technical assessment performed by an external consultant. This is considered as change in estimate and accounted prospectively from October 01, 2021 onwards. As a result of this change, the depreciation expense for the previous year was reduced by Rs. 685.76 million, while annual depreciation is reduced by Rs. 1,375.29 million from FY 22-23 year onwards.

Notes to the standalone financial statements

for the year ended March 31, 2023

Note 5 : Capital Work-in-progress details as on March 31, 2023

(a) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	213.97	46.74	33.44	12.24	**306.39**
Projects temporarily suspended	-	-	-	-	-

b) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 31, 2023

Capital Work-in-progress details as on March 31, 2022

(c) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	100.05	39.31	13.81	6.31	**159.48**
Projects temporarily suspended	-	-	-	-	-

d) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 31, 2022

Note 6 : Additions in capital work-in-progress includes directly attributable expenses capitalised as under

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Legal and professional expenses	2.26	1.38
Salaries, allowance and bonus	19.84	31.90
Miscellaneous expenses	-	1.10
Total	**22.10**	**34.38**

Notes to the standalone financial statements

for the year ended March 31, 2023

Note 7 :Details of Title deeds not in the name of the Company are as follows

Relevant item in the Balance sheet and Description of item of property	Gross carrying value (in millions)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Land measuring acres 48.535 cents under Freehold land	43.93	Nelcast Energy Corporation Limited & Sembcorp Gayatri Power Limited (SGPL)	No	July 09, 2010	Title deeds of entire land in the name of Nelcast Energy Corporation Limited & SGPL were transferred to SEIL by virtue of merger order pursuant to the scheme of amalgamation of SGPL into SEIL. However, in respect of land of Acres 48.535 cents is pending for mutation in the name of the Company due to certain disputes and also administrative delays. In respect of such disputes, the Company has been legally advised that it has valid title in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property (refer note 2.28).
Land measuring acres 40.80 cents under Freehold land	36.72	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	April 08, 2013	As per the terms of agreement for sale of land entered with APIIC by NCC Power Projects Limited (erstwhile SGPL), the sale deed will be executed after commissioning the plant. However, The said sale deed is yet to be executed in the name of the Company on account of certain administrative delays.

Title deeds in respect of land not in the name of the Company consists of around 4% (89.34 acres) out of the total freehold land forming part of note 2.1.

Notes to the standalone financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2.2 Other intangible assets and Goodwill

Particulars	Other intangible assets (Softwares)	Goodwill
Gross carrying amount		
Balance as at April 1, 2021	**110.34**	**1,234.20**
Additions	2.88	-
Disposals	-	-
Balance as at March 31, 2022	**113.22**	**1,234.20**
Additions	9.31	-
Disposals	-	-
Balance as at March 31, 2023	**122.53**	**1,234.20**
Accumulated amortisation		
Balance as at April 1, 2021	**98.15**	-
Amortisation for the year	5.12	-
Balance as at March 31, 2022	**103.27**	-
Amortisation for the year	6.61	-
Balance as at March 31, 2023	**109.88**	-
Net block		
As at March 31, 2022	**9.95**	**1,234.20**
As at March 31, 2023	**12.65**	**1,234.20**

Assessment of the carrying value of goodwill and property, plant and equipment relating to SEIL-P2:

The carrying value of property, plant and equipment (PPE) and goodwill relating to SEIL-P2 which was acquired by the Company in an earlier year amounting to Rs 76,500.86 million (March 31, 2022: Rs 79,407.83 million) and Rs 1,234.20 (March 31, 2022: Rs 1,234.20 million) respectively.

The goodwill represents the excess of consideration paid over the net assets acquired under the Scheme of Amalgamation of 'Nelcast Energy Corporation Limited (Nelcast)' with Sembcorp Gayatri Power Limited (SEIL-P2) approved by the High Court of Madras on October 12, 2011. Nelcast was the 100% subsidiary of SEIL-P2. The Company opted to apply Ind AS 103 exemption for the business combinations which occurred prior to transition into Ind AS and accordingly, amalgamation of Nelcast with the Company and the resultant Goodwill has not been restated.

The said PPE and goodwill are considered as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. The recoverable amount of the said CGU is based on discounted value of estimated cash flows over the remaining useful life of 24 years.

Revenue, plant load factor, coal prices, margins and cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by the management. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles.

Notes to the standalone financial statements

for the year ended March 31, 2023

Key assumptions used in the value-in-use calculations:

Assumption	Basis
Cash flow projections period	Remaining useful life of PPE assumed 24 years (March 31, 2022: 25 years) Refer note 2.1 for change in useful of PPE
Weighted average cost of capital % (WACC) post tax	10.58% (March 31, 2022: 9.38%)
Revenue and margins	Primarily based on the forecasted combination of long-term and short-term contracts and electricity spot prices with reference to estimated demand and supply of electricity as well as margin.

As at March 31, 2023 the estimated recoverable amount of the CGU exceeds its carrying amount and accordingly no adjustment is required to such carrying amount. The management has also performed sensitivity analysis of the key assumptions applied and no impairment would need to be recognised in the event of a reasonable change in the underlying key assumptions as there exists significant headroom between the recoverable amount and carrying amount.

2.3 Other financial assets

(Unsecured, considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Security deposits	10.59	10.67
Others:		
Margin money deposits and other deposits with banks*	985.60	2,745.35
Interest accrued on bank deposits	23.21	66.67
Late payment surcharge receivables	68.90	-
	1,088.30	**2,822.69**
Current		
Others:		
Interest accrued on bank deposits	0.65	23.40
Late payment surcharge receivables	1,096.30	1,821.16
	1,096.30	**1,844.56**

* includes reserved against margin money for bank guarantees, other commitments and debt service reserves on long-term borrowings.

2.4 Non-current tax assets

(Unsecured, considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
	1,075.19	977.66
Advance income taxes	1,075.19	977.66

Notes to the standalone financial statements

for the year ended March 31, 2023

2.5 Other assets

(Unsecured, considered good)

Particulars	As at March 31, 2023	As at March 31, 202
Non-current		
Capital advances	270.22	183.17
Less: Provision for capital advance	(5.06)	(5.06)
Balance with government authorities paid under protest (refer note 2.28)	197.31	119.98
Contribution to gratuity fund (net) (refer note 2.34 and 2.46)	10.19	-
Prepayments	18.97	22.49
	491.63	**320.58**
Current		
Advance to suppliers and service providers	2551.80	3,291.59
Balance with government authorities (refer note 2.44)	3851.71	2,527.95
Prepayments	345.19	448.26
	6,748.70	**6,267.80**

2.6 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
(Valued at lower of cost and net realisable value)		
Coal and Fuel*	7,619.28	5,053.01
Stores and spares	2,395.08	2,269.48
	10,014.36	**7,322.49**

* includes materials-in-transit amounting to Rs.3,455.14 million, (March 31, 2022: Rs. 3,244.39 million)

2.7 Investments

Particulars	Number of shares/ units		As at	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
A) Non-current investments: **Investments in subsidiaries** (Unquoted, valued at cost unless stated otherwise)				
Equity instruments:				
TPCIL Singapore Pte Limited	49,000	49,000	2.92	2.92
			2.92	**2.92**
B) Current investments: **Quoted, debt securities** Mutual fund securities valued at FVTPL				
UTI Liquid Cash Fund - Direct Plan - Growth	-	1,44,422	-	503.75
Axis Liquid Fund - Direct Plan - Growth	-	1,84,487	-	436.14
SBI Liquid Fund - Direct Plan - Growth	44,680	1,48,770	157.44	495.86
Nippon India Liquid Fund - Direct Plan - Growth	-	96,973	-	505.04
IDFC Cash Fund - Direct Plan - Growth	-	2,06,348	-	530.51
			157.44	**2,471.30**
Aggregate fair value of unquoted investments			2.92	2.92
Aggregate fair value and market value of quoted investments			157.44	2,471.30
Aggregate provision for impairment in value of investments			-	-

Notes to the standalone financial statements

for the year ended March 31, 2023

2.8 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 202
Trade receivable - unsecured, considered good		
Non-current		
– Billed	3,215.18	-
Less: allowance for expected credit loss	(6.51)	-
Total receivables	**3,208.67**	**-**
Current		
– Billed*	31,230.35	32,755.65
- Unbilled^	6,255.24	5,034.10
Less: allowance for expected credit loss	(200.69)	(1,004.01)
Total receivables	**37,284.90**	**36,785.74**
Current portion	37,284.90	36,785.74
Non-current portion	3,208.67	-
Break-up of security details		
Trade receivables considered good – secured	-	-
Trade receivables considered good – unsecured	40,700.77	37,789.75
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	**40,700.77**	**37,789.75**
Loss allowance	(207.2)	(1,004.01)
Total trade receivables	**40,493.57**	**36,785.74**

^The receivable is 'unbilled' because the company has not yet issued an invoice to the customer, however, the balance has been included under trade receivables as it is an unconditional right to consideration.

* includes receivables against which the company holds revolving letter of credit from customers.

Trade receivables aging schedule	As at March 31, 2023	As at March 31, 2022
Outstanding for following periods from the due date of receipt		
(i) Undisputed trade receivables -considered good		
Unbilled receivables	6,255.24	5,034.10
Not due	24,450.61	4,122.12
Less than 6 months	9,807.38	15,894.52
6 months -1 year	27.09	6,074.95
1-2 years	28.40	5,976.68
2-3 years	97.79	5.66
More than 3 years	34.26	681.72
Total	**40,700.77**	**37,789.75**

The Company does not have any disputed trade receivables outstanding as at March 31, 2023 and March 31, 2022.

Notes:

(i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

(ii) The Company's exposure to credit and currency risk and loss allowance related to trade receivables are disclosed in note 2.41

(iii) The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The Company considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.
The relevant carrying amounts are as follows:

Notes to the standalone financial statements

for the year ended March 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
Total transferred trade receivables	-	2,990.48
Associated secured borrowing (refer note 2.17)	-	2,990.48

2.9 Cash and bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents:		
Balance with banks:		
On current accounts	725.62	443.17
Deposits with original maturity of less than three months	304.30	4,314.81
	1,029.92	**4,757.98**
Bank balances other than those disclosed above		
Deposits due to mature after three months but before twelve months from the reporting date	-	**2,039.50**

2.10 Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
Equity shares		
15,000,000,000 (March 31, 2022: 15,000,000,000) number of equity shares of Rs.10 each	150,000.00	150,000.00
	150,000.00	150,000.00
Issued, subscribed and fully paid up		
5,433,668,574 (March 31, 2022: 5,433,668,574) number of equity shares of Rs.10 each, fully paid up	54,336.69	54,336.69
	54,336.69	**54,336.69**

(i) Movements in equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year	5,433,668,574	54,336.69	5,433,668,574	54,336.69
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**5,433,668,574**	**54,336.69**	**5,433,668,574**	**54,336.69**

(ii) Shares of the company held by holding company

Particulars	As at March 31, 2023	As at March 31, 2022
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-	5,43,36,68,574
Tanweer Infrastructure SAOC, the holding company along with its nominees	5,43,36,68,574	-

(iii) Details of shareholders holding more than 5% shares in the company

Name of shareholders	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-	-	5,433,668,574	100.00%
Tanweer Infrastructure SAOC, the holding company along with its nominees #	5,433,668,574	100.00%	-	0.00%

Notes to the standalone financial statements

for the year ended March 31, 2023

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(iv) Details of shareholding of promoters

Particulars	As at March 31, 2023		As a March 31, 2022	
	Number of shares	Percentage of total number of shares	Number of shares	Percentage of total number of shares
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-		5,433,668,574	100%
Tanweer Infrastructure SAOC, the holding company along with its nominees #	5,433,668,574	100.00%	-	-

(refer note 2.46)

Terms and rights attached to equity shares:

Equity shares of the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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.

2.11 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium		
Balance at the beginning of the year	40,207.03	40,207.03
Add: Additions during the year	-	-
Balance at end of the year	**40,207.03**	**40,207.03**
Capital reserve on amalgamation		
Balance at the beginning of the year	16,013.56	16,013.56
Add: Additions during the year	-	-
Balance at end of the year	**16,013.56**	**16,013.56**
Fair value of interest free INR denominated notes from erstwhile holding company		
Balance at the beginning of the year	1,092.44	1,390.14
Add/ deletions: Additions during the year	-	(297.70)
Balance at end of the year	**1,092.44**	**1,092.44**
Share-based payments reserve		
Balance at the beginning of the year	143.06	
Add: Share-based payments charged to profit or loss	97.13	136.20
Add: Adjustment for recharge for share-based payments	(121.42)	6.86
Balance at end of the year	**118.77**	**143.06**
Retained earnings		
Balance at the beginning of the year	(870.30)	(2,293.95)
Add: Profit for the year	6,214.57	1,423.65
Balance at end of the year	**5,344.27**	**(870.30)**

Notes to the standalone financial statements

for the year ended March 31, 2023

Other comprehensive income (OCI)

Particulars	As at March 31, 2023	As at March 31, 2022
Remeasurement of post-employment benefit obligations		
Balance at the beginning of the year	(74.06)	(29.86)
Items that will not be reclassified to profit or loss		
- Remeasurements of post-employment benefit obligations	24.66	(44.20)
Balance at the end of the year	**(49.40)**	**(74.06)**
Effective portion of cash flow hedges		
Balance at the beginning of the year	86.67	(41.64)
Add: Change in fair value, net of tax	(86.67)	128.31
Balance at the end of the year	**-**	**86.67**
Hedge Reserve - cost of Hedging		
Balance at the beginning of the year	58.04	-
Add: Change in fair value, net of tax	(58.04)	58.04
Balance at the end of the year	**-**	**58.04**
Total Other Equity	**62,726.67**	**56,656.44**

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Capital reserve on amalgamation

Capital reserve on amalgamation is the difference between the consideration for acquisition of Sembcorp Gayatri Power Limited (SEIL-P2) and the amount of share capital and security premium of SEIL-P2 as per Ind AS 103 (Appendix C), Business combinations of entities under common control.

Other reserves

Other reserves include all other transactions with the owners in their capacity as owners, impact of changes in the ownership interest do not result in loss of control and fair value adjustments.

Retained earnings

Retained earnings mainly represents all current and prior periods profits as disclosed in the statement of profit and loss less dividend distribution, transfers to general reserve.

Other comprehensive income (OCI)

Effective portion of cash flow hedges

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instrument related to hedged transactions that have not yet occurred.

This mainly represents the net change in fair value of forward element of the hedging instrument.

2.12 Long term Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured From banks		
Rupee term loans	-	54,290.83
Foreign currency non repatriable (FCNR) term loan*	-	15,382.15
Unsecured From banks		
Rupee term loans	34,747.76	-
	34,747.76	**69,672.98**

Details of securities given, repayment terms and other details are given below:

Long-term borrowings in the Company	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
	Secured loans	
Rupee term loans of Rs. NIL (March 31, 2022: 32,232.39 million) from banks for SEIL – P1	The Rupee Term Loans in respect of facility - I and II carry an interest of SBI MCLR plus 1.25% p.a. Interest rate applicable during the year was 7.75% to 9.15% (March 31, 2022: 8.20% to 8.25% p.a.). Rupee Term Loan facility -I from banks are repayable in 79 quarterly structured unequal instalments commenced from December 31, 2016 and Rupee Term Loan facility - II from banks are repayable in 77 quarterly structured unequal instalments commenced from June 30, 2017.	First ranking pari passu charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of lease land situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL P1. NIL (March 31 2022: 643,970,442) equity shares of Rs.10 each of the Company, fully paid up are pledged by the holding company.
Rupee term loans of Rs. NIL (March 31, 2022: 25,947.69 million) from banks for SEIL - P2	Rupee term loans carry an interest of SBI one year MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.25% to 8.60% (March 31, 2022: 8.20% to 9.15% p.a.). Rupee term loans facilities are repayable in 78 quarterly structured unequal instalments commenced from September 30, 2017	First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL - P2. Further, the holding company has pledged NIL (March 31 2022: 408,480,080) equity shares of Rs. 10 each of the Company for borrowings availed by SEIL – P2 and also have given corporate guarantees to cover the outstanding balance.
Foreign currency non repatriable (FCNR) term loan of Rs. NIL (March 31, 2022: 16,586.88 million) for SEIL - P1 and P2	FCNR term loans tenure is 7 to 365 days from the date of conversion and these loans are repayable in one lump sum on the date of maturity. As per the terms of FCNR term loan agreements, the company can rollover the facility (or) can convert it into Rupee term loans. The business model of the company is either to rollover or conversion into Rupee term loans. The company has classified the borrowings in the financial statements as per the original Rupee term loan agreement and repayments during the year have been honored as per original Rupee term loan agreement. The rate of interest applicable on these FCNR term loans is at 12 months LIBOR plus Spread plus Hedging cost plus upfront conversion cost (All in cost is in range of 7.75% to 7.93% (March 31, 2022: 7.42% to 7.93% p.a.). The Company has obtained hedge contract on principle and interest payable.	The FCNR is secured as per the rupee term loan with respective lenders as mentioned above.
	UNSECURED LOANS	
Rupee term loans of Rs. 37,766.73 million (March 31, 2022: NIL) from banks	During the year Rupee term loans carries interest rate in the range of 7.81% to 9.32% p.a) (March 31, 2022: NIL.)	Rupee term loans are secured by corporate guarantee of erstwhile holding company Sembcorp Utilities Pte Ltd.

* As on March 31, 2022, the Company had converted Rupee term loan of Rs. 16,513.18 million of SEIL-P1 for a period of 90 to 363 days.

During the year, the Company has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

Notes to the standalone financial statements

for the year ended March 31, 2023

2.13 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Derivative liabilities on fair valuation of financial instruments^		
Derivatives designated as cash flow hedge		
- Fair value of forward contracts	-	250.50
Others		
Amount payable for purchase of property, plant and equipment [refer note 2.28 (III)]	458.66	453.76
Amount payable for purchase of property, plant and equipment (dues of micro and small enterprises)	0.16	5.20
Interest accrued on borrowings (refer note 2.12)	7.36	3.95
Amount payable for Retention money payable [refer note 2.28 (III)]	7202.36	6,887.61
Accrued employee liabilities	182.40	609.23
Other payables (refer note 2.46)	319.44	-
	8,170.38	**8210.25**

^ The Company exposure to currency and liquidity risk related to above derivative assets are disclosed in note 2.41

2.14 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Provision for employee benefits		
- Gratuity (net) (refer note 2.34 and 2.46)	-	29.13
	-	**29.13**
Current		
Provision for employee benefits		88.94
- Compensated absences (refer note 2.46)	66.88	
	66.88	**88.94**

2.15 Deferred tax liabilities

Deferred tax asset and liabilities attributable to the following

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities on:		
Excess of depreciation on Property, plant and equipment under Income Tax law over depreciation provided in accounts	17,075.94	15,625.43
Fair value adjustment of current investments	1.01	6.71
Unamortised part of prepayment expenses	43.94	76.16
Lease liabilities	10.57	11.23
	17,131.46	**15,719.53**
Deferred tax assets on:		
Allowance for expected credit loss	52.15	294.10
Provision for employee benefits	56.70	168.88
Temporary diff on carrying value of Trade receivables	225.61	-
Interest carried forward under Section 94B of the Income-tax law	2,665.06	3,557.47
Business carry forward loss and Unabsorbed depreciation	10,950.04	10,702.28
Unrealised Forex loss on capital creditor	-	53.64
Lease liability	14.21	15.46
Hedge reserve	-	60.34
	13,963.77	**14,852.17**
Net deferred tax liability/ (asset)	**3,167.69**	**867.36**

Notes to the standalone financial statements

for the year ended March 31, 2023

2.16 Other liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Contract liabilities	42.37	24.71
Dues to statutory authorities	292.56	220.50
Liability towards corporate social responsibility	58.17	12.04
Other payables [refer note 2.28 (III)]	5,558.57	5,558.51
	5,951.67	**5,815.76**

2.17 Short-term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Current maturities of long-term borrowings	-	5,093.98
Working capital demand loans	-	4,749.72
Bills discounting (refer note no. 2.8)	-	2,990.48
Unsecured		
Current maturities of long-term borrowings	3,018.97	-
Working capital demand loans	5,948.00	-
Commercial papers	23,552.94	2,481.84
	32,519.91	**15,316.02**

Details of securities given, repayment terms and other details are given below:

Short-term borrowings in the company	Interest rate and repayment terms of the short-term borrowings	Security terms of the short-term borrowings
		SECURED LOANS
Working capital demand loans from banks including buyer's credit of Rs. NIL (March 31 2022: 4,749.72 million) for SEIL – P1 and P2	During the year working capital demand loans carries interest rate in the range of 4.80% to 9.10% p.a. (March 31, 2022: 4.00% to 7.00% p.a.) and tenure upto 180 days from the date of draw down and cash credits are repayable on demand.	Short-term borrowings for SEIL-P1 Secured by mortgage pari passu first charge of registered mortgage of freehold land of 160 sq. mt. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL – P1. Borrowings to the extent of Rs. 2,000 million from Development Bank of Singapore Limited is secured by corporate bank guarantee from Sembcorp Utilities Pte, Ltd. Short-term borrowings for SEIL-P2 Secured by first ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs at Village Zaap, Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL – P2 The fund based working capital facilities from Development Bank of Singapore and Hongkong and Shanghai Banking Corporation Limited are secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd. Federal Bank working capital limits of Rs. 4,000 million is unsecured facility Working Capital limits of Standard Chartered Bank of Rs 3,000 million is secured by Corporate Guarantee of Sembcorp utilities Pte Ltd.

Notes to the standalone financial statements

for the year ended March 31, 2023

Details of securities given, repayment terms and other details are given below: (Contd.)

UNSECURED LOANS		
Working capital demand loans from banks of Rs. 5,948.00 million (March 31, 2022: NIL)	During the year working capital demand loans carries interest rate in the range of 8.00% to 9.65% p.a. (March 31, 2022: NIL) and tenure upto 180 days from the date of draw down and cash credits are repayable on demand.	Working capital demand loans are secured by Corporate Guarantee of erstwhile holding company Sembcorp utilities Pte Ltd.
Commercial papers of Rs. 23,552.94 million (March 31, 2022: 2,481.84 million).	During the year Commercial paper carries an interest rate in the range of 3.95% to 8.87% p.a. (March 31, 2022: 4.35% to 4.45%).	Commercial papers are secured by Corporate Guarantee of erstwhile holding company Sembcorp utilities Pte Ltd.

The Company has borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed are in agreement with the books of accounts.

During the year, the Company has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

During the year, the Company prepaid its term loans aggregating to Rs. 63,301 million with an intent to simplify the financing terms and reduce the interest cost. Source of funds for prepayment of the above said term loans includes internal accruals, new long-term loans and also bridge finance with issuance of commercial papers of Rs. 20,000 million with maturity of upto 1 year. The Company intends to replace the commercial papers borrowing with funds from long-term sources.

2.18 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues to micro and small enterprises (refer note 2.35)	82.74	25.54
Total outstanding dues to other than micro and small enterprises		
- related parties (refer note 2.42)	-	65.38
- others	5,068.40	4,761.15
	5,151.14	**4,852.07**

Trade payables aging schedule

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding for following periods from due date of payment		
(i) Undisputed micro and small enterprises		
Unbilled payables	49.86	12.12
Not due	32.88	13.42
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**82.74**	**25.54**
(ii) Undisputed Others		
Unbilled payables	4,483.17	3,191.93
Not due	585.23	1,633.10
‘Less than 1 year	-	-

Notes to the standalone financial statements

for the year ended March 31, 2023

Trade payables aging schedule (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
1-2 years	-	1.50
2-3 years	-	-
More than 3 years	-	-
Total	**5,068.40**	**4,826.53**

The Company's exposure to currency and liquidity risks related to trade payables are disclosed in note 2.41.
The Company does not have any disputed trade payables outstanding as at March 31, 2023 and March 31, 2022.

2.19 Current tax liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxes (net of advance tax: Rs.63.14 million, (March 31, 2022: Rs. 63.14 million)	149.48	149.48
	149.48	**149.48**

2.20 Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of electricity	93,734.04	76,766.78
Other operating revenues:		
-Sale of fly ash	151.96	124.22
	93,886.00	**76,891.00**
a. Reconciliation of revenue from electricity recognised with the contracted price is as follows:		
Contract price	95,355.54	77,193.58
Adjustments for:		
Rebates	(241.42)	(60.85)
Deviation settlement charges	(1,153.96)	(662.27)
Unearned income	-	296.32
Commission/ penalty charges	(226.12)	-
	93,734.04	**76,766.78**
b. Changes in contract liabilities*		
Balance at the beginning of the year	24.71	313.47
Add: Amount received during the year	220.69	166.42
Less: Amount recognised as revenue/other adjustments during the year	(203.03)	(455.18)
Balance at the end of the year	**42.37**	**24.71**

c. Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

d. Refer note 2.32 for Revenue disaggregation by geography

Notes to the standalone financial statements

for the year ended March 31, 2023

2.21 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income from financial assets measured at amortised cost	300.64	264.67
Net gain on financial assets measured at FVTPL	77.39	81.62
Late payment surcharges recovered from customers	2,701.65	989.50
Unwinding of discount on trade & late payment surcharge receivables (refer note 2.48)	1,008.26	-
Insurance claims recovered	43.10	-
Gain on derivative contracts, net at FVTPL	18.70	29.98
Gain on sale of property, plant and equipment, net	-	0.42
Scrap sales	76.81	55.33
Miscellaneous income	0.09	0.18
	4,226.64	**1,421.70**

2.22 Cost of fuel

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Coal and fuel cost	65,178.26	46,729.68
	65,178.26	**46,729.68**

2.23 Transmission charges

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Transmission charges	3,806.83	3,113.82
	3,806.83	**3,113.82**

2.24 Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	1,586.04	2,166.92
Contribution to provident and other funds (refer note 2.34)	93.91	80.83
Employee share based expenses (refer note 2.43)	97.13	136.20
Staff welfare expenses	104.65	92.62
	1,881.73	**2,476.57**

2.25 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on financial liabilities measured at amortised cost	6,485.83	10,187.00
Unwinding of discount on lease liabilities (refer note 2.31)	5.62	6.41
Other borrowing costs	1,464.11	699.31
	7,955.56	**10,892.72**

2.26 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	5,893.65	6,659.90
Depreciation on right to use assets (refer note 2.31)	40.50	27.38
Amortisation on intangible assets	6.61	5.12
	5,940.76	**6,692.40**

Notes to the standalone financial statements

for the year ended March 31, 2023

2.27 Operating and other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores, spares and consumables	877.39	925.86
Repairs and maintenance		
- Buildings and civil works	80.89	50.05
- Plant and equipment	1,083.19	1,058.02
- Others	8.19	14.95
IT maintenance expenses	126.34	125.01
Travelling and conveyance	40.49	21.43
Insurance	429.49	475.62
Vehicle hire charges	57.39	54.62
Security charges	59.42	56.44
Legal and professional expenses (refer note 2.37)	246.65	272.59
Technical support services (refer note 2.46)	111.98	-
Health and safety expenses	50.30	38.15
Expenditure on corporate social responsibility (refer note 2.36)	92.00	52.58
Rates and taxes	20.27	27.32
Rent (refer note 2.31)	2.39	3.56
Training and seminar	6.19	10.92
Printing and stationery	2.89	3.05
Directors' sitting fee	7.79	6.37
Commission charges	151.88	12.13
Communication expenses	14.83	13.50
Advertisement expenses	9.58	6.35
Loss on foreign currency transactions and translation (net)	265.59	132.38
Property, plant and equipment written off	3.25	0.26
Miscellaneous expenses	41.09	38.51
	3,789.47	**3,399.67**

2.28 Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
I) Claims against the Company not acknowledged as debt in respect of:		
(i) Income tax	730.83	730.83
(ii) Stamp duty (refer note a below)	-	-
(iii) Buildings and other construction works cess (BOCW Cess)	287.21	287.21
(iv) Entry tax	150.62	150.62
(v) Service tax (refer note b below)	798.13	798.13
(vi) Township construction contract works (refer note c below)	149.92	149.92
(vii) Goods and services tax (refer note d below)	1,108.27	1,108.27
(viii) Others (refer note e, f and g below)	Amount not ascertainable	Amount not ascertainable
	3,224.98	**3,224.98**
II) Bank guarantees with customs and others		
Bank guarantees with customs and excise	3,827.83	8,345.24
Bank guarantees for PPA and other commitments	7,778.18	8,714.90
	11,606.01	**17,060.14**

Notes to the standalone financial statements

for the year ended March 31, 2023

Notes:

a. Based on the Warranty and Indemnity agreement dated February 1, 2014 entered between the Company and NCC Limited ('EPC Contractor') and other counterparts, the liability, if any arising on account of dispute relating to the Company, would be to the account of EPC Contractor. Accordingly, there would not be any impact on the financial position of the Company on account of Stamp duty relating to the Company.

b. During the previous year, order has been passed by the office of the Principal Commissioner of Central Tax, Hyderabad consequent to the audit memo and show cause notice issued in the previous years towards levy of service tax on liquidated damages claim on EPC Contractor by SEIL. The order was issued for tax demand, interest and penalty of Rs. 796.80 million and Rs. 1.33 million respectively towards service tax on liquidated damages and reimbursement of expenses to SCU respectively. The Company has filed appeal with the appellate tribunal on March 20, 2020 and also deposited 7.5% tax thereon and the hearing is currently awaited. CESTAT vide its order dated April 21, 2023, allowed the appeal in favour of the company in respect of service tax demand of Rs.796.80 million on Liquidated damages. However, the appeal in the matter of applicability of service tax under reverse charge mechanism on reimbursement of expenses to Sembcorp Utilities Pte ltd amounting to Rs. 1.33 Million was rejected.

c. The Company had earlier entered into a contract with a vendor for construction of township at Nellore for an amount of Rs. 454.06 million. The contract was completed on October 31, 2017 and the full and final settlement was agreed with the vendor on December 15, 2017. Final payment was released by the Company on November 15, 2018. During the earlier years, the vendor sought additional compensation of Rs. 149.91 million (approx.) from the Company for additional work executed, damages, loss of profits, recovery of liquidated damages etc., sought appointment of an arbitrator and also filed proceedings application under Section 11 of Arbitration and Conciliation Act, 1996 against the Company before the Hon'ble High Court of Telangana. The Company is contesting the matter and has obtained legal opinion on the validity of the claims. As per the legal opinion, Company has a good arguable case in its favour and no adjustment required in books of accounts.

d. During the year, Assistant Commissioner (State Tax), Nellore in its order has confirmed a demand for Goods & Services Tax (GST) for an amount of Rs. 639.18 million (of which Rs. 366.67 million pertains to FY 2017-18 and Rs. 272.51 million for FY 2018-19) along with interest of Rs. 405.17 million and penalty of Rs. 63.92 million aggregating to a total tax demand of Rs. 1,108.27 million against the earlier Show Cause Notices (SCNs) issued for levy of GST on Transmission charges incurred and reimbursed by the Company. The Company has obtained an expert opinion and filed its reply to the said authorities contending that such transmission charges are not subject to GST. Considering the facts of the case and expert opinion obtained, the company believes it has a good case in its favour and no adjustments are required in the financial statements.

e. The Company is contesting legal cases in the local courts against the claims made on certain portion of the project lands, under dispute and amount is not ascertainable.

f. The Company has a process whereby periodically all long-term contracts including derivative contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that there are no material foreseeable losses on such long term contracts which needs to be provided for in the books of account and the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts.

g. On February 28, 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, considering that there are numerous interpretative issues relating to retrospective application of this judgement, the Company has assessed the impact of the matter and concluded that there is no material impact on the financial statements. The Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject.

III) Liquidated damages and bank guarantee encashment:

In earlier years the Company raised a claim of Rs. 2,882.50 million and of US$ 9.04 million towards liquidated damages on one of its EPC contractor for delay in the achievement of provisional acceptance for which the Company had to incur additional cost to commence operations and encashed performance bank guarantee of Rs. 516.00 million on April 19, 2017 and Rs. 2,915.00 million on November 3, 2017 respectively. Also, a claim of US $ 40.97 million was raised on EPC equipment suppliers consortium towards the delay in agreed delivery schedule and non-achievement of project provisional acceptance.

The EPC contractor had invoked Arbitration proceedings and filed its statement of claims of Rs. 15,579.00 million with interest. The Company filed its statement of defence along with a counter claim of Rs. 10,127.00 million and US$ 9.04 million.

The tribunal has noted the statements made by the counsels for the parties that they intend to settle certain claims and counter claims and post negotiations they will file application before the tribunal. Based on the statement of defence filed by the Company and legal counsel view, the Company believes it has a good case in its favour and no adjustment is required in the financial statements.

Notes to the standalone financial statements

for the year ended March 31, 2023

IV) Electricity duty demand:

During earlier years, the Company received an intimation from the Chief Electrical Inspector, Government of Andhra Pradesh ('GoAP') , whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to Rs.1,493.62 million. Based on the internal assessment and legal opinion obtained advice received by the Company, the management believes that the provisions of Electricity Duty Act, and Rules, 1939 in respect of payment of electricity duty are not applicable to the Company and accordingly no adjustments has been made in financial statements of the Company for the year ended March 31, 2023.

2.29 Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs.463.98 million (March 31, 2022: Rs. 192.07 million).

2.30 Earnings per equity share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net profit for the year	6,214.57	1,423.65
Number of equity shares		
Number of shares at the beginning of the year	5,433,668,574	5,433,668,574
Weighted average number of equity shares outstanding during the year	**5,433,668,574**	**5,433,668,574**
Earnings per equity share (face value of share Rs.10 each)		
- Basic and diluted (refer note below)	1.14	0.26

Note: The Company did not have any potentially dilutive securities in any of the years presented.

2.31 Right-of-use assets and leases

The amount recognised in the Balance Sheet for the right-of-use assets and lease liability are as follows:

Particulars	Gross carrying amount	Accumulated depreciation	Net carrying amountss
As at March 31, 2023			
Leasehold land	628.57	42.70	585.87
Buildings	103.72	71.46	32.26
Vehicle	11.54	6.72	4.82
Total	**743.83**	**120.88**	**622.95**
As at March 31, 2022			
Leasehold land	622.50	12.93	609.57
Buildings	97.76	63.61	34.15
Vehicle	11.54	3.84	7.70
Total	**731.80**	**80.38**	**651.42**

Lease liability (Financial liability)	As at March 31, 2023	As at March 31, 2022
Present value of lease liability		
Current	19.48	17.49
Non- current	36.99	43.90
Maturity analysis - Undiscounted cash flows		
0 - 1 year	23.06	27.40
1 - 5 years	36.76	51.77
More than 5 years	11.57	18.21

The amount recognised in the statement of profit and loss for the year ended March 31, 2023 for the right-of-use assets and lease liability are as follows:

Notes to the standalone financial statements

for the year ended March 31, 2023

Leasehold land and buildings	Depreciation charged on right-of-use assets	Unwinding of Interest expense on lease liabilities
Vehicle	2.88	0.65
Leasehold land	26.04	0.58
Buildings	11.57	4.39
Total	**40.49**	**5.62**

The amount recognised in the statement of profit and loss for the year ended March 31, 2022 for the right-of-use assets and lease liability are as follows:

Leasehold land and buildings	Depreciation charged on right-of-use assets	Unwinding of Interest expense on lease liabilities
Vehicle	2.88	0.91
Leasehold land	13.13	0.49
Buildings	11.37	5.01
Total	**27.38**	**6.41**

Further, the Company incurred Rs. 2.39 million (March 31, 2022: Rs. 3.56 million) towards expenses relating to short-term leases and leases of low-value assets for the year ended March 31, 2023.

Lease contracts entered by the Company majorly pertains to land taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is Rs. 22.57 million (March 31, 2022: Rs. 17.79 million) for the year ended March 31, 2023.

2.32 Segment reporting

The Company is engaged in the business of generation of power, which in the context of Ind AS 108 - "Operating Segments", notified by the Companies (Indian Accounting Standards) Rules, 2015 is considered the only operating segment. Since the operations of the Company exist in India and Bangladesh and all its assets are located only in India, disclosures under paragraphs 32-34 of Ind AS 108 are not required. Revenue to specific customers exceeding 10% of total revenue for the years ended March 31, 2023 and March 31, 2022 were as follows:

Customer name	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Revenue	%	Revenue	%
Telangana State Government utilities	31,401.97	33.45%	30,226.32	39.37%
Indian Energy Exchange (IEX)	15,978.47	17.02%	22,416.67	29.20%
Andhra Pradesh State Government utilities	10,499.27	11.18%	7,310.80	9.52%
PTC India Limited	16,338.76	17.40%	-	-
Bangladesh Power Development Board	12,359.28	13.16%	10,174.18	13.25%

Geographical segments

Revenues, net	For the year ended March 31, 2023	For the year ended March 31, 2022
India	81,526.72	66,716.82
Bangladesh	12,359.28	10,174.18
Total	**93,886.00**	**76,891.00**

The total of non-current assets other than tax assets, broken down by location of the assets, is shown below:

Non-current assets	As at March 31, 2023	As at March 31, 2022
India	149,637.28	153,589.48
Bangladesh	-	-
Total non-current assets	**149,637.28**	**153,589.48**

Notes to the standalone financial statements

for the year ended March 31, 2023

2.33 Changes in liabilities arising from financing activities

Particulars	Lease liabilities	Borrowings	Total
As at April 1, 2021	**(72.77)**	**(132,372.57)**	**(132,445.34)**
Net cash flows	2.12	46,186.01	46,188.13
Foreign exchange movement and borrowing cost	-	1,197.56	1,197.56
Remeasurement of lease liabilities	2.85	-	2.85
Unwinding of discount on lease liabilities	6.41	-	6.41
As at March 31, 2022	**(61.39)**	**(84,989.00)**	**(85,050.39)**
Net cash flows	22.57	17,736.88	17,759.45
Foreign exchange movement and borrowing cost	-	(15.55)	(15.55)
Remeasurement of lease liabilities	(12.03)	-	(12.03)
Unwinding of discount on lease liabilities	(5.62)	-	(5.62)
As at March 31, 2023	**(56.47)**	**(67,267.67)**	**(67,324.14)**

2.34 Assets and liabilities relating to employee benefits

i. Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contribution to provident fund charged to the statement of profit and loss is Rs. 65.99 million (March 31, 2022: Rs. 65.76 million).

ii. Defined benefit plan

The Company provides gratuity for its employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. Liability with regard to this plan is determined by an actuarial valuation as at the end of the period and are charged to the statement of profit and loss.

A. Funding

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

	Particulars	As at March 31, 2023	As at March 31, 2022
B.	**Reconciliation of the present value of defined benefit obligation**		
	Balance at the beginning of the year (As reported earlier)	169.04	103.25
	Current service cost	25.20	17.37
	Interest cost	12.02	7.01
	Benefits paid	(6.94)	(5.06)
	Actuarial (gains)/loss recognised in the comprehensive income		
	- experience adjustments	(3.58)	(0.77)
	- changes in financial assumptions	(2.93)	46.32
	- demographic assumptions	(3.40)	0.92
	Liabilities assumed/ (Settled) (Refer note 2.46)	(33.25)	-
	Balance at the end of the year	**156.16**	**169.04**

Notes to the standalone financial statements

for the year ended March 31, 2023

	Particulars	As at March 31, 2023	As at March 31, 2022
C.	**Reconciliation of the present value of plan assets**		
	Balance at the beginning of the year	139.91	118.54
	Contributions made into the plan by employer	25.19	16.39
	Benefits paid	(6.94)	(5.06)
	Expected return on plan assets	10.05	8.18
	Actuarial loss on plan assets	(1.86)	1.86
	Balance at the end of the year	**166.35**	**139.91**
	Net defined benefit obligation/(asset)	**(10.19)**	**29.13**
	Disclosure in the balance sheet:		
	Non-current	10.19	(29.13)
	Current	-	-

D. Expense recognized in the statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	25.20	17.37
Interest cost on obligation	12.02	7.01
Interest income on plan assets	(10.05)	(8.18)
	27.17	**16.20**
Remeasurements recognised in Other comprehensive income		
Actuarial loss on defined benefit obligation	(9.91)	46.47
Actuarial loss on planned asset	1.86	(1.86)
	(8.05)	**44.61**

E. Plan assets comprise of the following:

Particulars	As at March 31, 2023	As at March 31, 2022
New Group Gratuity Cash Accumulation Plan with LIC	166.38	139.91

F. Summary of actuarial assumptions

Demographic assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Attrition rate		
21 - 30 years	10.00%	8.00%
31 - 50 years	5.00%	2% - 4%
51 year and above	10.00%	2.00%
Financial assumptions		
Discount rate	7.45%	7.25%
Future salary growth rate	8.00%	8.00%

The estimates of future salary increase considered in actuarial valuation, takes account of inflation seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amount shown below:

Notes to the standalone financial statements

for the year ended March 31, 2023

Particulars	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Increase/(Decrease) in liability				Increase/(Decrease) in liability	
Discount rate	0.50%	0.50%	(6.96)	(9.80)	7.50	10.70
Salary growth rate	0.50%	0.50%	7.43	10.58	(6.95)	(9.78)

G. Asset-liability matching strategy

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity payables falling due during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

H. Maturity profile of the defined benefit obligation

Expected cash flows for the following years (valued on undiscounted basis)

Particulars	As at March 31, 2023	As at March 31, 2022
Within 1 year	12.80	6.29
2 to 5 years	55.03	34.62
6 to 9 years	51.90	59.53
For year 10 and above	250.99	394.95

iii. Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the statement of profit and loss amounting to Rs.Nil million (March 31, 2022: Rs. 29.25 million).

2.35.Details of dues to micro and small enterprises as defined under Micro, Small and Medium Enterprises Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') is not expected to be material.

Particulars	As at March 31, 2023	As at March 31, 2022
the amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	82.74	25.54
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006);	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-

Notes to the standalone financial statements

for the year ended March 31, 2023

2.35.Details of dues to micro and small enterprises as defined under Micro, Small and Medium Enterprises Act, 2006 (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purposes of disallowances as a deductible expenditure under the MSMED Act, 2006;	-	-

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

2.36 Details of Corporate social responsibility expenditure

As per Section 135 of the Companies Act 2013, the Company has formed a Corporate Social Responsibility ('CSR') Committee. The CSR Committee approved CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, have been identified to incur CSR expenditure. Nature of CSR activities are Health, education, Skill and Entrepreneurship Development programmes and Other emergency interventions.

Amount spent during the year on:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent by the Company during the year	92.00	56.11
Less: Excess amount available for set off from FY 2020-21	-	3.53
Net Amount required to be spent by the Company during the year	92.00	52.58
Amount of expenditure incurred during the year relating to F.Y 2021-22	12.04	40.54
Amount of expenditure incurred during the year relating to F.Y 2022-23	33.83	-
Amount of shortfall for the year	58.17	12.04
Amount of cumulative shortfall at the end of the year	58.17	12.04

The Company has incurred Rs. 45.87 million (March 31, 2022: Rs 40.54 million) during the year towards certain activities in relation to Health, education and Skill and Entrepreneurship Development programmes. The shortfall is on account of delay in executing certain ongoing projects and has been deposited with a designated bank account.

2.37 Auditor's remuneration (including taxes)

Particulars	As at March 31, 2023	As at March 31, 2022
- Statutory audit fee	3.63	3.30
- Other services	6.52	6.02
- Reimbursement of expenses	0.67	0.19
	10.82	**9.51**

2.38 Deferred tax

i) Movement in temporary differences

Particulars	As at April 01, 2022	Impact in Profit and loss	Impact in OCI	As at March 31, 2023
Deferred tax liabilities (DTL)				
Excess of depreciation allowable under Income-tax law over depreciation provided in books	15,625.43	1,450.51	-	17,075.94
Unamortised part of borrowing costs	76.16	(32.22)	-	43.94
Fair value adjustment of current investments	6.70	(5.69)	-	1.01
On ROU assets	11.23	(0.66)	-	10.57
	15,719.52	**1,411.94**	-	**17,131.46**

Notes to the standalone financial statements

for the year ended March 31, 2023

2.38 Deferred tax (Contd.)

i) Movement in temporary differences

Particulars	As at April 01, 2022	Impact in Profit and loss	Impact in OCI	As at March 31, 2023
Deferred tax asset (DTA)				
Allowance for expected credit loss	294.09	(241.94)	-	52.15
Provision for employee benefits	168.88	(128.80)	16.61	56.69
Temporary diff on carrying value of Trade receivables	-	225.61	-	225.61
Interest carried forward under Section 94B of the Income-tax law	3,557.47	(892.41)	-	2,665.06
Unabsorbed depreciation/carried forward tax losses	10,702.29	247.76	-	10,950.05
Unrealised Forex loss on capital creditor	53.64	(53.64)	-	-
Lease liability	15.45	(1.24)	-	14.21
On Hedge reserve	60.34	-	(60.34)	-
	14,852.16	**(844.66)**	**(43.73)**	**13,963.77**
Net deferred tax liabilities	**867.36**	**2,256.60**	**43.73**	**3,167.69**

Particulars	As at April 01, 2021	Impact in Profit and loss	Impact in OCI	As at March 31, 2022
Deferred tax liabilities (DTL)			-	15,625.43
Excess of depreciation allowable under Income-tax law over depreciation provided in books	14,229.25	1,396.18	-	76.16
Unamortised part of borrowing costs	104.88	(28.72)	-	6.70
Fair value adjustment of current investments	10.13	(3.43)	-	11.23
On ROU assets	-	11.23	-	15,719.52
	14,344.26	**1,375.26**		
Deferred tax asset (DTA)			-	
Allowance for expected credit loss	195.42	98.67	-	294.09
Provision for employee benefits	46.22	122.66	-	168.88
Interest carried forward under Section 94B of the Income-tax law	3,495.69	61.78	-	3,557.47
Unabsorbed depreciation/carried forward tax losses	10,606.93	95.36	-	10,702.29
Unrealised Forex loss on capital creditor	-	53.64	-	53.64
Lease liability	-	15.45	60.34	15.45
On Hedge reserve	-	-	60.34	60.34
	14,344.26	**447.56**	**(60.34)**	**14,852.16**
Net deferred tax assets	**-**	**927.70**	**(60.34)**	**867.36**

ii) Tax Expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax (credit)	-	(252.15)
Deferred tax expense	2,256.60	927.70
Total	**2,256.60**	**675.55**
Tax effect on items classified under other comprehensive income	**43.73**	**(60.34)**
	2,300.33	**615.21**

Notes to the standalone financial statements

for the year ended March 31, 2023

iii) Reconciliation of effective tax rate

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before tax (a)	8,471.17	2,099.20
Domestic tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	**2,132.02**	**528.33**
Effect of		
Non deductible expenses(i.e., deemed interest expenses masala bond, loss on sale of assets)	23.97	116.13
Deferred Tax asset not created on temporary differences / unabsorbed depreciation or carried forward losses	-	-
Deferred tax not recognised on Capital loss on sale of Investment	-	615.62
Utilisation of unrecognised Deferred tax asset	-	(256.56)
Income taxes related to prior years	-	(252.15)
Others	100.61	(75.82)
Income tax expense (b)	**2,256.60**	**675.55**

2.39 Capital management

The Company aims to maintain sound capital base so as to maintain investor, creditor and market confidence and to sustain future development and growth of its business, while at the same time maintaining an appropriate dividend policy to reward shareholders. The Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company seeks to maintain a balance between the higher returns that might be possible with highest levels of borrowings and the advantages and security afforded by a sound capital position. Capital is defined as equity attributable to the equity holders. Debt consists of non-current borrowings, current borrowings and current maturities of long-term borrowings.

The Company's debt to equity ratio as at the balance sheet date is as follows:

Particulars		As at March 31, 2023	As at March 31, 2022
Debt	A	67,267.67	84,989.00
Total equity	B	117,063.36	110,993.13
Total debt and equity		**184,331.03**	**195,982.13**
Debt-to-equity ratio	**(A/B)**	**0.57**	**0.77**

Notes to the standalone financial statements

for the year ended March 31, 2023

2.40 Ratios

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance
a. Current ratio (times)	Current assets	Current liabilities	1.08	1.79	-39%
Decreased due to prepayment of long term borrowings from surplus funds and additional short term borrowings					
b. Debt equity ratio (times)	Total Debt= Long term and short term loan	Total equity	0.57	0.77	-25%
Improvement in debt equity ratio is due to prepayment of rupee term loans in the current year					
c. Debt service coverage ratio (times)	Earnings before interest, depreciation, tax and exceptional item	Interest expense + Principal repayment for the next year of borrowings excluding working capital loan	2.16	1.39	55%
Increase in debt service coverage ratio due to prepayment of rupee term loans in the current year					
d. Return on equity (%)	Net profit after taxes	Average Shareholder's Equity	5.45%	1.29%	322%
Increase in return on equity is due to higher profits in the current year					
e. Inventory turnover ratio (in days)	Cost of fuel & spares consumption	Average Inventory	48	46	5%
f. Trade receivables turnover ratio (in days)	Revenue	Average trade receivables	150	164	-9%
g. Trade payables turnover ratio (in days)	Cost of fuel & Transmission charges	Average trade payables	26	25	8%
h. Net capital turnover ratio (times)	Revenue	Working capital	21.82	2.84	669%
Increased due to prepayment of long term borrowings from surplus funds and additional short term borrowings.					
i. Net profit ratio (%)	Net profit after taxes	Revenue	6.62%	1.85%	258%
Increase in net profit ratio is due to higher profits in the current year					
j. Return on capital employed (%)	Earnings before interest & taxes (EBIT)	Capital employed	8.76%	6.60%	33%
Increase in return on capital employed is due to higher EBIT in the current year					
k. Return on investments (%)	Earnings before interest & taxes	Closing total Assets	7.93%	6.01%	32%
Increase in return on investments is due to higher EBIT in the current year					

Notes to the standalone financial statements

for the year ended March 31, 2023

2.41 Financial instruments - Fair values and risk management

A) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows:

As at March 31, 2023:

Details	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Investments - Mutual funds	2.7	157.44	-	-	157.44	157.44	-	-
Trade receivables	2.8	-	-	40,493.57	40,493.57	-	-	-
Cash and cash equivalents	2.9	-	-	1,029.92	1,029.92	-	-	-
Other bank balances	2.9	-	-	-	-	-	-	-
Other financial assets	2.3	-	-	2,185.25	2,185.25	-	-	
		157.44	-	**43,708.74**	**43,866.18**	**157.44**	-	
Borrowings	2.12 & 2.17	-	-	67,267.67	67,267.67	-	-	-
Trade payables	2.18	-	-	5,151.14	5,151.14	-	-	-
Lease Liabilities	2.31	-	-	56.47	56.47	-	-	-
Other financial liabilities	2.13	-	-	8,170.38	8,170.38	-	-	-
		-	-	**80,645.66**	**80,645.66**	-		

As at March 31, 2022:

Details	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Investments - Mutual funds	2.7	2,471.30	-	-	2,471.30	2,471.30	-	-
Trade receivables	2.8	-	-	36,785.74	36,785.74	-	-	-
Cash and cash equivalents	2.9	-	-	4,757.98	4,757.98	-	-	-
Other bank balances	2.9	-	-	2,039.50	2,039.50	-	-	-
Other financial assets	2.3	-	-	4,667.25	4,667.25	-	-	
		2,471.30	-	**48,250.47**	**50,721.77**	**2,471.30**	-	
Borrowings	2.12 & 2.17	-	-	84,989.00	84,989.00	-	-	-
Trade payables	2.18	-	-	4,852.07	4,852.07	-	-	-
Lease Liabilities	2.31	-	-	61.39	61.39	-	-	-
Other financial liabilities	2.13	-	250.50	7,959.75	8,210.25	-	250.50	-
			250.50	**97,862.21**	**98,112.71**	-	**250.50**	

Note:

Investments in subsidiaries have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purpose of measurement, the same are not disclosed in the table above.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

Valuation techniques and significant unobservable inputs

Investment in mutual funds:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Notes to the standalone financial statements

for the year ended March 31, 2023

Forward exchange / option contracts, Swap contracts and Commodity hedge contracts:

Foreign exchange forward/ option contracts, Interest rate swaps and commodity hedge contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

B) Financial risk management objectives and policies

The Company's activities exposed it to market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk and liquidity risk.

As part of the Company's Enterprise Risk Management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Company's liquidity, counterparty risk, foreign exchange and derivative transactions and financing.

The Company uses foreign exchange contracts, foreign exchange swaps, interest rate swaps, and various financial instruments to manage exposures to interest rate and foreign exchange risks arising from operating and financing activities. The Company uses commodity hedge contract to manage exposure for international coal prices. All such transactions must involve underlying assets or liabilities and no speculative transactions are allowed.

The financial authority limits/seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and commodity prices (coal) will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and reduce market risk exposures within acceptable parameters.

(i) Interest rate risk

The Company's exposure to market risk for changes in interest rate environment mainly relates to its debt obligations.

The Company's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts and long-term and short-term borrowings.

The Company enters into cross currency interest rate swaps to reduce its exposure to interest rate volatility. In accordance with the Company's policy the duration of such cross currency interest rate swaps must not exceed the tenure of the underlying debt.

The Company has entered into cross currency interest rate swap to hedge the interest rate exposure and currency exposure for external commercial borrowings and forward contracts / options for payments of interest and principle for FCNR term loans.

The Company's borrowings majorly consists of project funding loans and working capital loans having variable rate of interest.

The interest rate profile of the Company's interest-bearing instruments as reported to management is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate instruments		
Long term borrowings	37766.73	74766.96
	37766.73	**74766.96**

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Company's assets are located in India. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating and financing activities. The functional currency of the Company is Indian rupee. The currencies in which these transactions are primarily denominated in US dollars (USD) and Singapore dollar (SGD).

The Company evaluates the exposure and enters into foreign currency derivative instruments like forward contracts, cross currency swaps to mitigate the exposure.

The summary quantitative data about the Company's exposure to currency risk (based on notional reports) is as follows:

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for the year ended March 31, 2023

2.41 Financial instruments - Fair values and risk management (contd.)

Particulars	Currency	As at March 31, 2023		As at March 31, 2022	
		Indian Rupees	Foreign Currency	Indian Rupees	Foreign Currency
Financial assets					26.19
Trade receivables	USD	10,427.78	126.83	1,985.30	
Total financial assets		**10,427.78**		**1,985.30**	
Financial liabilities					(219.24)
Borrowings - ECB, FCNR and Buyer's credit	USD	-	-	(16,620.31)	(51.70)
Trade payables	USD	(3,025.20)	(36.80)	(3,930.22)	(1.16)
Trade payables	SGD	(133.25)	(2.15)	(64.65)	(52.65)
Other financial liabilities	USD	(4,328.50)	(52.65)	(3,991.04)	
Total financial liabilities		**(7,486.95)**		**(24,606.22)**	
Net financial liabilities		**2,940.83**		**(22,620.92)**	
Less: Derivatives					219.24
Foreign exchange forward contracts (against FCNR)	USD	-	-	16,620.31	
		-		16,620.31	15.45
Net deferred tax liabilities		**2,940.83**	927.70	**(6,000.61)**	3,167.69

Sensitivity analysis:

A reasonably possible strengthening /(weakening) of Indian rupee against US dollar as at balance sheet date would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Particulars	Profit/(loss)		Equity increase/(decrease), net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)				
As at March 31, 2023	(153.70)	153.70	(153.70)	153.70
As at March 31, 2022	296.80	(296.80)	296.80	(296.80)
SGD (5% movement)				
As at March 31, 2023	6.66	(6.66)	6.66	(6.66)
As at March 31, 2022	3.23	(3.23)	3.23	(3.23)

iii) Derivative financial instruments:

Cash Flow Hedges:

Cross currency interest rate swaps:

The Company has entered into currency swap contracts to cover the currency risk on USD external commercial borrowings. The Company has also entered into interest rate swap contracts, under which the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

Commodity hedge contracts:

The Company uses commodity hedge contracts to hedge the price risk of forecasted coal purchase transactions. The prices of imported coal purchases are linked to price fluctuations in international coal market. These contracts enable the Company to mitigate the risk of changing coal prices and corresponding cash outflows.

Forward contracts:

The Company uses foreign exchange forward contracts to hedge the currency risk on Interest portion of foreign currency denominated loans. These contracts enable the Company to mitigate the risk of change in foreign exchange rates and corresponding cash outflows.

Notes to the standalone financial statements

for the year ended March 31, 2023

Fair value hedges:

Forward contracts

The fair value of foreign exchange contracts which are not designated as cash flow hedges are accounted for based on the difference between the contractual price and the current market price.

The following table gives details in respect of outstanding nominal value and hedge contract details:

Particulars	Fair value of derivative asset/ (liability) (Rs in million)		Nominal values in Foreign currency (USD)		Nominal values	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Derivatives designated as cash flow hedges: Forward contracts In USD		(-0.82)		1.33		102.07
Derivatives not designated as cash flow hedge: Forward contracts and swaps In USD		(-249.68)		219.23		16976.25

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer, employee or counterparty to a financial instrument fails to meet it contractual obligation leading to financial loss. The Company is exposed to credit risk from its operating activities primarily for trade and unbilled receivables, and from its financing activities, including short-term deposits with banks, and other financial assets.

The carrying amounts of the financial assets as disclosed in note 2.8 represent the maximum credit risk exposure.

Trade receivables and Late payment surcharges receivables

The Company has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e. sale of power. The Company ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed undertakings which are sovereign backed and other large corporates.

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Company has adopted a policy of dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit worthiness of its customers are continuously monitored.

The Company also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of Trade receivables and Late payment surcharges receivables.

Impairment

The movement in Allowance for expected credit loss in respect of Trade receivables and Late payment surcharges receivables during the year is as follows:

Particulars	Allowance for expected credit loss	
	As at March 31, 2023	As at March 31, 2022
Trade receivables and Late payment surcharges receivables		
Balance at the beginning of the year	1,004.01	541.39
Movement in loss allowance	(796.81)	462.62
Balance at the end of the year	**207.20**	**1,004.01**

Notes to the standalone financial statements

for the year ended March 31, 2023

Other financial assets/ derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks and financial institutions (including derivatives contracts), investments in mutual funds.

Credit risk on cash and cash equivalents, other bank balances and derivative assets are limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks and financial institution, the Company does not expect these banks and financial institutions to fail in meeting their obligations.

Credit risk arising from investment in mutual funds is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The mutual funds are valued at market price prevailing at reporting date which represents the fair value.

The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price. The fair value of interest rate swaps and cross currency swaps are the indicative amounts that the Company is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Company is exposed to this risk from its operating activities and financing activities. The Company's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liability when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Company to meet its obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as of the reporting date.

As at March 31, 2023

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	37,774.09	6,436.69	38,577.60	8,818.95	53,833.24
Borrowings - short-term (excluding current maturities)	29,500.94	30,468.37	-	-	30,468.37
Trade payables	5,151.14	5,151.14	-	-	5,151.14
Other financial liabilities (excluding interest accrued on borrowings)	8,163.02	8,163.02	-	-	8,163.02
	80,589.19	**50,219.22**	**38,577.60**	**8,818.95**	**97,615.77**

As at March 31, 2022

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	74,770.91	11,149.66	40,845.47	67,808.77	119,803.90
Borrowings - short-term (excluding current maturities)	10,222.04	10,222.04	-	-	10,222.04
Trade payables	4,864.11	4,864.11	-	-	4,864.11
Other financial liabilities (excluding interest accrued on borrowings)	8,206.30	8,206.30	-	-	8,206.30
	98,063.36	**34,442.11**	**40,845.47**	**67,808.77**	**143,096.35**

*Contractual cash flows includes contractual interest payments based on the interest rate prevailing at the reporting date.

Notes to the standalone financial statements

for the year ended March 31, 2023

2.42 Related party disclosure

a) List of related parties

Name of the party	Nature of relationship
Sembcorp Industries Ltd, Singapore	Ultimate holding company (Upto January 18, 2023)
Sembcorp Utilities Pte Ltd, Singapore	Holding company (Upto January 18, 2023)
TPCIL Singapore Pte Ltd, Singapore	Subsidiary
Sembcorp Green Infra Limited, India	Subsidiary (Upto December 22, 2021)
Sembcorp Green Infra Limited, India	Entity under common control (w.e.f December 23, 2021 and Upto January 18, 2023)
Sembcorp India Private Limited, India	Entity under common control (Upto January 18, 2023)
Tanweer Infrastructure SAOC., Oman	Holding company (w.e.f January 19, 2023)
Osara Corporation SAOC	Ultimate holding company (w.e.f January 19, 2023)
Wong Kim Yin	Chairman (upto January 20, 2023)
Vipul Tuli	Managing Director (Upto January 18, 2023)
Looi Lee Hwa	Director Upto (November 30, 2022)
Eugene Chee Mun Zheng Zhiwen Cheng	Director (w.e.f May 1, 2021 and upto January 20, 2023)
Juvenil Jani	Chief Financial Officer (Upto December 31, 2022)
Narendra Ande	Company Secretary (upto February 28, 2023)
Tareq Mohamed Sultan Al Mugheiry	Chairman (w.e.f March 02, 2023)
Hamad Mohammad Hamood Al Waheibi	Director (w.e.f March 02, 2023)
Cyrus Erach Cooper	Director (w.e.f January 20, 2023)
Raghav Trivedi	Whole Time Director and CEO (w.e.f January 20, 2023)
Ajay Bagri	Chief Financial Officer (w.e.f January 20, 2023)
Rajeev Ranjan	Company Secretary (w.e.f March 01, 2023)
Radhey Shyam Sharma	Independent Director
Kalaikuruchi Jairaj	Independent Director
Sangeeta Talwar	Independent Director

b) The following are the transactions with related parties during the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent and utility expense		
Sembcorp India Private Limited	16.61	18.83
Consultancy expenses		
Sembcorp India Private Limited	21.67	-
Sembcorp Utilities Pte Ltd	92.41	178.67
Bank guarantee fees/ commission		
Sembcorp Utilities Pte Ltd	-	212.75
Interest expense on INR Denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd	-	3,140.73
Reimbursement of expenses		
Sembcorp Green Infra Limited	-	0.41
Sembcorp Utilities Pte Ltd	3.68	4.94
Share based expenses reimbursement		
Sembcorp Utilities Pte Ltd	97.13	136.20

Notes to the standalone financial statements

for the year ended March 31, 2023

b) The following are the transactions with related parties during the year (Contd.)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Repayment of INR Denominated notes		
Sembcorp Utilities Pte Ltd	-	42,400.00
Interest paid on INR Denominated notes (Net of TDS)		
Sembcorp Utilities Pte Ltd	-	9,548.63
Sale of investment in subsidiary		
Sembcorp Utilities Pte Ltd	-	52,321.20
Salaries to Key managerial person*		
Vipul Tuli	86.13	155.34
Juvenil Jani	24.32	36.42
Narendra Ande	4.83	6.42
Raghav Trivedi	39.26	-
Ajay Bagri	7.50	-
Rajeev Ranjan	0.80	-
Sitting fees to Directors (including taxes)		
Radhey Shyam Sharma	2.60	2.12
Kalaikuruchi Jairaj	2.60	2.12
Sangeeta Talwar	2.60	2.12

* Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

c) Details of related party balances are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Related party payables		
Sembcorp Utilities Pte Ltd (Trade payables)	-	64.65
Corporate guarantee given for external commercial borrowings/term loans		
Sembcorp Utilities Pte Ltd	-	25,947.69
(Represents the amount of facility outstanding)		

2.43 Share-based Payments

The Company participates in Share based plans of erstwhile ultimate holding company, Sembcorp Industries Limited (SCI) for its share-based remuneration arrangements which include Restricted Share Plan (SCI RSP) and Performance Share Plan (SCI PSP), collectively known as 'Share Plans 2010 and Share Plans 2020'. The SCI RSP is for directors and employees of the Company, whereas the SCI PSP is primarily for key executives of the Company. The details of share plans are as follows:

a) SCI Restricted Share Plan (RSP)

The number of the restricted share awards granted are based on the achievement of stretched financial and nonfinancial targets for the preceding calendar year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards. For the grant awarded during the year, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

b) SCI Performance Share Plan (PSP)

The SCI PSP is targeted at senior management who shoulder the responsibility for the Company's performance and who are able to drive the growth of the Company to deliver long-term shareholder value. Awards granted under the SCI PSP are performance-based and performance targets set under the SCI PSP are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

Notes to the standalone financial statements

for the year ended March 31, 2023

The following is the summary of movement in RSP and PSP:

Particulars	March 31, 2023		March 31, 2022	
	RSP	PSP	RSP	PSP
Outstanding at the beginning of the year	776,817	3,059,452	990,435	458,752
Granted during the year	375,300	1,130,100	176,422	3,033,800
Vested during the year	(468,983)	(51,600)	(390,040)	(433,100)
Shares for transferred employees	(610,011)	(3,256,200)		
Forfeited / lapsed during the year	(73,123)	(881,752)	-	-
Outstanding at the end of the year	-	-	**776,817**	**3,059,452**

Information on outstanding and exercisable RSP and PSP is as set out below:

Particulars	March 31, 2023		March 31, 2022	
	RSP	PSP	RSP	PSP
Options outstanding at the end of the year				
Number of options outstanding	-	-	776,817	3,059,452
Remaining contractual life in years	-	-	0.00-1.25	0.00-4.06
Risk free interest rate (depending on maturity)	0.00%	0.00%	0.47% – 96%	0.4% – 1.3%
Expected dividend yield shares	0.00%	0.00%	3.50%-4.20%	3.50%-4.20%
Weighted average price (SGD)	2.02	2.11	1.75	1.71

The fair values of the PSP and RSP are estimated using a Monte Carlo simulation at the grant dates. The Company had charged Rs.97.13 million (March 31 2022: Rs. 136.20 million) on account of share based payment based on the fair value of the performance shares and restricted shares at the grant date and is being expensed over the vesting period.

2.44 The Company has accounted Rs 3,848.89 million (March 31, 2022: Rs. 2,525.86 million) as Goods and service tax (GST) input tax credit for claiming refund against export of electricity made to Bangladesh. However, the input tax credit refund has been disputed by GST Authorities primarily for non-submission of shipping bill as a proof of export for which representation has been filed by the Company with Ministry of Finance and seeking assistance from Ministry of Power for resolution of the matter. The Company has also filed writ petitions with High Court of Andhra Pradesh, seeking relief against the order of GST Authorities in which they have rejected GST refund applications of the Company. During the previous year, the Company had also received notice from the office of the Commissioner of Central Tax, Guntur Commissionerate (Anti Evasion) requesting the Company to reverse the input tax credit ('ITC') availed in earlier years. Company had provided relevant replies to the department for the notice so received, stating that the sale of electricity to Bangladesh qualifies as an export and eligible for ITC.

Based on representation from Ministry of Power that there is no requirement of furnishing the shipping bill, Ministry of Finance through GST policy wing has issued a circular number 175/07/2022- GST dated July 06, 2022, prescribing the procedure for filing refund of unutilised input tax credit on account of export of electricity. Company has also received favourable judgement from Hon'ble AP High court for the writ petition filed and with the issuance of this circular, favourable judgement from AP High court and based on legal opinion taken, management is of the view that eligibility of refund has been established and no adjustment is required in the financial statements of the Company for the year ended March 31, 2023.

2.45 During the previous year, the Company pursuant to a share purchase agreement dated December 10, 2021 had sold its 100% investments in Sembcorp Green Infra Limited (SGIL) to erstwhile holding company Sembcorp Utilities Pte Limited (SUPL) for a consideration of Rs. 52,321.20 million and recognised a loss on sale of investment of Rs. 2,446.02 million.

2.46 Pursuant to Share Purchase Agreement (SPA), the erstwhile holding company Sembcorp Utilities Pte. Ltd. (SCU) transferred 100% of it's shareholding in SEIL in favour of Tanweer Infrastructure SAOC, Oman on January 19, 2023. Consequently, the Company is now a wholly owned subsidiary of Tanweer Infrastructure SAOC. The Company entered into a technical service agreement with one of the Indian Subsidiaries of SCU to receive certain services in connection with the operation and maintenance of the Plant. During the year, the Company transferred certain employees to the said Indian subsidiary along with related employee liabilities.

2.47 The Company has assessed the impact of Covid-19 on the financial statements, business operations, liquidity position and cash flows and has concluded no adjustments are required on the carrying amount of assets and liabilities as at March 31,2023. The Company will continue to closely monitor the situation arising on account of Covid-19 pandemic considering both internal and external factors.

2.48 Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (LPSC Rules, 2022) were notified by the Ministry of

Notes to the standalone financial statements

for the year ended March 31, 2023

Power on June 03, 2022 and are applicable to outstanding dues of generating companies. As per the said rules, the total outstanding dues including late payment surcharges upto the date of the said notification were rescheduled and the due dates redetermined for payment by Discoms in equated monthly instalments in the manner prescribed in the said Rules. Necessary adjustments on account of the above has been made in the financial statements towards "Loss on derecognition of financial asset", "Impairment Loss/ (Reversal) on Financial Assets (Net)" and "Unwinding of discount on trade & late payment surcharge receivables (as disclosed in other income)" amounting to Rs. 1,885.67 million, Rs. 364.65 million and Rs. 1,008.26 million respectively. Based on the redetermined due dates, certain receivables which are scheduled to realise beyond 12 months from the balance sheet date are classified as non-current trade receivables.

2.49 As per the Mega Power Projects Policy 2009, the Company needs to enter into a long term PPAs for a minimum of 85% of the net capacity to avail the customs/excise duty benefits for capital equipment procured for power generation. During the previous year, the Company determined that the duty benefit will not be available for Rs. 2,047.64 million due to absence of long term PPAs and consequently provided for the same towards cost of PPE. In case of the remaining unfilled conditions, the Company believes it will be able to comply with the conditions attached to benefit.

2.50 The Board of Directors at its meeting held on May 24, 2023 has declared an interim dividend of Rs. 0.98 (9.8%) per equity share of par value of Rs. 10 each amounting to Rs. 5,325.00 million for the financial year ended March 31, 2023.

2.51 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

2.52 Relationship with struck off companies:

Name of the struck off company	Nature of transaction with struck off company	Balance Outstanding	Relationship with the stuck off company, if any, to be disclosed
Madras Building Products Private Limited	Advance from customer	As at March 31, 2023 - (Nil) As at March 31, 2022 - (0.00)	Not applicable
G8ARK factories private limited	Advance from customer	As at March 31, 2023 - (Nil) As at March 31, 2022 - (0.01)	Not applicable
Omega power erectors private limited	Payable towards repairs and maintenance expense	As at March 31, 2023 - (Nil) As at March 31, 2022 - (0.05)	Not applicable

2.53. Additional regulatory information required by Schedule III

i. There are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period.

ii. The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction of number of Layers) Rules, 2017 during the year ended March 31, 2023 and March 31, 2022.

iii. The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2023 and March 31, 2022.

iv. Details of benami property held : No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2023 and March 31, 2022.

v. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2023 and March 31, 2022.

vi. During the year ended March 31, 2023 and March 31, 2022, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii. The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

Notes to the standalone financial statements

for the year ended March 31, 2023

viii. The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

ix. During the year ended March 31, 2023 and March 31, 2022, 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 to or on behalf of the Ultimate Beneficiaries,

x. During the year ended March 31, 2023 and March 31, 2022, 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 group (Ultimate Beneficiaries) or

xi. b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: May 24, 2023

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Nellore
Date: May 24, 2023

Consolidated Financial Statements

Independent Auditor's Report

To the Members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiary together referred to as "the Group") (refer note 2.7 to the consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, other than the unaudited financial information as certified by the management and referred to in paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of the carrying value of property, plant and equipment and goodwill relating to SEIL-P2 of the Holding Company (Refer note 3.2 to the consolidated financial statements) The carrying value of property, plant and equipment (PP&E) and goodwill relating to SEIL-P2 which was acquired by the Holding Company in an earlier year amounts to Rs. 76,500 million and Rs. 1,234 million respectively as at March 31, 2023. The said PP&E are carried at cost less accumulated depreciation. At the end of every reporting period, the Holding Company assesses their carrying values and performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets', if there is any indication of impairment to the carrying value. Goodwill is carried at cost and is tested annually for impairment. As mentioned in the note 3.2, the Management considers the said PP&E and goodwill as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. During the year, the Holding Company has carried out an impairment assessment by estimating the recoverable amount of the CGU using discounted cash flow model over the remaining useful life of the CGU and comparing the same with its carrying value. Based on their assessment, the management concluded that no provision for impairment was necessary as at March 31, 2023. We considered this a key audit matter given the significance of the carrying value of PP&E and goodwill belonging to the CGU, estimations and the significant judgements involved in respect of key inputs like discount rate, future cash flows for the purpose of impairment assessment.	Our procedures included the following: • Evaluated the Company's accounting policy in respect of impairment assessment of PP&E and goodwill and assessed whether the Company's determination of CGU was consistent with our knowledge of the Company's operations. • Evaluated the Holding Company's accounting policy in respect of impairment assessment of PP&E and goodwill and assessed whether the Holding Company's determination of CGU was consistent with our knowledge of the Company's operations. • Evaluated the cash flow forecasts from our understanding of the internal and external factors, compared them to the budgets, actual past results and other supporting documents. • With the involvement of auditor's experts, assessed the reasonableness of the methodology used, key assumptions considered in the discounted cash flow projections for determining the recoverable value of the CGU. • Enquired with the management about justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same. • Checked the mathematical accuracy of the computations included in the discounted cash flow projections. • Assessed the adequacy of disclosures in the consolidated financial statements. Based on the above procedures performed, management's assessment of carrying value of PP&E and goodwill relating to SEIL-P2 are considered to be reasonable.

Other Information

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

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available

and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations

Responsibilities of management and those charged with governance for the standalone financial statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

    - Identify and assess the risks of material misstatement of the consolidated 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 Holding company has adequate internal financial controls with reference to consolidated 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 made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. Refer paragraph 14 of the Other Matter section below in respect of a subsidiary whose financial information is unaudited and have been furnished to us by the Management.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. We did not audit the financial information of 1 subsidiary whose financial information reflect total assets of Rs. 0.77 million and net assets of Rs. 0.38 million as at March 31, 2023, total revenue of Rs. Nil, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (0.31) million and net cash outflows amounting to Rs. (0.26) million for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar 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 including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group. Our opinion on the consolidated

financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that we have given the following comments in CARO 2020 report dated May 24, 2023 on the standalone financial statements of Holding Company, as reproduced below.

Paragraph No.	Comment in the respective CARO report reproduced below
3(ix)(d)	According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that the Company has used funds raised on short-term basis aggregating to Rs. 20,000 millions for long-term purposes for the reasons stated in note 2.17 to the standalone financial statements.

In our opinion, and according to the information and explanations given to us, CARO 2020 is not applicable to 1 subsidiary included in these consolidated financial statements.

16. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except that the backup of the books of account and other books and papers maintained in electronic mode by the Holding Company has not been maintained on a daily basis, on servers physically located in India.

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group company incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    g. With respect to the maintenance of accounts and other matters connected therewith, we draw reference to our comment in paragraph 16(b) above.

    h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer note 3.38

to the consolidated financial statements.

ii. The Group is not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at March 31, 2023.

iii. During the year ended March 31, 2023, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

iv. (a) The management of the Holding Company represented that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 3.50 to the consolidated financial statements)

(b) The management of the Holding Company represented that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 3.50 to the consolidated financial statements)

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

v. e Holding Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Holding Company is applicable to the Holding Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

17. The Group has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFRU9799

Place: Gurugram
Date : May 24, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(f) of the Independent Auditor's Report of even date to the members of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) on the consolidated financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of SEIL Energy India Limited (formerly Sembcorp Energy India Limited) (hereinafter referred to as "the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. 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 issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. 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 consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance

regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. 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 controls 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.

Opinion

8. In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFRU9799

Place: Gurugram
Date : May 24, 2023

Consolidated Balance Sheet

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Note	As at March 31 2023	As at March 31 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	143,292.52	149,039.66
Capital work-in-progress	3.1	306.39	159.48
Goodwill	3.2	1,234.20	1,234.20
Other intangible assets	3.2	12.65	9.95
Financial assets			
Trade receivables	3.9	3,208.67	-
Other financial assets	3.3	1,088.30	2,822.69
Non-current tax assets (net)	3.4	1,075.19	977.66
Other non-current assets	3.6	491.63	320.58
Total non-current assets	3.6	**150,709.55**	**154,564.22**
Current assets			
Inventories	3.7	10,014.36	7,322.49
Financial assets			
Investments	3.8	157.44	2,471.30
Trade receivables	3.9	37,284.90	36,789.76
Cash and cash equivalents	3.10	1,030.69	4,759.01
Bank balances other than cash and cash equivalents	3.10	-	2,039.50
Other financial assets	3.3	1,096.95	1,844.56
Other current assets	3.6	6,748.70	6,267.80
Total current assets		**56,333.04**	**61,494.42**
Total assets		**207,042.59**	**216,058.64**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	3.11	54,336.69	54,336.69
Other equity	3.12	62,724.13	56,654.21
Total equity		**117,060.82**	**110,990.90**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	3.13	34,747.76	69,672.98
Lease liabilities	3.32	36.99	43.90
Provisions	3.15	-	29.13
Deferred tax liabilities (net)	3.5	3,167.69	867.36
Total non-current liabilities		**37,952.44**	**70,613.37**
Current liabilities			
Financial liabilities			
Borrowings	3.17	32,519.91	15,316.02
Lease liabilities	3.32	19.48	17.49
Trade payables	3.18		
Dues to micro and small enterprises		82.74	25.54
Dues to creditors other than micro and small enterprises		5,068.79	4,830.89
Other financial liabilities	3.14	8,170.38	8,210.25
Other current liabilities	3.16	5,951.67	5,815.76
Provisions	3.15	66.88	88.94
Current tax liabilities (net)	3.19	149.48	149.48
Total current liabilities		**52,029.33**	**34,454.37**
Total liabilities		**89,981.77**	**105,067.74**
Total equity and liabilities		**207,042.59**	**216,058.64**
Significant accounting policies	**2**		

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Balance Sheet referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Consolidated Statement of Profit and Loss

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Note	For the year ended March 31 2023	For the year ended March 31 2022
Continuing operations			
Income			
Revenue from operations	3.2	93,886.00	76,891.00
Other income	3.21	4,226.64	1,421.07
Total income		**98,112.64**	**78,312.07**
Expenses			
Cost of fuel	3.22	65,178.26	46,729.68
Transmission charges	3.23	3,806.83	3,113.82
Employee benefits expense	3.24	1,881.73	2,476.57
Finance costs	3.25	7,955.56	10,892.72
Depreciation and amortisation expenses	3.26	5,940.75	6,692.40
Impairment Loss/ (Reversal) on Financial Assets (Net)		(796.81)	462.62
Derecognition of financial assets measured at amortised cost		1,885.67	-
Operating and other expenses	3.27	3,789.79	3,399.35
Total expenses		**89,641.78**	**73,767.16**
Profit before tax from continuing operations		**8,470.86**	**4,544.91**
Tax expense	3.28		
Current tax expense		-	-
Current tax adjustment relating to earlier years		-	(252.15)
Deferred tax expense		2,256.60	927.7
Total tax expense		**2,256.60**	**675.55**
Profit after tax from continuing operations		**6,214.26**	**3,869.36**
Discontinued operation	3.37		
Profit/(loss) from discontinued operation before tax		-	2,734.72
Gain on disposal of discontinued operation		-	21,379.67
Tax expense of discontinued operation		-	636.88
Profit/(Loss) for the year from discontinued operation		-	23,477.51
Profit for the year		**6,214.26**	**27,346.87**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligations		8.05	(39.60)
Income tax effect on above item	3.28	16.61	(0.97)
		24.66	**(40.57)**
Items that will be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedge		(115.83)	157.47
Cost of hedging reserve – changes in fair value		31.46	(31.46)
Income tax effect on above item	3.28	(60.34)	60.34
		(144.71)	**186.35**
Total comprehensive income for the year		**6,094.21**	**27,492.65**
Attributable to:			
Shareholders of the Company		6,094.21	27,387.65
Non-controlling interests		-	105.00
		6,094.21	**27,492.65**
Profit for the year attributable to:			
Shareholders of the Company		6,214.26	27,241.98
Non-controlling interests		-	104.89
		6,214.26	**27,346.87**
Other comprehensive income attributable to:			
Shareholders of the Company		(120.05)	145.67
Non-controlling interests		-	0.11
		(120.05)	**145.78**
Earnings per equity share - Continuing and discontinued operation	3.29		
(face value of share Rs.10 each)			
- Basic and diluted (Rs.)		1.14	5.01
Earnings per equity share - Continuing operations	3.29		
(face value of share Rs.10 each)			
- Basic and diluted (Rs.)		1.14	0.71
Earnings per equity share - discontinued operation	3.29		
(face value of share Rs.10 each)			
- Basic and diluted (Rs.)		-	4.30
Significant accounting policies	**2**		

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
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Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Consolidated Statement of Cash Flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
A. Cash flow from operating activities		
Profit before tax from continuing operations	8,470.86	4,544.91
Profit/ (loss) before tax from discontinued operation	-	2,734.72
Gain on disposal of discontinued operation	-	21,379.67
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expenses	5,940.75	10,298.86
Property, plant and equipment written off	3.25	(0.18)
Net unrealised loss/(gain) on foreign exchange fluctuation	356.39	114.07
Impairment Loss/ (Reversal) on Financial Assets (Net)	(796.81)	587.76
Loss on derecognition of financial assets measured at amortised cost	1,885.67	-
Unwinding of discount on trade & late payment surcharge receivables	(1,008.26)	-
Gain on disposal of discontinued operation (refer note-3.37)	-	(21,379.67)
Unrealised loss on derivatives, net	-	36.58
Finance costs	7,955.56	15,310.84
Net gain on financial assets measured at FVTPL	(77.39)	(137.77)
Interest income on bank deposits	(300.64)	(430.91)
Operating cash flows before working capital changes	**22,429.38**	**33,058.88**
Movements in working capital:		
Increase in inventories	(2,691.87)	(2,799.55)
Increase in trade receivables and late payment surcharge receivables	(3,140.83)	(7,406.95)
(Increase)/decrease in financial and non-financial assets	(564.82)	259.54
(Decrease)/ increase in trade payable, other financial liabilities and current liabilities	(26.54)	4,607.71
(Decrease)/increase in provisions	(43.14)	78.29
Cash generated from operations	**15,962.18**	**27,797.92**
Income-tax paid (net of refund)	(97.53)	(89.55)
Net cash generated from operating activities (A)	**15,864.65**	**27,708.37**
B. Cash flows from investing activities		
Payment for purchase of property, plant and equipment and capital work-in-progress	(456.37)	(3,016.58)
Proceeds from sale of property, plant and equipment	-	0.51
Redemption/(Purchase) of mutual funds, net	2,391.25	(121.48)
Maturity/(Investment) in bank deposits, net	3,799.25	(849.91)
Interest income received	366.85	496.76
Acquisition of shares in subsidiaries from non-controlling interest	-	(0.40)
Sale of shares in subsidiaries to non-controlling interest	-	104.00
Cash flows from disposal of discontinued operation, net of cash disposed off (refer note-3.37)	-	48,553.34
Net cash generated from investing activities (B)	**6,100.98**	**45,166.24**

Consolidated Statement of Cash Flow

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
C. Cash flows from financing activities		
Proceeds from long-term borrowings	30,000.00	12,150.00
Repayment of long-term borrowings	(67,023.04)	(62,342.26)
Proceeds from short-term borrowings, net	19,286.16	914.44
Repayment of lease liabilities	(10.54)	(40.56)
Finance costs paid	(7,946.53)	(21,988.90)
Net cash used in financing activities (C)	**(25,693.95)**	**(71,307.28)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(3,728.32)	1,567.33
Cash and cash equivalents at the beginning of the year	4,759.01	3,191.68
Cash and cash equivalents at the end of the year	**1,030.69**	**4,759.01**
Components of cash and cash equivalents comprise:		
Balance with scheduled banks		
In current accounts	726.39	444.20
Deposits with original maturity of less than three months	304.30	4,314.81
Total cash and cash equivalents	**1,030.69**	**4,759.01**
The above cash flow includes following related to discontinued operation		
Net cash generated from operating activities	-	11,728.48
Net cash generated from investing activities	-	46,935.14
Net cash used in financing activities	-	(7,634.03)
Net cash generated from discontinued operation	**-**	**51,029.59**

Significant accounting policies (refer note-2)

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Statement of Cash Flow referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

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DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Consolidated Statement of Changes in Equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at April 1, 2021	5,433,668,574	54,336.69
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2022	5,433,668,574	54,336.69
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2023	5,433,668,574	54,336.69

B. Other Equity

Particulars	Reserves and surplus									Other items of other comprehensive income			Equity attributable to the owner of the Company	Non-controlling interest	Total
	Securities premium	Capital reserve on acquisition	Capital reserve	Capital redemp-tion reserve	Deben-ture re-demption reserve	General reserve	Share based payments reserve	Other reserves	Retained earnings	Remeasure-ment of post-employ-ment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging			
Balance as at April 1, 2021	40,207.03	(14,550.18)	1,121.58	2.18	-	199.00	-	1,399.45	1,132.44	(41.46)	(41.64)	-	29,428.40	132.30	29,560.70
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2021	40,207.03	(14,550.18)	1,121.58	2.18	-	199.00	-	1,399.45	1,132.44	(41.46)	(41.64)	-	29,428.40	132.30	29,560.70
Transfers to reserves (refer note 3.12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in stake of step-down subsidiaries	-	-	-	-	-	-	-	0.60	-	-	-	-	0.60	(1.00)	(0.40)
Share-based payments charged to profit or loss	-	-	-	-	-	-	166.98	-	-	-	-	-	166.98	-	166.98
Adjustment for recharge for share-based payments	-	-	-	-	-	-	2.38	-	-	-	-	-	2.38	-	2.38
Profit for the year	-	-	-	-	-	-	-	-	27,241.98	-	-	-	27,241.98	104.89	27,346.87
Remeasurement of post-employment benefit obligations	-	-	-	-	-	-	-	-	-	(40.68)	-	-	(40.68)	0.11	(40.57)
Hedge reserve	-	-	-	-	-	-	-	-	-	-	128.31	58.04	186.35	-	186.35
Fair value of interest free INR denominated notes from erstwhile holding company (SCU)	-	-	-	-	-	-	-	(297.70)	-	-	-	-	(297.70)	-	(297.70)
Disposal of discontinued operation	-	-	-	(1.17)	125.00	(125.00)	(26.30)	(6.62)	(8.09)	8.08	-	-	(34.10)	(236.30)	(270.40)
Balance as at March 31 2022	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.01**	**125.00**	**74.00**	**143.06**	**1,095.73**	**28,366.33**	**(74.06)**	**86.67**	**58.04**	**56,654.21**	**-**	**56,654.21**

Consolidated Statement of Changes in Equity

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Particulars	Reserves and surplus									Other items of other comprehensive income			Equity attributable to the owner of the Company	Non-controlling interest	Total
	Securities premium	Capital reserve on acquisition	Capital reserve	Capital redemp-tion reserve	Deben-ture re-demption reserve	General reserve	Share based payments reserve	Other reserves	Retained earnings	Remeasure-ment of post-employ-ment benefit obligations	Effective portion of cash flow hedges	Hedge Reserve - cost of Hedging			
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2022	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.01**	**125.00**	**74.00**	**143.06**	**1,095.73**	**28,366.33**	**(74.06)**	**86.67**	**58.04**	**56,654.21**	**-**	**56,654.21**
Transfers to reserves (refer note 3.12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in stake of step-down subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share-based payments charged to profit or loss	-	-	-	-	-	-	97.13	-	-	-	-	-	97.13	-	97.13
Adjustment for recharge for share-based payments	-	-	-	-	-	-	(121.42)	-	-	-	-	-	(121.42)	-	(121.42)
Profit for the year	-	-	-	-	-	-	-	-	6,214.26	-	-	-	6,214.26	-	6,214.26
Remeasurement of post-employment benefit obligations	-	-	-	-	-	-	-	-	-	24.66	-	-	24.66	-	24.66
Hedge reserve	-	-	-	-	-	-	-	-	-	-	(86.67)	(58.04)	(144.71)	-	(144.71)
Balance as at March 31 2023	**40,207.03**	**(14,550.18)**	**1,121.58**	**1.01**	**125.00**	**74.00**	**118.77**	**1,095.73**	**34,580.59**	**(49.40)**	**-**	**-**	**62,724.13**	**-**	**62,724.13**

Significant accounting policies (refer note-2)

The accompanying notes form an integral part of the consolidated financial statements
This is the Consolidated Statement of Cash Flow referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Place: Gurugram
Date: May 24, 2023

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Nellore
Date: May 24, 2023

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

1. Corporate information

SEIL Energy India Limited (formerly Sembcorp Energy India Limited) ('the Company') was incorporated on January 8, 2008 as a public limited company. The Company has been established for developing, constructing, commissioning, operating and maintaining a 1,320 megawatt (2 X 660 megawatt) coal based thermal power plant at Pynampuram and Nelatur Villages, Muthukur Mandal, Nellore District in the state of Andhra Pradesh (hereinafter referred to as "SEIL-P1"). The Company had successfully commenced full commercial operations of SEIL-P1 in September 2015.

On October 31, 2018, the Regional Director (RD), Ministry of Corporate Affairs, Hyderabad had approved the scheme of amalgamation (the Scheme) of Sembcorp Gayatri Power Limited (SGPL), one of the wholly owned subsidiary of the Company. The appointed date as per the Scheme was April 01, 2017. Erstwhile SGPL (hereinafter referred to as "SEIL-P2") has been operating and maintaining a 1,320 megawatt (2 X 660 megawatt) coal based thermal power plant at Ananthavaram- Village / Varkavipudi Panchayat, TP Gudur- Mandal,, Nellore District in the state of Andhra Pradesh.. The commercial operations of SEIL-P2 had commenced on November 17, 2016 for unit I and on February 21, 2017 for unit II.

The consolidated financial statements comprise of the Company and its subsidiaries (collectively referred as the 'Group'). Refer note 2.7.

2. Basis of preparation, measurement and significant accounting policies

2.1. Basis of preparation and statement of compliance

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

The consolidated financial statements have been prepared by the Company on a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on May 24, 2023.

2.2. Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR) rounded off to the nearest million to two decimal places except when otherwise indicated, which is the functional and presentation currency of the Group.

2.3. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following.

- Certain financial assets and liabilities and contingent consideration is measured at fair value
- Financial instruments comprising mutual funds,
- Derivatives instruments i.e. cross currency swap, interest rate swaps, forward contracts and options,
- Defined benefit plans - plan assets
- Share based payments

2.4. New and amended standards adopted by the Group

The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2022:

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. Below is a summary of such amendments:

Title	Key requirements
Ind AS 16, Property, Plant and Equipment	Proceeds before intended use of property, plant and equipment The amendment clarifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).
Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets	Onerous Contracts – Cost of fulfilling a contract The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.
Ind AS 103, Business combinations	References to the conceptual framework The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
Ind AS 109, Financial Instruments	Fees included in the 10% test for derecognition of financial liabilities The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.5. New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023. The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policy already complies with the now mandatory treatment.

2.6. Principles of consolidation

The Group consolidates the entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as disclosed in note 3.48. Subsidiaries are all entities (including structured entities) over which the group has control. Where the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences (other than entities acquired fall under common control) until the date control ceases.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year. The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits / losses, unless cost/revenue cannot be recovered. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The difference between the cost of investment in subsidiaries (investee company) to the Group and the proportionate share in the equity of the investee Company as at the date of acquisition of stake is recognised in the Consolidated Financial Statements as goodwill or capital reserve, as the case may be. Goodwill arising on consolidation is tested for impairment at the Balance Sheet date. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated statement of profit and loss.

The consolidated financial statements are presented, to the extent possible, is in the same format as that adopted by the Company for its standalone financial statements.

2.7. Details of the Group's subsidiaries in the preparation of consolidated financial statements are as follows:

Name of entity	Date of Incorporation	Country of Incorporation	% of Ownership interest and voting power as at	
			March 31 2023	March 31 2022
Direct subsidiaries				
Sembcorp Green Infra Limited (SGIL)*	3 April 2008	India	-	-
TPCIL Singapore Pte. Ltd (TPCIL SG)	18 November 2014	Singapore	100.00%	100.00%
Indirect subsidiaries*				
Green Infra Wind Energy Limited (GIWEL)	June 6, 2005	India	-	-
Green Infra Corporate Solar Limited	September 12, 2011	India	-	-
Green Infra Wind Power Generation Limited	July 4, 2011	India	-	-
Green Infra Wind Ventures Limited (GIWVL)	December 28, 2010	India	-	-
Green Infra Wind Assets Limited (GIWAL)	October 14, 2008	India	-	-
Green Infra Wind Farms Limited	October 14, 2008	India	-	-
Green Infra Wind Power Projects Limited	July 4, 2011	India	-	-
Green Infra Wind Generation Limited	July 4, 2011	India	-	-
Green Infra Solar Energy Limited	April 29, 2010	India	-	-
Green Infra Solar Farms Limited	April 29, 2010	India	-	-
Green Infra Solar Projects Limited	September 12, 2011	India	-	-
Green Infra Wind Energy Asset Limited	September 14, 2011	India	-	-
Green Infra Wind Farm Assets Limited	September 14, 2011	India	-	-
Green Infra Wind Power Limited	May 3, 2010	India	-	-

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

Name of entity	Date of Incorporation	Country of Incorporation	% of Ownership interest and voting power as at	
			March 31 2023	March 31 2022
Green Infra Corporate Wind Limited	October 14, 2008	India	-	-
Green Infra Wind Energy Project Limited	July 4, 2011	India	-	-
Green Infra Renewable Energy Limited	March 2, 2017	India	-	-
Green Infra BTV Limited (GIBTVL)	September 1, 2008	India	-	-
Green Infra Wind Energy Theni Limited	January 6, 2011	India	-	-
Green Infra Wind Power Theni Limited	January 6, 2011	India	-	-
Mulanur Renewable Energy Limited	January 29, 2016	India	-	-
Green Infra Wind Solutions Limited	May 22, 2012	India	-	-
Green Infra Wind Technology Limited	May 22, 2012	India	-	-
Green Infra Wind Limited	February 23, 2011	India	-	-
Green Infra Renewable Projects Limited	February 18, 2020	India	-	-
Green Infra Solar Power Projects Limited	December 12, 2021	India	-	-
Green Infra Solar Generation Limited	December 13, 2021	India	-	-

*During previous year, the Company has sold its investment in equity shares of Sembcorp Green Infra Limited (SGIL) to Sembcorp Utilities Pte Ltd, (SUPL) and accordingly SGIL ceased to be a subsidiary of the Company w.e.f 23 December 2021. As a result, the previous year consolidated financial statements include the financial statements of the Company and SGIL (till the date of disposal) and its foreign subsidiary TPCIL SG. Refer note 3.37 for details.

2.8. Use of estimates and judgements

The preparation of these consolidated financial statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities as at the date of the consolidated financial statements.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the consolidated financial statements in the year in which changes are made, if material, their effects are disclosed in the notes to the consolidated financial statements.

Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

i. Impairment of investments

The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

ii. Impairment of trade receivable and unbilled receivables

The Group has measured the lifetime expected credit loss by using practical expedients. It has accordingly used a provision matrix derived by using a flow rate model to measure the expected credit losses for trade receivables. Further, need for incremental provisions have been evaluated on a case to case basis where forward-looking information on the financial health of a customer is available and in cases where there is an ongoing litigation/dispute.

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not contain a significant financing component. For all other

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition

iii. Useful lives of property, plant and equipment and intangible assets

The Group reviews the useful life of property, plant and equipment and intangible at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Refer note 3.1.

iv. Valuation of deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forward and tax credits. Deferred tax assets are recognized to the extent there is reasonable certainty of future taxable income which will be available against the deductible temporary differences, unused tax losses and depreciation carry-forward.

v. Defined benefit plans

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period. Refer note 3.35.

vi. Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Group uses significant judgements to disclose contingent liabilities. 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 Group 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

vii. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

viii. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ix. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated remaining useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management. Refer note 3.2.

2.9. Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit or loss after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

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

2.10. Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle.

ii. it is held primarily for the purpose of being traded.

iii. it is expected to be realised within 12 months after the reporting date; or

iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i. it is expected to be settled in the Group's operating cycle.

ii. it is held primarily for the purpose of being traded.

iii. it is due to be settled within 12 months after the reporting date; or

iv. the Group does not have an unconditional

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. 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 Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.11. Business combinations and goodwill

i. Business combinations (other than common control business combinations):

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of entities comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, and fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the statement of profit and loss or other comprehensive income, as appropriate.

ii. Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the preceding period in the financial statements or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the standalone financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

2.12. Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

a. represents a separate major line of business or geographic area of operations;

b. is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or

c. is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year. The results of discontinued operations are presented separately in the statement of profit and loss.

2.13. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group is engaged in generation of electricity and revenue from operations are primarily from sale of electricity. Revenue from sale of electricity is recognised net of cash discount, rebate, etc. when the power is supplied as it best depicts the value to the customer and complete satisfaction of performance obligation. Variable Consideration forming part of the total transaction price including compensation on account of change in law will be allocated and recognised when the terms of variable payment relate specifically to the Group's efforts to satisfy the performance obligation i.e. in the year of occurrence of event linked to variable consideration.

The difference between the revenue recognised and amount invoiced has been presented as deferred revenue/ unbilled revenue.

Income from power generation

Revenue from the sale of electricity is recognised from the time when production output is delivered to the power network. Revenue from energy units sold as per the terms of the Power Purchase Agreements ('PPA') and Letter of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled receivables accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers.

Revenue/charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognised/ charged at rates notified by Central Electricity Regulatory Commission ('CERC') from time to time as revenue from sale of electricity or adjusted with revenue from sale of electricity.

Claims i.e. late payment interest/surcharge recoverable from customers, insurance claims and liquidated damages, are accounted for to the extent it is probable that the entity will collect the consideration.

Other Income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss. Dividends are recognised as other income in profit or loss when the right to receive payment is established.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are transferred to receivables when the rights become unconditional.

Trade Receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract Liabilities in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognised as revenue when the performance obligation is satisfied.

2.14. Property, plant and equipment (PPE) and depreciation

i. Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the assets to its working condition for their intended use, and estimated costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Tangible assets under construction are disclosed as capital work-in-progress. Software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Cost of other item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Fiscal benefits as available under various industrial promotional schemes are presented by deducting from the carrying amount of the PPE when there is a reasonable assurance that the Group will comply with the conditions attached to the benefit.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii. Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is recognised in the carrying amount of the asset when it is probable

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and its costs can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The costs of day-to-day servicing of property, plant and equipment are recognised as an expense when incurred.

iii. Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale is not depreciated.

Regulated assets

Depreciation on the renewable power plants included under plant and machinery are provided at the rates as well as methodology notified (i.e. assets is depreciated at the rate of 5.83% per annum for first 12 years from commissioning date of the assets and remaining value of the asset is depreciated over the next 13 years) by the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2012.

Non-regulated assets

Depreciation on property, plant and equipment is provided on straight line method based on the useful life as specified in Schedule II of the Act, except in respect of the following category of assets, in whose case the estimated useful life of the assets has been assessed based on technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, residual value etc. Leasehold land and improvements are amortised over the lease-term including the optional period, if any, available to the Group, where it is reasonably certain at the inception of lease that such option would be exercised by the Group.

Category	Life as per Schedule II	Life considered
Thermal power plants	40 years	30 years
Renewable power plants (won under competitive bidding)	22 years	30 years
Office equipments	5 years	3 years to 5 years
Site equipment (included in plant and machinery)	15 years	3 years to 15 years
Furniture and fixtures	10 years	5 years to 10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate and the residual values are not more than 5% of the original cost of the asset.

iv. De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss on the date of retirement or disposal.

2.15. Intangible assets

Intangible assets other than Goodwill are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets that are acquired are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Category	Life considered
Computer software	3-5 years
Customer contracts	5 years

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

The intangible assets are amortised over the estimated useful lives as given below:

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in the consolidated statement of profit and loss.

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill has indefinite useful life and tested for impairment annually.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

2.16. Inventories

Inventories which comprise of coal, fuels, stores and spares are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

2.17. Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss unless it relates to a long-term foreign currency monetary item.

Monetary assets and liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resultant exchange differences are recognised in the consolidated statement of profit and loss unless it relates to a long-term foreign currency monetary item.

Non-monetary assets are recorded at the rate prevailing on the date of the transaction.

Under Indian GAAP, paragraph 46/46A of AS 11, The Effects of Changes in Foreign Exchange Rates, provide accounting treatment with respect to exchange differences arising on restatement of long-term foreign currency monetary items. Ind AS 101 provides an optional exemption that allows to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the consolidated financial statements as on transition date. Certain subsidiaries in the Group have had adopted such exemption with respect of long-term foreign currency borrowings taken in past. Therefore, exchange differences (favorable as well as unfavorable) arising in respect of translation/settlement of long-term foreign currency borrowings attributable to the acquisition of a depreciable asset is added or deducted from the cost of the asset, which would be depreciated over the balance life of the asset.

2.18. Employee benefits

Short-term employee benefits

All employee benefits expected to be settled wholly within twelve months from the reporting date are classified as short-term employee benefits. An employee who has rendered services to the Group during an accounting period, the Group recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense or as required under Ind AS 19 which permits the inclusion of the benefits in the cost to be recognised as an asset. Benefits such as salaries, wages and bonus etc. are recognised in the consolidated

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

statement of profit and loss in the period in which the employee renders the related service.

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Group recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Defined benefit plans

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Group recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset), which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to the consolidated statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

A net defined benefit asset arise where a defined benefit plan has been overfunded or where actuarial gains have arisen. Such asset is recognised as the future economic benefits are available to the Group in the form of a reduction in future contributions

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no legal or constructive obligation to pay any further amounts. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the consolidated balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the consolidated balance sheet date, then excess is recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

Bonus plans

The Group recognises a liability and an expense for bonus. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

Share based payment transactions

The Group has not issued any shares / stock options on its shares. The erstwhile ultimate holding company has however issued certain restricted/performance based stock units, options on its own shares to certain employees of the Group which are in the nature of equity settled awards. Share-based payment expenses are recognised over the period during which the employees provide the relevant services. The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

2.19. Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and unwinding of discount on asset retirement obligation. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the consolidated statement of profit and loss over the tenure of the loan.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the consolidated statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. Interest income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense on borrowings is recorded using the effective interest rate (EIR). EIR is the rate that discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.20. Financial instruments

i. Recognition and initial measurement

Financial assets and liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A Financial asset and liability are initially measured at its fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables are initially recognised when they are originated at their transaction price as they do not contain significant financing component.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

ii. Financial assets - Classification and subsequent measurement:

a. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

in order 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.

b. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

c. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the consolidated statement of profit and loss.

iii. Financial liabilities - Classification and subsequent measurement:

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

a. Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the consolidated statement of profit and loss.

b. Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv. De-recognition of financial instruments:

a. Financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transaction whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

b. Financial liability

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or the same expires.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

The Group also derecognise 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 the consolidated statement of profit and loss.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the Group has a legally enforceable right to set off the amount and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.21. Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its commodity price, foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequently to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the consolidated statement of profit and loss.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

i. Financial assets or financial liabilities, at fair value through profit or loss

In case of certain forward exchange contracts, the Group designates only the changes in fair value of the spot element of a forward contract as a hedging instrument. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

Any derivative that is either not designated a hedge or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the consolidated statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in the consolidated statement of profit and loss.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

ii. Cash flow hedge accounting

Where a derivative is designated as a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised directly in other comprehensive income and presented in the hedge reserve in equity. The ineffective portion of changes in the fair values of the derivative is recognised immediately in the consolidated statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

gain or loss on the hedging instrument recognised in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedge reserve is transferred to the net profit in the consolidated statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the consolidated statement of profit and loss.

2.22. Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

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

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

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

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

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

When the fair values of financial assets and financial liabilities recorded in the consolidated financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgements is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk volatility and discount rates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.23. Impairment

i. Financial assets (other than at fair value)

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses ('ECL') to be measured through a loss allowance. The Group recognises lifetime expected losses for trade receivables including unbilled receivables and contract assets that do not contain a significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The allowance for doubtful debts/ advances or impairment of assets is made on case to case basis by considering relevant available information.

ii. Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Goodwill has indefinite useful life and tested for impairment annually.

2.24. Leases

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

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the lessee's incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

2.25. Income taxes

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income). Current tax and deferred tax are recognised in the consolidated statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax reflects the best estimate the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit and loss.

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of allowances and disallowances which is exercised while determining the provision for income tax.

Minimum alternate tax (MAT) on the book profits or corporate tax payable on taxable profit is charged to the consolidated statement of profit and loss as current tax.

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 amounts used for taxation purposes. Deferred tax is not recognised for:

a. Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

b. Temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

c. Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset with deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

In situations where any entity under the Group is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the said company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Future taxable profits are determined based on business plans. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets include Minimum Alternative Tax (MAT) paid, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in the consolidated statement of profit and loss.

2.26. Provisions and contingent liabilities

A provision is recognised when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each 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 recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

In case of provision for asset retirement obligation, the Group estimates the expected amount that it may have to incur in respect of asset retirement where the Group has its projects / operations. The management obtains quotes from vendors in respect of the estimated expense that it may have to incur in this respect considering the term of Power Purchase Agreement, lease period and inflation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

2. Significant accounting policies (continued)

a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

2.27. Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

2.28. Cash flow statement

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

2.29. Cash and bank balances

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.1 Property, plant and equipment (PPE) and capital work-in-progress

Particulars	Freehold land (owned)	Land (leased)	Roads	Right of use assets (refer note 3.32)	Office building	Factory building	Furniture and fittings	Vehicles	Office equipment	Electrical installa-tions	Plant and machinery	Com-puters	Leasehold improve-ments	Total property, plant and equipment	Capital work-in-progress
Gross carrying amount															
Balance as at April 1, 2021	3,965.46	587.25	2,317.81	953.81	1,520.33	796.08	90.58	87.57	214.82	95.93	287,619.58	152.62	37.47	298,439.31	1,001.04
Additions	61.72	0.50	-	2.85	-	3.14	0.11	2.69	12.48	-	3,123.27	19.08	3.12	3,228.96	1,102.88
Disposals/adjustments	-	-	-	(25.47)	-	-	-	(1.68)	-	-	(103.51)	(5.43)	-	(136.09)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,527.33)
Disposal of discontinued operation	(1,392.81)	(587.75)	-	(199.39)	(3.67)	-	-	-	(103.58)	-	(106,289.01)	(41.93)	(40.59)	(108,658.73)	(417.11)
Balance as at March 31 2022	**2,634.37**	**(0.00)**	**2,317.81**	**731.80**	**1,516.66**	**799.22**	**90.69**	**88.58**	**123.72**	**95.93**	**184,350.33**	**124.34**	**-**	**192,873.45**	**159.48**
Additions	-	-	28.23	12.03	13.15	1.84	4.01	2.39	9.00	-	107.53	12.08	-	190.26	303.17
Disposals/adjustments	-	-	-	-	(3.71)	(0.72)	(7.26)	(2.47)	(12.18)	-	(1.10)	(22.22)	-	(49.66)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(156.26)
Disposal of discontinued operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31 2023	**2,634.37**	**(0.00)**	**2,346.04**	**743.83**	**1,526.10**	**800.34**	**87.44**	**88.50**	**120.54**	**95.93**	**184,456.76**	**114.20**	**-**	**193,014.05**	**306.39**
Accumulated depreciation and impairment															
Balance as at April 1, 2021	25.12	131.78	1,159.32	167.81	134.05	156.23	38.77	42.67	160.33	74.07	56,803.01	102.71	18.50	59,014.37	297.86
Depreciation for the year	-	18.60	188.66	41.04	29.75	23.36	9.76	10.00	19.65	7.79	9,917.44	20.65	3.43	10,290.13	-
Disposals/adjustments	-	-	-	(25.47)	-	-	-	(1.60)	-	-	-	(5.12)	-	(32.19)	-
Disposal of discontinued operation	(25.12)	(150.38)	-	(103.00)	(0.94)	-	-	-	(71.68)	-	(25,041.69)	(23.78)	(21.93)	(25,438.52)	(297.86)
Balance as at March 31 2022	**-**	**-**	**1,347.98**	**80.38**	**162.86**	**179.59**	**48.53**	**51.07**	**108.30**	**81.86**	**41,678.76**	**94.46**	**-**	**43,833.79**	**-**
Depreciation for the year	-	-	180.91	40.49	29.53	32.85	9.70	10.05	4.32	1.45	5,610.76	14.09	-	5,934.15	-
Disposals/adjustments	-	-	-	-	(3.53)	(0.69)	(6.67)	(2.22)	(11.53)	-	(0.67)	(21.10)	-	(46.41)	-
Disposal of discontinued operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31 2023	**-**	**-**	**1,528.89**	**120.87**	**188.86**	**211.75**	**51.56**	**58.90**	**101.09**	**83.31**	**47,288.85**	**87.45**	**-**	**49,721.53**	**-**
Net block															
As at March 31 2022	**2,634.37**	**(0.00)**	**969.83**	**651.42**	**1,353.80**	**619.63**	**42.16**	**37.51**	**15.42**	**14.07**	**142,671.57**	**29.88**	**-**	**149,039.66**	**159.48**
As at March 31 2023	**2,634.37**	**(0.00)**	**817.15**	**622.96**	**1,337.24**	**588.59**	**35.88**	**29.60**	**19.45**	**12.62**	**137,167.91**	**26.75**	**-**	**143,292.52**	**306.39**

1. In earlier years, the Group had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited. ('APIIC') for occupation of two tranches of land for SEIL-P1. One tranche of land was transferred to the Group as freehold land. For the other tranche of land, admeasuring Acre 680.55 cents, a lease deed for a period of 21 years was entered with APIIC on 25 November 2009. As per the lease deed, APIIC had agreed to sell the land even during the subsistence of the lease deed on securing necessary clearances and approvals for such sale to the Group on such mutually agreed terms and conditions. Further, in the unlikely event of not transferring the land through sale to the Group, APIIC agreed to renew the lease for a further period on such mutually agreed terms and conditions. All the requirements of the agreement including the payment of consideration of Rs. 612.50 million has been complied with by the Group to purchase the land. The said consideration was paid on 12 November 2009 and the same had been considered as cost of land. The Group had complied with all the requirements for purchase of land and paid the full consideration. The delay from APIIC is of administrative in nature and said sale will happen in due course of time.

   During the earlier year, APIIC had raised a demand amounting to Rs. 19.81 million for lease rentals (including interest) pertaining to previous years which was paid by the Group. On transition to Ind AS 116 the Group had categorized the payment of consideration of Rs. 612.50 million as right of use (ROU) assets and recognized the present value of the remaining lease payment as ROU assets and lease liability accordingly and being amortised over its useful life.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.1 Property, plant and equipment (PPE) and capital work-in-progress (Contd..)

2. Title deeds of certain portions of land in the name of the Group are under dispute. In respect of such disputes, the Group has been legally advised that it has valid title in its name for the aforesaid immovable properties and that it will be able to defend any counter claim to such property. (refer note 3.38)

3. During the previous year, the management has carried out a review of useful life of its Thermal Power Plant assets and determined the revised useful life to be 30 years from 25 years based on a technical assessment performed by an external consultant. This is considered as change in estimate and accounted prospectively from October 01, 2021 onwards. As a result of this change, the depreciation expense for the current year was reduced by Rs. 685.76 million, while annual depreciation is reduced Rs. 1,375.29 million from FY 22-23 onwards.

4. Refer note 3.38 for contractual commitments and obligations.

5. Capital Work-in-progress details as on March 31, 2023

(a) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	213.97	46.74	33.44	12.24	306.39
Projects temporarily suspended	-	-	-	-	-

(b) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 31, 2023.

Capital Work-in-progress details as on March 31, 2022

(c) Aging of CWIP

Details	Amount in CWIP for a period of				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	100.05	39.31	13.81	6.31	159.48
Projects temporarily suspended	-	-	-	-	-

(d) There are no projects in progress or projects temporarily suspended under capital work in progress whose completion is overdue or has exceeded its cost compared to the original plan as at March 31, 2022.

6. Additions in capital work-in-progress includes directly attributable expenses capitalised as under:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Other expenses		
Legal and professional expenses	2.26	3.01
Salaries, allowance and bonus	19.84	31.90
Miscellaneous expenses	-	2.20
Finance costs		
- Finance costs	-	0.37
- Net foreign exchange (gain)/loss (decapitalised)/capitalised in plant and machinery	-	(63.76)
Total	**22.10**	**(26.28)**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.2 Other intangible assets and Goodwill

Particulars	Customer contracts	Softwares and licenses	Total of other intangible assets	Goodwill
Gross carrying amount				
Balance as at April 1 2021	32.10	129.84	161.94	1,234.20
Additions	-	4.61	4.61	-
Disposals	(32.10)	-	(32.10)	-
Disposal of discontinued operation	-	(21.23)	(21.23)	
Balance as at March 31 2022	-	113.22	113.22	1,234.20
Additions	-	9.31	9.31	-
Disposals	-	-	-	-
Disposal of discontinued operation	-	-	-	-
Balance as at March 31 2023	**-**	**122.53**	**122.53**	**1,234.20**
Accumulated amortisation				
Balance as at April 1 2021	30.01	111.97	141.98	-
Amortisation for the year	2.09	6.64	8.73	-
Disposals	(32.10)	-	(32.10)	-
Disposal of discontinued operation	-	(15.34)	(15.34)	
Balance as at March 31 2022	-	103.27	103.27	-
Amortisation for the year	-	6.61	6.61	-
Disposals	-	-	-	-
Disposal of discontinued operation	-	-	-	-
Balance as at March 31 2023	**-**	**109.88**	**109.88**	**-**
Net block				
As at March 31 2022	-	9.95	9.95	1,234.20
As at March 31 2023	**-**	**12.65**	**12.65**	**1,234.20**

Assessment of carrying value of goodwill and PPE relating to SEIL P-2:

The carrying value of property, plant and equipment (PPE) and goodwill relating to SEIL-P2 which was acquired by the Group in an earlier year amounting to Rs 76,500.86 million (March 31, 2022: Rs 79,407.83 million) and Rs 1,234.20 (March 31, 2022: Rs 1,234.20 million) respectively.

The goodwill represents the excess of consideration paid over the net assets acquired under the Scheme of Amalgamation of 'Nelcast Energy Corporation Limited (Nelcast)' with Sembcorp Gayatri Power Limited (SEIL-P2) approved by the High Court of Madras on October 12, 2011. Nelcast was the 100% subsidiary of SEIL-P2. The Group opted to apply Ind AS 103 exemption for the business combinations which occurred prior to transition into Ind AS and accordingly, amalgamation of Nelcast with the Group and the resultant Goodwill has not been restated.

The said PPE and goodwill are considered as part of one cash generating unit (CGU) for the purpose of assessment of their recoverable amount. The recoverable amount of the said CGU is based on discounted value of estimated cash flows over the remaining useful life of 24 years.

Revenue, plant load factor, coal prices, margins and cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by the management. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles.

Key assumptions used in the value-in-use calculation:

Assumption	Basis
Cash flow projections period	Remaining useful life of PPE assumed 24 years (March 31, 2022: 25 years) Refer note 3.1 for change in useful of PPE
Weighted average cost of capital % (WACC) post tax	10.58% (March 31 2022: 9.38%)
Revenue and margins	Primarily based on the forecasted combination of long-term and short-term contracts and electricity spot prices with reference to estimated demand and supply of electricity as well as margin.

As at March 31, 2023 the estimated recoverable amount of the CGU exceeds its carrying amount and accordingly no adjustment is required to such carrying amount. The management has also performed sensitivity analysis of the key assumptions applied and no impairment would need to be recognised in the event of a reasonable change in the underlying key assumptions as there exists significant headroom between the recoverable amount and carrying amount.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.3 Other financial assets

	As at March 31 2023	As at March 31 2022
(Unsecured considered good, unless otherwise stated)		
Non-current		
Security deposits	10.59	10.67
Others:		
Margin money deposits and other deposits with banks*	985.60	2,745.35
Interest accrued on bank deposits	23.21	66.67
Late payment surcharge receivables	68.90	-
	1,088.30	**2,822.69**
Current		
Others:		
Interest accrued on bank deposits	0.65	23.40
Late payment surcharge receivables	1,096.30	1,821.16
	1,096.95	**1,844.56**

* includes reserved against margin money for bank guarantees, other commitments and debt service reserves on long-term borrowings.

3.4 Non-current tax assets

	As at March 31 2023	As at March 31 2022
(Unsecured considered good, unless otherwise stated)		
Advance income taxes (net of provision for tax)	1,075.19	977.66
	1,075.19	**977.66**

3.5 Deferred tax assets and liabilities

i) Deferred tax asset and liabilities attributable to the following

	As at March 31 2023	As at March 31 2022
Deferred tax liabilities:		
Excess of depreciation on Property, plant and equipment under Income Tax law over depreciation provided in accounts	17,075.94	15,625.43
Fair value adjustment of current investments	1.01	6.71
Unamortised part of prepayment expenses	43.94	76.16
	17,120.89	**15,708.30**
Deferred tax assets:		
Allowance for expected credit loss	52.15	294.10
Lease liabilities (net)	3.64	4.23
Temporary diff on carrying value of trade receivables	225.61	-
Expenses to be allowed as deductible in future	2,721.76	3,779.99
Hedge reserve	-	60.34
Business carry forward loss and Unabsorbed depreciation	10,950.04	10,702.28
	13,953.20	**14,840.94**
Net deferred tax liabilities	**3,167.69**	**867.36**

Classification of deferred tax assets and liabilities:

Particulars	As at March 31 2023	As at March 31 2022
Deferred tax liabilities (net)	3,167.69	867.36
	3,167.69	**867.36**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.5 Deferred tax assets and liabilities (Continued)

ii) Movement in temporary differences

Particulars	As at April 1, 2022	Impact in Statement of profit and loss	Impact in other compre-hensive income	Disposal of discontinued operation	As at March 31, 2023
Deferred tax liabilities on:					
Excess of depreciation allowable under Income-tax law over depreciation provided in books	15,625.43	1,450.51	-	-	17,075.94
Fair value adjustment of current investments	6.71	(5.70)	-	-	1.01
Unamortised part of prepayment expenses	76.16	(32.22)	-	-	43.94
Total deferred tax liabilities	**15,708.30**	**1,412.59**	**-**	**-**	**17,120.89**
Deferred tax assets on:					
Allowance for expected credit loss	294.10	(241.95)	-	-	52.15
Lease liabilities	4.23	(0.59)	-	-	3.64
Temporary diff on carrying value of trade receivables	-	225.61	-	-	225.61
Expenses to be allowed as deductible in future	3,779.99	(1,074.84)	16.61	-	2,721.76
Hedge reserve	60.34	-	(60.34)	-	-
Business carry forward loss and Unabsorbed depreciation	10,702.28	247.76	-	-	10,950.04
Total deferred tax assets	**14,840.94**	**(844.01)**	**(43.73)**	**-**	**13,953.20**
Net deferred tax assets and liabilities	**867.36**	**2,256.60**	**43.73**	**-**	**3,167.69**

Particulars	As at April 1, 2021	Impact in Statement of profit and loss	Impact in other comprehen-sive income	Disposal of discontinued operation	As at March 31, 2022
Deferred tax liabilities on:					
Excess of depreciation allowable under Income-tax law over depreciation provided in books	22,215.32	2,629.36	-	(9,219.25)	15,625.43
Fair value adjustment of current investments	13.42	(2.20)	-	(4.51)	6.71
Unamortised part of prepayment expenses	209.05	(11.44)	-	(121.45)	76.16
Unamortised part of borrowing costs	106.55	(105.03)	-	(1.52)	-
Fair value adjustment of derivatives	4.15	(4.15)	-	-	-
Total deferred tax liabilities	**22,548.49**	**2,506.54**	**-**	**(9,346.73)**	**15,708.30**
Deferred tax assets on:					
Provision for asset retirement obligation	81.47	6.04	-	(87.51)	-
Allowance for expected credit loss	250.38	128.48	-	(84.76)	294.10
Lease liabilities	39.91	1.15	-	(36.83)	4.23
Operation and maintenance expenses equalization	134.79	(17.50)	-	(117.29)	-
MAT credit entitlement	586.24	41.73	-	(627.97)	-
Expenses to be allowed as deductible in future	3,571.70	258.85	(0.97)	(49.59)	3,779.99
Hedge reserve	-	-	60.34	-	60.34
Business carry forward loss and Unabsorbed depreciation	17,403.26	566.58	-	(7,267.56)	10,702.28
Total deferred tax assets	**22,067.75**	**985.33**	**59.37**	**(8,271.51)**	**14,840.94**
Net deferred tax liabilities	**480.74**	**1,521.21**	**(59.37)**	**(1,075.22)**	**867.36**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.6 Other assets

	As at March 31 2023	As at March 31 2022
(Unsecured considered good, unless otherwise stated)		
Non-current		
Capital advances	270.22	183.17
Less: Provision for capital advance	(5.06)	(5.06)
Balance with government authorities paid under protest (refer note 3.38)	197.31	119.98
Contribution to gratuity fund (net) (refer note 3.35)	10.19	-
Prepayments	18.97	22.49
	491.63	**320.58**
Current		
Advance to suppliers	2,551.80	3,291.59
Balance with government authorities (refer note 3.40)	3,851.71	2,527.95
Prepayments	345.19	448.26
	6,748.70	**6,267.80**

3.7 Inventories

	As at March 31 2023	As at March 31 2022
(Valued at lower of cost and net realisable value)		
Coal and Fuel*	7,619.28	5,053.01
Stores and spares	2,395.08	2,269.48
	10,014.36	**7,322.49**

* includes materials-in-transit amounting to Rs.3,455.14 million, (March 31, 2022: Rs. 3,244.39 million).

3.8 Current investments

	Number of units		As at	
	March 31 2023	March 31 2022	March 31 2023	March 31 2022
Investment in mutual funds (debt securities)				
Quoted, valued at fair value through profit or loss				
IDFC Cash Fund-Direct Plan-Growth	-	206,348	-	530.51
UTI Liquid Cash Fund-Direct Plan-Growth	-	144,422	-	503.75
Axis Liquid Fund-Direct Plan-Growth	-	184,487	-	436.14
SBI Liquid Fund-Direct Plan-Growth	44,680	148,770	157.44	495.86
Nippon India liquid fund -Direct plan-Growth	-	96,973	-	505.04
			157.44	**2,471.30**
Aggregate fair value and market value of quoted investments			157.44	2,471.30
Aggregate provision for impairment in value of investments			-	-

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.9 Trade receivables

	As at March 31 2023	As at March 31 2022
(Unsecured, considered good)		
Trade receivables		
Non-current		
- Billed^	3,215.18	-
Less: allowance for expected credit loss	(6.51)	-
	3,208.67	-
Current		
- Billed^	31,230.35	32,759.67
- Unbilled*	6,255.24	5,034.10
Total	**37,485.59**	**37,793.77**
Less: allowance for expected credit loss	(200.69)	(1,004.01)
	37,284.90	**36,789.76**
Break-up of security details		
Trade receivables considered good – unsecured	40,700.77	37,793.77
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**40,700.77**	**37,793.77**
Less: allowance for expected credit loss	(207.20)	(1,004.01)
	40,493.57	**36,789.76**

Trade receivables aging schedule

	As at March 31 2023	As at March 31 2022
Outstanding for following periods from due date of receipt		
(i) Undisputed Trade receivables – considered good		
Unbilled receivables	6,255.24	5,034.10
Not due	24,450.61	4,122.12
Less than 6 months	9,807.38	15,894.52
6 months -1 year	27.09	6,078.97
1-2 years	28.40	5,976.68
2-3 years	97.79	5.66
More than 3 years	34.26	681.72
Total	**40,700.77**	**37,793.77**

* The receivable is 'unbilled' because the group has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person nor any trade receivables are due from firms or private companies in which any director is a partner, a director or a member.'The Group's exposure to credit and currency risk and loss allowance related to trade receivables are disclosed in note 3.30.

^ Includes receivables against which the Group holds revolving letter of credit from customers.

Previous year carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The Group considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.

The relevant carrying amounts are as follows:

Particulars	As at March 31 2023	As at March 31 2022
Total transferred trade receivables	-	2,990.48
Associated secured borrowing (refer note 3.17)	-	2,990.48

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.10 Cash and bank balances

	As at March 31 2023	As at March 31 2022
Cash and cash equivalents:		
Balance with banks:		
On current accounts	726.39	444.20
Deposits with original maturity of less than three months	304.30	4,314.81
	1,030.69	**4,759.01**
Bank balances other than those disclosed above		
Deposits due to mature after three months but before twelve months from the reporting date	-	2,039.50
	-	**2,039.50**

3.11 Equity Share capital

	As at March 31 2023	As at March 31 2022
Authorised		
Equity shares		
15,000,000,000 (March 31 2022: 15,000,000,000) number of equity shares of Rs.10 each	150,000.00	150,000.00
	150,000.00	**150,000.00**
Issued, Subscribed and fully paid up		
5,433,668,574 (March 31 2022: 5,433,668,574) number of equity shares of Rs.10 each, fully paid up (refer note below)	54,336.69	54,336.69
	54,336.69	**54,336.69**

(i) Movements in equity share capital:

	As at March 31 2023		As at March 31 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Outstanding at the beginning of the year	5,433,668,574	54,336.69	5,433,668,574	54,336.69
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	**5,433,668,574**	**54,336.69**	**5,433,668,574**	**54,336.69**

(ii) Shares held by the holding company

	As at March 31 2023		As at March 31 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-	-	5,433,668,574	54,336.69
Tanweer Infrastructure SAOC, the holding company along with its nominees #	5,433,668,574	54,336.69	-	-
Outstanding at the end of the year	**5,433,668,574**	**54,336.69**	**5,433,668,574**	**54,336.69**

(iii) Details of shareholders holding more than 5% shares in the company

Name of shareholders	As at March 31 2023		As at March 31 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-	-	5,433,668,574	100.00%
Tanweer Infrastructure SAOC, the holding company along with its nominees #	5,433,668,574	100.00%	-	-

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.11 Equity Share capital (Continued)

(iv) Details of shareholding of Promoters

Name of shareholders	As at March 31 2023		As at March 31 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Sembcorp Utilities Pte. Ltd., the holding company along with its nominees #	-	-	5,433,668,574	100.00%
Tanweer Infrastructure SAOC, the holding company along with its nominees #	5,433,668,574	100.00%	-	-

Refer note 3.43

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

Terms and rights attached to equity shares:

Equity shares of the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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.

3.12. Other equity

	As at March 31 2023	As at March 31 2022
Securities premium		
Balance at the beginning of the year	40,207.03	40,207.03
Add: Additions during the year	-	-
Less: Disposal of discontinued operation	-	-
Balance at the end of the year	**40,207.03**	**40,207.03**
Capital reserve on acquisition		
Balance at the beginning of the year	(14,550.18)	(14,550.18)
Add: Additions during the year	-	-
Less: Disposal of discontinued operation	-	-
Balance at the end of the year	**(14,550.18)**	**(14,550.18)**
Capital reserve		
Balance at the beginning of the year	1,121.58	1,121.58
Add: Additions during the year	-	-
Less: Disposal of discontinued operation	-	-
Balance at the end of the year	**1,121.58**	**1,121.58**
Capital redemption reserve		
Balance at the beginning of the year	1.01	2.18
Add: Transfers from retained earnings	-	-
Less: Disposal of discontinued operation	-	(1.17)
Balance at the end of the year	**1.01**	**1.01**
Debenture redemption reserve		
Balance at the beginning of the year	125.00	-
Adjustment due to disposal of discontinued operation	-	125.00
Balance at the end of the year	**125.00**	**125.00**
General reserve		
Balance at the beginning of the year	74.00	199.00
Less: Disposal of discontinued operation	-	(125.00)
Balance at the end of the year	**74.00**	**74.00**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.12. Other equity (Continued)

	As at March 31 2023	As at March 31 2022
Share-based payments reserve		
Balance at the beginning of the year	143.06	-
Add: Share-based payments charged to profit or loss	97.13	166.98
Add: Adjustment for recharge of share-based payments	(121.42)	2.38
Less: Disposal of discontinued operation	-	(26.30)
Balance at the end of the year	**118.77**	**143.06**
Other reserves		
Balance at the beginning of the year	1,095.73	1,399.45
Add: Adjustments due to change in stake of step-down subsidiaries	-	0.60
Add: Fair value of interest free INR denominated notes from erstwhile holding company	-	(297.70)
Less: Disposal of discontinued operation	-	(6.62)
Balance at the end of the year	**1,095.73**	**1,095.73**
Retained earnings		
Balance at the beginning of the year	28,366.33	1,132.44
Less: Transfers to capital redemption reserve	-	-
Add: Profit for the year	6,214.26	27,241.98
Less: Disposal of discontinued operation	-	(8.09)
Balance at the end of the year	**34,580.59**	**28,366.33**
Other items of other comprehensive income		
Remeasurement of post-employment benefit obligations		
Balance at the beginning of the year	(74.06)	(41.46)
Items that will not be reclassified to profit or loss		
- Remeasurements of post-employment benefit obligations	24.66	(40.68)
Less: Disposal of discontinued operation	-	8.08
Balance at the end of the year	**(49.40)**	**(74.06)**
Effective portion of cash flow hedges		
Balance at the beginning of the year	86.67	(41.64)
Add: Change in fair value, net of tax	(86.67)	128.31
Balance at the end of the year	**-**	**86.67**
Hedge Reserve - cost of Hedging		
Balance at the beginning of the year	58.04	-
Add: Change in fair value, net of tax	(58.04)	58.04
Balance at the end of the year	-	58.04
Total other equity	**62,724.13**	**56,654.21**

Nature and purpose of other equity

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013

Capital reserve on acquisition

Capital reserve on acquisition is the difference between the consideration for acquisition of Sembcorp Gayatri Power Limited (SGPL) and Sembcorp Green Infra Limited (SGIL) and the amount of share capital and security premium of SGPL and SGIL as per Ind AS 103 (Appendix C), Business combinations of entities under common control.

Capital reserve

Capital reserve is the excess of fair value of net identified assets acquired over the purchase consideration of the business acquired by the Group from other than business combination of entities under common control.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.12. Other equity (Continued)

Capital redemption reserve

Capital redemption reserve represents amounts set aside out of retained earnings on redemption of preference shares by one of the subsidiary Green Infra Wind Farm Limited. These represent the pre-acquisition reserves and are continued to be retained after loss of control of subsidiary (refer note-3.37).

Debenture redemption reserve

In earlier year, one of the subsidiary, GIWFAL allotted 500, 12% non-convertible debentures of face value of Rs. 1.00 million each. GIWFAL had transferred Rs. 125.00 million to 'Debenture redemption reserve' (DRR) out of profits available for distribution of dividends, as required under section 71 of the Companies Act, 2013. These represent the pre-acquisition reserves and are continued to be retained after loss of control of subsidiary (refer note-3.37).

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to retained earnings.

Share based payments reserve

Shae based payments reserve represents expense recognised over the vesting period of the awards during which the employees provide the relevant services, based on grant-date fair value of equity-settled share-based payment arrangements.

Other reserves

Other reserves include all other transactions with the owners in their capacity as owners, impact of changes in the ownership interest do not result in loss of control and fair value adjustments.

Retained earnings

Retained earnings mainly represents all current and prior year profits as disclosed in the consolidated statement of profit and loss less dividend distribution and transfers to general reserve and remeasurement gain/(loss) relating to defined benefit liability.

Other items of other comprehensive income
Remeasurement of post-employment benefit obligations

Remeasurement of post-employment benefit obligations represents remeasurement gain/(loss) relating of post-employment benefit obligations.

Effective portion of cash flow hedges

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instrument related to hedged transactions that have not yet occurred.

Hedge reserve-Cost of Hedging

This mainly represents the net change in fair value of forward element of the hedging instrument.

3.13 Long-term borrowings

Particulars	As at March 31 2023	As at March 31 2022
Secured From banks		
Rupee term loans	-	54,290.83
Foreign currency non repatriable (FCNR) term loan*	-	15,382.15
Unsecured From banks		
Rupee term loans	34,747.76	-
	34,747.76	**69,672.98**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Details of securities given, repayment terms and other details are given below:

Long-term borrowings in the Group^	Interest rate and repayment terms of the long-term borrowings	Security terms of the long-term borrowings
	SECURED LOANS	
Rupee term loans of Nil (March 31 2022: 32,232.39 million) from banks for SEIL – P1	The Rupee Term Loans in respect of facility - I and II carry an interest of SBI MCLR plus 1.25% p.a. Interest rate applicable during the year was 7.75% to 9.15% (March 31, 2022: 8.20% to 8.25% p.a.). Rupee Term Loan facility -I from banks are repayable in 79 quarterly structured unequal instalments commenced from December 31, 2016 and Rupee Term Loan facility - II from banks are repayable in 77 quarterly structured unequal instalments commenced from June 30, 2017.	Nil (March 31 2022: First ranking pari passu charge of registered mortgage of freehold land of 160 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of lease land situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL P1). Nil (March 31 2022: 643,970,442) equity shares of Rs.10 each of the Company, fully paid up are pledged by the holding company.
Rupee term loans of Nil (March 31 2022: 25,947.69 million) from banks for SEIL - P2	Rupee term loans carry an interest of SBI one year MCLR plus 1.25% p.a. Interest rate applicable during the year is 8.25% to 8.60% (March 31, 2022: 8.20% to 9.15% p.a.). Rupee term loans facilities are repayable in 78 quarterly structured unequal instalments commenced from September 30, 2017	Nil (March 31 2022: First ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL - P2). Further, the holding company has pledged Nil (March 31 2022: 408,480,080) equity shares of Rs. 10 each of the Company for borrowings availed by SEIL – P2 and also have given corporate guarantees to cover the outstanding balance.
Foreign currency non repatriable (FCNR) term loan of Nil (March 31 2022: 16,586.88 million) for SEIL - P1 and P2	FCNR term loans tenure is 7 to 365 days from the date of conversion and these loans are repayable in one lump sum on the date of maturity. As per the terms of FCNR term loan agreements, the Group can rollover the facility (or) can convert it into Rupee term loans. The business model of the Group is either to rollover or conversion into Rupee term loans. The Group has classified the borrowings in the financial statements as per the original Rupee term loan agreement and repayments during the year have been honored as per original Rupee term loan agreement. The rate of interest applicable on these FCNR term loans is at 12 months LIBOR plus Spread plus Hedging cost plus upfront conversion cost (All in cost is in range of 7.75% to 7.93% (March 31, 2022: 7.42% to 7.93% p.a). The Group has obtained hedge contract on principle and interest payable.	Nil (March 31 2022: The FCNR is secured as per the rupee term loan with respective lenders as mentioned above.)
UNSECURED LOANS		
Rupee term loans of Rs. 37,766.73 million (March 31, 2022: NIL) from banks	During the year loans Rupee term carries interest rate in the range of 7.81% to 9.32% p.a.) (March 31, 2022: NIL.)	These rupee term loans are secured by Corporate Guarantee of Sembcorp utilities Pte Ltd. (March 31, 2022: Nil)

* As on March 31, 2022, the Group had converted Rupee term loan of Rs. 16,513.18 million of SEIL-P1 for a period of 90 to 363 days.

During the year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

^Amounts outstanding for loans in SGIL and its subsidiaries as at March 31, 2022 is Nil due to discontinued operation (refer note 3.37)

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.14 Other financial liabilities

	As at March 31 2023	As at March 31 2022
Current		
Amount payable for purchase of property, plant and equipment [refer note 3.38 (III)]	458.66	453.76
Amount payable for purchase of property, plant and equipment (dues of micro and small enterprises)	0.16	5.20
Interest accrued on borrowings	7.36	3.95
Retention money payable [refer note 3.38 (III)]	7,202.36	6,887.61
Accrued employee liabilities	182.40	609.23
Other payables (refer note 3.43)	319.44	-
Derivative liabilities on fair valuation of financial instruments^		
Derivatives not designated as cash flow hedge		
- Fair value of forward contracts	-	250.50
	8,170.38	**8,210.25**

^The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 3.30.

3.15 Provisions

	As at March 31 2023	As at March 31 2022
Non-current		
Provision for employee benefits		
- Gratuity (net) (refer note 3.35 and 3.43)	-	29.13
	-	**29.13**
Current		
Provision for employee benefits		
- Compensated absences (refer note 3.43)	66.88	88.94
	66.88	**88.94**

	As at March 31 2023	As at March 31 2022
Subnote:		
Movement in provision for asset retirement obligation is as follows:		
At the beginning of the year	-	316.84
Movement in provision during the year (including unwinding of interest)	-	(316.84)
At the end of the year	**-**	**-**

3.16 Other liabilities

	As at March 31 2023	As at March 31 2022
Current		
Contract liabilities	42.37	24.71
Dues to statutory authorities	292.56	220.50
Liability towards corporate social responsibility	58.17	12.04
Other payables [refer note 3.38 (III)]	5,558.57	5,558.51
	5,951.67	**5,815.76**

3.17 Short-term borrowings

	As at March 31 2023	As at March 31 2022
Secured		
Current maturities of long-term borrowings	-	5,093.98
Working capital demand loans	-	4,749.72
Bills discounted (refer note no. 3.9)	-	2,990.48
Unsecured		
Current maturities of long-term borrowings	3,018.97	-
Working capital demand loans	5,948.00	-
Commercial papers	23,552.94	2,481.84
	32,519.91	**15,316.02**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

Details of securities given, repayment terms and other details are given below:

Short-term borrowings in the Group^	Interest rate and repayment ter ms of the short-term borrowings	Security terms of the short-term borrowings
SECURED LOANS		
Working capital demand loans from banks including buyer's credit of Nil (March 31 2022: 4,749.72 million) for SEIL – P1 and P2	During the year working capital demand loans carries interest rate of 4.80% to 9.10% (March 31, 2022: 4.00% to 7.00% p.a.) and tenure upto 180 days from the date of draw down and cash credits are repayable on demand.	Short-term borrowings for SEIL-P1 Nil (March 31,2022: Secured by mortgage pari passu first charge of registered mortgage of freehold land of 160 sq. mt. in Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage of 800.80 acres of owned land and 680.55 acres of land under lease situated at Pynampuram and Nelatur Villages, Muthukur Mandal in the state of Andhra Pradesh and first pari passu charge over all the present and future assets (both tangible and intangible) of the SEIL – P1. Borrowings to the extent of Rs. 2,000 million from Development Bank of Singapore Limited is secured by corporate bank guarantee from Sembcorp Utilities Pte, Ltd.) Short-term borrowings for SEIL-P2 Nil (March 31, 2022: Secured by first ranking pari passu charge of registered mortgage of freehold land of 150 sq. mtrs at Village Zaap, Sudhagad Taluka, Raigad, Maharashtra and equitable mortgage over 1,216.88 acres of owned land situated at Pynampuram Village, Muthukur Mandal, SPSR Nellore District in the state of Andhra Pradesh and first ranking pari passu charge over all the present and future assets (both tangible and intangible) of SEIL – P2 The fund based working capital facilities from Development Bank of Singapore and Hongkong and Shanghai Banking Corporation Limited are secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd. Federal Bank working capital limits of Rs. 2,000 million is unsecured facility Working Capital limits of Standard Chartered Bank of Rs 3,000 million is secured by Corporate Guarantee of Sembcorp utilities Pte Ltd.)
UNSECURED LOANS		
Working capital demand loans from banks of Rs. 5,948.00 million (March 31, 2022: Nil)	During the year working capital demand loans carries interest rate in the range of 8.00% to 9.65% p.a. (March 31, 2022: Nil) and tenure upto 180 days from the date of draw down and cash credits are repayable on demand.	These working capital demand loans are secured by Corporate Guarantee of Sembcorp utilities Pte Ltd. (March 31, 2022: Nil)
Commercial papers of Rs. 23,552.94 million (March 31 2022: Rs. 2,481.84 million) for SEIL – P1	Commercial paper carries an interest rate in the range of 3.95% to 8.87% p.a. (March 31 2022: 4.35% to 4.45% p.a.).	These commercial papers are secured by Corporate Guarantee of Sembcorp utilities Pte Ltd. (March 31, 2022: Unsecured).

The Group has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed are in agreement with the books of accounts.

During the year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was drawn.

^Amounts outstanding for loans in SGIL and its subsidiaries as at March 31, 2022 is Nil due to discontinued operation (refer note 3.37).

During the year, the Company prepaid its term loans aggregating to Rs. 63,301 million with an intent to simplify the financing terms and reduce the interest cost. Source of funds for prepayment of the above said term loans includes internal accruals, new long-term loans and also bridge finance with issuance of commercial papers of Rs. 20,000 million with maturity of upto 1 year. The Company intends to replace the commercial papers borrowing with funds from long-term sources.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.18 Trade payables

	As at March 31 2023	As at March 31 2022
Total outstanding dues to micro and small enterprises	82.74	25.54
Total outstanding dues to other than micro and small enterprises		
- related parties (refer note 3.36)	-	65.38
- others	5,068.79	4,765.51
	5,151.53	**4,856.43**

The Group's exposure to currency and liquidity risks related to trade payables are disclosed in note 3.30.
The Group does not have any disputed trade payables outstanding as at March 31, 2023 and March 31, 2022.

Trade payables aging schedule

	As at March 31 2023	As at March 31 2022
Outstanding for following periods from due date of payment		
(i) Undisputed micro and small enterprises		
Unbilled payables	49.86	12.12
Not due	32.88	13.42
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**82.74**	**25.54**
(ii) Undisputed Others		
Unbilled payables	4,483.56	3,195.93
Not due	585.23	1,633.10
Less than 1 year	-	-
1-2 years	-	1.50
2-3 years	-	-
More than 3 years	-	-
Total	**5,068.79**	**4,830.53**

3.19 Current tax liabilities

	As at March 31 2023	As at March 31 2022
Provision for taxes (net of advance tax: Rs.63.14 million, (March 31, 2022: Rs. 63.14 million)	149.48	149.48
	149.48	**149.48**

3.20 Revenue from operations

	As at March 31 2023	As at March 31 2022
Sale of electricity	93,734.04	76,766.78
Other operating revenues		
- Sale of fly ash	151.96	124.22
	93,886.00	**76,891.00**

a. Reconciliation of revenue from electricity recognised with the contracted price is as follows:

Contract price	95,355.54	77,193.58
Adjustments for:		
Rebates	(241.42)	(60.85)
Deviation settlement charges	(1,153.96)	(662.27)
Unearned income	-	296.32
Commission/ penalty charges	(226.12)	-
Sale of electricity	**93,734.04**	**76,766.78**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.20 Revenue from operations (Continued))

b. Changes in contract liabilities*

	As at March 31 2023	As at March 31 2022
Balance at the beginning of the year	24.71	313.47
Add: Amount received during the year	220.69	166.42
Less: Amount recognised as revenue/other adjustments during the year	(203.03)	(455.18)
Balance at the end of the year	**42.37**	**24.71**

* Contract liabilities include unearned income and advance from customer.

c. Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

d. Refer note 3.33 for Revenue disaggregation by geography.

3.21 Other income

	For the year ended March 31 2023	For the year ended March 31 2022
Interest income from financial assets measured at amortised cost	300.64	264.67
Net gain on financial assets measured at FVTPL		
- mutual funds	77.39	81.62
Late payment surcharges recovered from customers	2,701.65	989.50
Unwinding of discount on trade & late payment surcharge receivables (refer note 3.42)	1,008.26	-
Insurance claims recovered	43.10	-
Gain on derivative contracts, net at FVTPL	18.70	29.98
Gain on sale of property, plant and equipment, net	-	0.42
Scrap sales	76.81	54.70
Miscellaneous income	0.09	0.18
	4,226.64	**1,421.07**

3.22 Cost of fuel

	For the year ended March 31 2023	For the year ended March 31 2022
Coal and fuel cost	65,178.26	46,729.68
	65,178.26	**46,729.68**

3.23 Transmission charges

	For the year ended March 31 2023	For the year ended March 31 2022
Transmission charges	3,806.83	3,113.82
	3,806.83	**3,113.82**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.24 Employee benefits expense

	For the year ended March 31 2023	For the year ended March 31 2022
Salaries, wages and bonus	1,586.04	2,166.92
Contribution to provident and other funds (refer note 3.35)	93.91	80.83
Employee share based expenses (refer note 3.39)	97.13	136.20
Staff welfare expenses	104.65	92.62
	1,881.73	**2,476.57**

3.25 Finance costs

	For the year ended March 31 2023	For the year ended March 31 2022
Interest expense on financial liabilities measured at amortised cost	6,485.83	10,187.00
Unwinding of discount on lease liabilities (refer note 3.32)	5.62	6.41
Other borrowing costs	1,464.11	699.31
	7,955.56	**10,892.72**

3.26 Depreciation and amortisation expense

	For the year ended March 31 2023	For the year ended March 31 2022
Depreciation on property, plant and equipment	5,893.65	6,659.90
Depreciation on right to use assets (refer note 3.32)	40.49	27.38
Amortisation on intangible assets	6.61	5.12
	5,940.75	**6,692.40**

3.27 Operating and other expenses

	For the year ended March 31 2023	For the year ended March 31 2022
Consumption of stores, spares and consumables	877.39	925.86
Repairs and maintenance		
- Buildings and civil works	80.89	50.05
- Plant and equipment	1,083.19	1,058.02
- Others	8.19	14.95
IT maintenance expenses	126.34	125.01
Travelling and conveyance	97.88	76.05
Insurance	429.49	475.62
Security charges	59.42	56.44
Legal and professional expenses	246.65	272.59
Technical support services (refer note 3.43)	111.98	-
Health and safety expenses	50.30	38.15
Expenditure on corporate social responsibility	92.00	52.58
Rates and taxes	20.27	27.32
Rent (refer note 3.32)	2.39	3.56
Directors' sitting fee	7.79	6.37
Commission charges	151.88	12.13
Communication expenses	14.83	13.50
Advertisement expenses	9.58	6.35
Loss on foreign currency transactions and translation (net)	265.59	132.38
Property, plant and equipment written off	3.25	0.26
Miscellaneous expenses	50.49	52.16
	3,789.79	**3,399.35**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.28 Tax expenses

	For the year ended March 31 2023	For the year ended March 31 2022
Current tax expense	-	62.81
Current tax adjustment relating to earlier years	-	(252.15)
Deferred tax expense	2,256.60	1,501.77
	2,256.60	**1,312.43**
Tax effect on items classified under other comprehensive income	43.73	(59.37)
	2,300.33	**1,253.06**
Tax expense is attributable to:		
Profit from continuing operations	2,300.33	615.21
Profit/(loss) from discontinued operation	-	637.85
	2,300.33	**1,253.06**
Reconciliation of effective tax rate		
Profit before tax from continuing operations	8,470.86	4,544.91
Profit/(loss) before tax from discontinued operation	-	24,114.39
	8,470.86	28,659.30
Enacted tax rate in India	25.17%	25.17%
Computed expected tax expenses (a)	2,131.95	7,212.97
Effect of		
MAT credit not recognised	-	14.25
Adjustments due to income taxable at different tax rates	-	(0.10)
Non-deductible expenses (i.e. CSR expense, fair valuation)	23.97	110.89
Changes in permanent difference of deferred tax assets/liabilities	-	22.92
Non-taxable income (income under section 80IA)	-	(73.25)
Gain on disposal of discontinued operation	-	(5,380.84)
Income taxes related to prior years	-	(252.15)
Deferred tax asset not recognised on tax losses in earlier years	0.07	(266.44)
Others	100.61	(75.82)
Income tax expense (b)	**2,256.60**	**1,312.43**
Tax effect on other comprehensive income	43.73	(59.37)
	2,300.33	**1,253.06**

3.29 Earnings per Equity share

	For the year ended March 31 2023	For the year ended March 31 2022
Profit attributable to equity shareholders of the Company **(A)**	6,214.26	27,241.98
Profit attributable to equity shareholders of the Company-Continuing operations **(B)**	6,214.26	3,869.36
Profit/(Loss) attributable to equity shareholders of the Company-Discontinued operation **(C=A-B)**	-	23,372.62
Number of equity shares		
Number of shares at the beginning of the year	5,433,668,574	5,433,668,574
Add: Weighted average number of shares issued during the year	-	-
Weighted average number of shares outstanding during the year (D)	**5,433,668,574**	**5,433,668,574**
Earnings per equity share - Continuing and discontinued operation		
(face value of share Rs.10 each)		
- Basic and diluted earnings per equity share (Rs.) **(A/D)**	**1.14**	**5.01**
Earnings per equity share -Continuing operations		
(face value of share Rs.10 each)		
- Basic and diluted earnings per equity share (Rs.) **(B/D)**	**1.14**	**0.71**
Earnings per equity share -Discontinued operation		
(face value of share Rs.10 each)		
- Basic and diluted earnings/(loss) per equity share (Rs.) **(C/D)**	**-**	**4.30**

Note: The Group did not have any potentially dilutive securities in any of the years presented.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management

A) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows:

As at March 31 2023:	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Investments - mutual funds	3.8	157.44	-	-	157.44	157.44	-	-
Trade receivables	3.9	-	-	40,493.57	40,493.57	-	-	-
Cash and cash equivalents	3.10	-	-	1,030.69	1,030.69	-	-	-
Other bank balances	3.10	-	-	-	-	-	-	-
Other financial assets	3.3	-	-	2,185.25	2,185.25	-	-	-
		157.44	**-**	**43,709.51**	**43,866.95**	**157.44**	**-**	**-**
Financial liabilities								
Borrowings	3.13 & 3.17	-	-	67,267.67	67,267.67	-	-	-
Lease liabilities		-	-	56.47	56.47	-	-	-
Trade payables	3.18	-	-	5,151.53	5,151.53	-	-	-
Other financial liabilities	3.14	-	-	8,170.38	8,170.38	-	-	-
		-	**-**	**80,646.05**	**80,646.05**	**-**	**-**	**-**

As at March 31 2022:	Note	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Investments - mutual funds	3.8	2,471.30	-	-	2,471.30	2,471.30	-	-
Trade receivables	3.9	-	-	36,789.76	36,789.76	-	-	-
Cash and cash equivalents	3.10	-	-	4,759.01	4,759.01	-	-	-
Other bank balances	3.10	-	-	2,039.50	2,039.50	-	-	-
Other financial assets	3.3	-	-	4,667.25	4,667.25	-	-	-
		2,471.30	**-**	**48,255.52**	**50,726.82**	**2,471.30**	**-**	**-**
Financial liabilities								
Borrowings	3.13 & 3.17	-	-	84,989.00	84,989.00	-	-	-
Lease liabilities		-	-	61.39	61.39	-	-	-
Trade payables	3.18	-	-	4,856.43	4,856.43	-	-	-
Other financial liabilities	3.14	-	250.50	7,959.75	8,210.25	-	250.50	-
		-	**250.50**	**97,866.57**	**98,117.07**	**-**	**250.50**	**-**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

Valuation techniques and significant unobservable inputs

Investment in mutual funds:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Forward exchange/ option contracts, swap contracts and commodity hedge contracts:

Foreign exchange forward/option contracts, Interest rate swaps and commodity hedge contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Continued)

forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

B. Financial risk management objectives and policies

The Group's activities exposed it to market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk and liquidity risk.

As part of the Group's enterprise risk management framework, treasury policies and financial authority limits are documented and reviewed periodically. The policies set out the parameters for management of Group's liquidity, counterparty risk, foreign exchange and derivative transactions and financing..

The Group uses foreign exchange contracts, foreign exchange swaps, interest rate swaps, and various financial instruments to manage exposures to interest rate and foreign exchange risks arising from operating and financing activities. The Group uses commodity hedge contract to manage exposure for international coal prices. All such transactions must involve underlying assets or liabilities and no speculative transactions are allowed.

The financial authority limits seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and commodity prices (coal) will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and reduce market risk exposures within acceptable parameters.

i) Interest rate risk

The Group's exposure to market risk for changes in interest rate environment mainly relates to its debt obligations.

The Group's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts under long-term and short-term borrowings.

The Group entered into various cross currency interest rate swaps to reduce its exposure to interest rate volatility. In accordance with the Group's policy, the duration of such cross currency interest rate swaps must not exceed the tenure of the underlying debt.

The Group has entered into cross currency interest rate swap to hedge the interest rate exposure and currency exposure for external commercial borrowings and forward contracts/options for payments of interest and principle for FCNR term loans.

The Group's borrowings majorly consists of project funding and working capital loans having variable rate of interest.

The interest rate profile of the Group's interest-bearing instruments as reported to management is as follows

Particulars	March 31 2023	March 31 2022
Variable rate instruments		
Long term borrowings	37,766.73	74,766.96
	37,766.73	**74,766.96**

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Group's assets are located in India. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating and financing activities. The functional currency of the Group is Indian rupee. The currencies in which these transactions are primarily denominated in US dollars (USD) and Singapore dollar (SGD).

The Group evaluates the exposure and enters into foreign currency derivative instruments like forward contracts, cross currency interest rate swaps to mitigate the exposure.

The quantitative data about the Group's exposure to currency risk (based on notional reports) is as follows:

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Continued)

Particulars	Currency	March 31 2023		March 31 2022	
		Indian Rupees	Foreign currency	Indian Rupees	Foreign currency
Financial assets					
Trade receivables	USD	10,427.78	126.83	1,985.30	26.19
Total financial assets		**10,427.78**		**1,985.30**	
Financial liabilities					
Borrowings ECB, FCNR and Buyer's credit	USD	-	-	**(16,620.31)**	**(219.24)**
Trade payables	USD	(3,025.20)	(36.80)	(3,930.22)	(51.70)
Trade payables	SGD	(133.25)	(2.15)	(64.65)	(1.16)
Other financial liabilities	USD	(4,328.50)	(52.65)	(3,991.04)	(52.65)
Total financial liabilities		**(7,486.95)**		**(24,606.22)**	
Net financial liabilities		**2,940.83**		**(22,620.92)**	
less:					
Foreign exchange forward contract (FCNR term loans)	USD	-	-	16,620.31	219.24
Total		-		**16,620.31**	
Net exposure in respect of recognised assets/ (liabilities)		**2,940.83**		**(6,000.61)**	

Sensitivity analysis

A reasonably possible strengthening (weakening) of Indian rupee against US dollar as at balance sheet date would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Particulars	Profit/(loss)		Equity increase/(decrease), net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)				
March 31 2023	(153.70)	153.70	(153.70)	153.70
March 31 2022	296.80	(296.80)	296.80	(296.80)
SGD (5% movement)				
March 31 2023	6.66	(6.66)	6.66	(6.66)
March 31 2022	3.23	(3.23)	3.23	(3.23)

iii) Derivative financial instruments

Cash flow hedges:

Cross currency interest rate swaps

The Group has entered into currency swap contracts to cover the currency risk on USD external commercial borrowings. The Group has also entered into interest rate swap contracts, under which the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loan.

Commodity hedge contracts

The Group uses commodity hedge contracts to hedge the price risk of forecasted coal purchase transactions. The prices of imported coal purchases are linked to price fluctuations in international coal market. These contracts enable the Group to mitigate the risk of changing coal prices and corresponding cash outflows

Forward contracts

The Group uses foreign exchange forward contracts to hedge the currency risk on Interest portion of foreign currency denominated loans. These contracts enable the Group to mitigate the risk of change in foreign exchange rates and corresponding cash outflows.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Continued)

Fair value hedges:

Forward contracts

The fair value of foreign exchange contracts/options which are not designated as cash flow hedges are accounted for based on the difference between the contractual price and the current market price.

The following table gives details in respect of outstanding nominal value and hedge contract details:

Particulars	Fair value of derivative asset/(liability) (Rs. In million)		Nominal values in Foreign currency i.e. USD		Nominal values (Rs. In million)	
	As at March 31 2023	As at March 31 2022	As at March 31 2023	As at March 31 2022	As at March 31 2023	As at March 31 2022
Derivatives designated as cash flow hedges:						
Cross currency interest rate swaps						
In USD	-	-	-	-	-	-
Commodity hedge contracts						
In USD	-	-	-	-	-	-
Forward contracts and swaps						
In USD	-	(0.82)	-	1.33	-	102.07
Derivatives not designated as cash flow hedges:						
Options						
In USD	-	-	-	-	-	-
In JPY	-	-	-	-	-	-
Forward contracts and swaps						
In USD	-	(249.68)	-	219.23	-	16,976.25
In JPY	-	-	-	-	-	-

iii) Derivative financial instruments

b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer, employee or counterparty to a financial instrument fails to meet its contractual obligations leading to financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade and unbilled receivables) and from its financing activities, including short-term deposits with banks, and other financial assets.

The carrying amounts of the financial assets as disclosed in note no. 3.9 represent the maximum credit risk exposure.

Trade and late payment surcharge receivables

The Group has exposure to credit risk from a limited customer group on account of specialized nature of business, i.e. sale of power. The Group ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed undertakings which are sovereign backed and other large corporates.

Customer credit risk is managed by the Group subject to the Group's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Group has adopted a policy of dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and credit worthiness of its customers are continuously monitored.

The Group also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade and late payment surcharge receivables.

Impairment

The movement in allowance for expected credit loss in respect of trade and late payment surcharge receivables during the year is as follows:

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Continued)

Particulars	Allowance for expected credit loss	
	As at March 31, 2023	As at March 31, 2022
Trade receivables and Late payment surcharges receivables		
Balance at the beginning of the year	1,004.01	753.99
Movement in expected credit loss allowance	(796.81)	587.76
Disposal of discontinued operation	-	(337.74)
Balance at the end of the year	**207.20**	**1,004.01**

Other financial assets/derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks and financial institutions (including derivatives contracts), investments in mutual funds.

Credit risk on cash and cash equivalents, other bank balances and derivative assets and liabilities are limited as the Group generally invests in deposits with banks with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks, the Group does not expect these banks and financial institutions to fail in meeting their obligations.

Credit risk arising from investment in mutual funds is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The mutual funds are valued at market price prevailing at reporting date which represents the fair value.

The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price. The fair value of interest rate swaps and cross currency swaps are the indicative amounts that the Group is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Group is exposed to this risk from its operating activities and financing activities. The Group's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liability when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Group to meet its obligations.

The below table provides details regarding the contractual maturities of financial liabilities as of the reporting date.

As at March 31 2023

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	37,774.09	6,436.69	38,577.60	8,818.95	53,833.24
Borrowings - short-term (excluding current maturities)	29,500.94	30,468.37	-	-	30,468.37
Trade payables	5,151.53	5,151.53	-	-	5,151.53
Other financial liabilities (excluding interest accrued on borrowings)	8,163.02	8,163.02	-	-	8,163.02
	80,589.58	**50,219.61**	**38,577.60**	**8,818.95**	**97,616.16**

As at March 31 2022

Particulars	Carrying value	Contractual cash flows (Gross)			
		within 12 months	1-5 years	More than five years	Total
Borrowings - long-term (including current maturities and interest accrued on borrowings)*	74,770.91	11,149.66	40,845.47	67,808.77	119,803.90
Borrowings - short-term (excluding current maturities)	10,222.04	10,222.04	-	-	10,222.04
Trade payables	4,868.47	4,868.47	-	-	4,868.47
Other financial liabilities (excluding interest accrued on borrowings)	8,206.30	8,206.30	-	-	8,206.30
	98,067.72	**34,446.47**	**40,845.47**	**67,808.77**	**143,100.71**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.30. Financial instruments - fair values and risk management (Continued)

*Contractual cash flows includes contractual interest payments based on the interest rate prevailing at the reporting date.

3.31. Capital management

The Group aims to maintain sound capital base so as to maintain investor, creditor and market confidence and to sustain future development and growth of its business, while at the same time maintaining an appropriate dividend policy to reward shareholders. The Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The capital structure of the Group consist of Borrowings and total equity of the Group. The Group seeks to maintain a balance between the higher returns that might be possible with highest levels of borrowings and the advantages and security afforded by a sound capital position.

Capital is defined as equity attributable to the equity holders (including non-controlling interest). Debt consists of non-current borrowings, current borrowings and current maturities of long-term borrowings.

The Group's debt to equity ratio as at the balance sheet date is as follows:

Particulars		March 31 2023	March 31 2022
Debt	A	67,267.67	84,989.00
Total equity	B	117,060.82	110,990.90
Total debt and equity		**184,328.49**	**195,979.90**
Debt-to-equity ratio	**(A/B)**	**0.57**	**0.77**

3.32. Leases

The amount recognised in the Balance Sheet for the right-of-use assets and lease liability are as follows:

Particulars	Gross carrying amount	Accumulated Depreciation	Net carrying amount
As at March 31 2023			
Leasehold land and buildings	732.29	114.16	618.13
Vehicles	11.54	6.72	4.82
Total	**743.83**	**120.88**	**622.95**
As at March 31 2022			
Leasehold land and buildings	720.26	76.54	643.72
Vehicles	11.54	3.84	7.70
Total	**731.80**	**80.38**	**651.42**

Lease liability	As at March 31 2023	As at March 31 2022
Present value of lease liability		
Current	19.48	17.49
Non- current	36.99	43.90
Maturity analysis		
0 - 1 year	23.06	27.40
1 - 5 years	36.76	51.77
More than 5 years	11.57	18.21

The amount recognised in consolidated statement of profit and loss for the right-of-use assets and lease liability are as follows:

For the year ended March 31 2023

Particulars	Leasehold land and buildings	Vehicles	Total
Depreciation charged on right-of-use assets	37.61	2.88	40.49
Unwinding of discount on lease liabilities	4.97	0.65	5.62

For the year ended March 31 2022

Particulars	Leasehold land and buildings	Vehicles	Total
Depreciation charged on right-of-use assets	38.16	2.88	41.04
Unwinding of discount on lease liabilities	16.02	0.91	16.93

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.32. Leases (Continued)

Further, the Group incurred Rs. 2.39 million (March 31 2022: Rs. 5.71 million) towards expenses relating to short-term leases and leases of low-value assets. Lease contracts entered by the Group majorly pertains for land taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is Rs. 22.57 million (March 31 2022: Rs. 40.56 million).

3.33. Segment reporting

The Group is engaged in the business of generation of power, which in the context of Ind AS 108 "Operating Segments", notified by the Companies (Indian Accounting Standards) Rules, 2015 is considered the only operating segment. Since the operations of the Group exist in India and Bangladesh and all its assets are located only in India, disclosures under paragraphs 32-34 of Ind AS 108 are not required. Revenue to specific customers exceeding 10% of total revenue for the years ended March 31 2023 and March 31 2022 were as follows:

Customer name	For the year ended March 31 2023		For the year ended March 31 2022	
	Revenue	%	Revenue	%
Telangana State Government utilities	31,401.97	33.45%	30,226.32	33.71%
Indian Energy Exchange (IEX)	15,978.47	17.02%	22,416.67	25.00%
Bangladesh Power Development Board	12,359.28	13.16%	10,174.18	11.35%
PTC India Limited	16,338.76	17.40%	-	0.00%
Andhra Pradesh State Government utilities	10,499.27	11.18%	7,679.73	8.57%

Geographical segments

Revenue from operations	For the year March 31 2023	For the year March 31 2022
India	81,526.72	79,478.44
Bangladesh	12,359.28	10,174.18
Total	**93,886.00**	**89,652.62**

The total of non-current assets other than financial instruments and tax assets, broken down by location of the assets, is shown below:

Non-current assets	For the year March 31 2023	For the year March 31 2022
India	149,634.36	153,586.56
Bangladesh	-	-
Total	**149,634.36**	**153,586.56**

3.34. Changes in liabilities arising from financing activities

Particulars	Lease liabilities	Borrowings	Total
As at April 1, 2021	(231.35)	(201,099.65)	(201,331.00)
Net cash flows	307.03	182,943.48	183,250.51
Foreign exchange movement and borrowing cost	-	(1.48)	(1.48)
Movement in lease liabilities	2.85	-	2.85
Unwinding of discount on lease liabilities	6.41	-	6.41
Disposal of discontinued operation	(146.33)	(66,831.35)	(66,977.68)
As at March 31, 2022	**(61.39)**	**(84,989.00)**	**(85,050.39)**
Net cash flows	22.57	17,736.88	17,759.45
Foreign exchange movement and borrowing cost	-	(15.55)	(15.55)
Movement in lease liabilities	(12.03)	-	(12.03)
Unwinding of discount on lease liabilities	(5.62)	-	(5.62)
Disposal of discontinued operation	-	-	-
As at March 31, 2023	**(56.47)**	**(67,267.67)**	**(67,324.14)**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.35. Assets and liabilities relating to employee benefits

i) Defined contribution plan

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contribution to provident fund charged to the consolidated statement of profit and loss is Rs. 65.99 million (March 31 2022: Rs. 86.53 million).

ii) Defined benefit plan

The Group provides gratuity for its employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof. The gratuity plan is a funded plan and the Group makes contributions to recognized funds in India. Liability with regard to this plan is determined by an actuarial valuation as at the end of the year and the expenses are charged to the consolidated statement of profit and loss.

A. Funding

The Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Group carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

The following tables summaries the components of net benefit expense recognised in consolidated statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

B. Reconciliation of the present value of defined benefit obligation

Particulars	As at March 31 2023	As at March 31 2022
Balance at the beginning of the year (as reported earlier)	169.04	154.90
Current service cost	25.20	27.78
Interest cost	12.02	9.57
Benefits paid	(6.94)	(6.58)
Actuarial loss recognised in the other comprehensive income	(9.91)	41.87
Liabilities assumed/ (Settled) (refer note 3.43)	(33.25)	-
Disposal of discontinued operation	-	(58.50)
Balance at the end of the year	**156.16**	**169.04**

C. Reconciliation of the present value of plan assets

Particulars	As at March 31 2023	As at March 31 2022
Balance at the beginning of the year	139.91	124.17
Contributions made into the plan by employer	25.19	16.39
Benefits paid	(6.94)	(5.06)
Expected return on plan assets	10.05	8.47
Actuarial loss/(gain) on plan assets	(1.86)	1.85
Disposal of discontinued operation	-	(5.91)
Balance at the end of the year	**166.35**	**139.91**
Net defined benefit (asset)/obligation	**(10.19)**	**29.13**
Disclosure in the Balance sheet:		
Non-current	10.19	(29.13)
Current	-	-

D. Expense recognised in the consolidated statement of profit and loss

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Current service cost	25.20	27.78
Interest cost on obligaton	12.02	9.57
Interest income on plan assets	(10.05)	(8.47)
Total expense during the year	**27.17**	**28.88**

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.35. Assets and liabilities relating to employee benefits (Continued)

E. Remeasurements recognised in other comprehensive income

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Actuarial loss on defined benefit obligation	(9.91)	41.87
Actuarial loss on planned asset	1.86	(1.85)
Actuarial loss for the year	**(8.05)**	**40.02**

F. Plan assets

Particulars	As at March 31 2023	As at March 31 2022
New Group Gratuity Cash Accumulation Plan with LIC	166.35	139.91

G. Summary of actuarial assumptions

Demographic assumptions

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Attrition rate		
18-30 years	10.00%	8.00% - 10.00%
31-50 years	5.00%	2.00% - 10.00%
51 years and above	10.00%	2.00% - 10.00%
Financial assumptions		
Discount rate	7.45%	7.15% - 7.25%
Future salary growth rate	8.00%	8.00%

The estimates of future salary increase considered in actuarial valuation, takes account of inflation seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amount shown below.

Particulars	As at March 31 2023	As at March 31 2022
	Increase/(Decrease) in liability	Increase/(Decrease) in liability
Impact of the change in discount rate %		
0.50% increase	(6.96)	(9.80)
0.50% decrease	7.50	10.70
Impact of the change in salary growth rate %		
0.50% increase	7.43	10.58
0.50% decrease	(6.95)	(9.78)

H. Asset-liability matching strategy

The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity payables falling due during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

I. Maturity profile of the defined benefit obligation

Expected cash flows over the next year (valued on undiscounted basis):

Particulars	As at March 31 2023	As at March 31 2022
Within 1 year	12.80	6.29
2 to 5 years	55.03	34.62
6 to 9 years	51.90	59.53
For year 10 and above	250.99	394.95

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.35. Assets and liabilities relating to employee benefits (Continued)

iii) Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the consolidated statement of profit and loss amounting to Nil (March 31 2022: Rs. 35.98 million).

3.36. Related party disclosure

a) List of related parties

Name of the party	Nature of relationship
Sembcorp Industries Ltd, Singapore	Ultimate holding company (upto January 18, 2023)
Sembcorp Utilities Pte. Ltd., Singapore	Holding company (upto January 18, 2023)
Sembcorp Green Infra Limited, India	Entity under common control (w.e.f December 23, 2021 and upto January 18, 2023)
Sembcorp India Private Limited, India	Entity under common control (upto January 18, 2023)
Tanweer Infrastructure SAOC., Oman	Holding company (w.e.f January 19, 2023)
Osara Corporation SAOC	Ultimate holding company (w.e.f January 19, 2023)
Wong Kim Yin	Chairman (upto January 19, 2023)
Vipul Tuli	Managing Director (upto January 18, 2023)
Looi Lee Hwa	Director (upto November 30, 2022)
Eugene Chee Mun Zheng Zhiwen Cheng	Director (w.e.f May 1, 2021 and upto January 20, 2023)
Tareq Mohamed Sultan Al Mugheiry	Chairman (w.e.f March 02, 2023)
Hamad Mohammad Hamood Al Waheibi	Director (w.e.f March 02, 2023)
Cyrus Erach Cooper	Director (w.e.f January 20, 2023)
Raghav Trivedi	Whole Time Director and CEO (w.e.f January 20, 2023)
Radhey Shyam Sharma	Independent Director
Kalaikuruchi Jairaj	Independent Director
Sangeeta Talwar	Independent Director
Juvenil Jani	Chief Financial Officer (upto December 31, 2022)
Narendra Ande	Company Secretary (upto February 28, 2023)
Ajay Bagri	Chief Financial Officer (w.e.f January 20, 2023)
Rajeev Ranjan	Company Secretary (w.e.f March 01, 2023)

b) The following are the transactions with related parties during the year

	For the year ended March 31 2023	For the year ended March 31 2022
Rent and utility expense		
Sembcorp India Private Limited	16.61	21.35
Consultancy expenses		
Sembcorp India Private Limited	21.67	-
Sembcorp Utilities Pte Ltd.	92.41	202.82
Interest expense on INR Denominated notes (without giving effect to fair valuation)		
Sembcorp Utilities Pte Ltd.	-	3,140.73
Bank guarantee fees/commission		
Sembcorp Utilities Pte Ltd.	-	212.75
Share based payment reimbursement		
Sembcorp Utilities Pte Ltd.	97.13	166.98
Reimbursement of expenses		
Sembcorp Utilities Pte Ltd.	3.68	6.92
Repayment of INR Denominated notes		
Sembcorp Utilities Pte Ltd	-	42,400.00
Interest paid on INR Denominated notes (Net of TDS)		
Sembcorp Utilities Pte Ltd.	-	9,548.63

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.36. Related party disclosure (Continued)

b) The following are the transactions with related parties during the year (Contd..)

	For the year ended March 31 2023	For the year ended March 31 2022
Salaries to Key managerial person*		
Vipul Tuli	86.13	155.34
Juvenil Jani	24.32	36.42
Narendra Ande	4.83	6.42
Raghav Trivedi	39.26	-
Ajay Bagri	7.50	-
Rajeev Ranjan	0.80	-
Sitting fees to Directors (including taxes)		
Kalaikuruchi Jairaj	2.60	2.12
Radhey Shyam Sharma	2.60	2.12
Sangeeta Talwar	2.60	2.12

* Key Managerial Personnel and relatives of Promoters who are under the employment of the Group are entitled to post employment benefits and other long-term employee benefits recognised as per Ind AS 19 Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

c) Details of related party balances is as under:

	As at March 31 2023	As at March 31 2022
Related party payables		
Sembcorp Utilities Pte Ltd. (Trade payables)	-	64.65
Corporate guarantee given for external commercial borrowings/term loans		
Sembcorp Utilities Pte Ltd	-	25,947.69
(Represents the amount of facility outstanding)		

3.37 Discontinued operation

a) Description

During the previous year, Sembcorp Energy India Limited (SEIL) entered into Share Purchase Agreement on December 10, 2021 for sale of its 100% investments in Sembcorp Green Infra Limited (SGIL) to Sembcorp Utilities Pte Ltd, (SUPL) for consideration of Rs. 52,321.20 million and recognised a gain amounting to Rs. 21,379.67 million on disposal. The Group received all the amount from SUPL by end of December 31, 2021 and SGIL shares were transferred to SUPL on December 22, 2021 and accordingly SGIL ceased to be a subsidiary of the company w.e.f December 23, 2021. As SGIL is representing separate major line of business, the said sale was treated as discontinued operation.

b) Financial performance and cash flow information

The financial performance and cashflow information of discontinued operation from April 1 to December 22, 2021 was as follows:

	Note	For the year ended March 31 2022
Total Income		13,346.83
Total expenses		10,612.11
Profit/(loss) before tax		**2,734.72**
Tax expense/(credit)		636.88
Profit/(loss) after tax		**2,097.84**
Gain on sale of discontinued operation		21,379.67
Profit/(loss) from discontinued operation		**23,477.51**
Earnings per equity share - discontinued operation	3.29	
(face value of share Rs.10 each)		
- Basic and diluted (Rs.)	-	4.30

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.37 Discontinued operation (Continued)

The cash flows attributable to the discontinued operation is as follows

Particulars	Note	For the year ended March 31 2022
Net cash generated from operating activities		11,728.48
Net cash generated from investing activities		46,935.14
Net cash used in financing activities		(7,634.03)
Net cash generated from discontinued operation		**51,029.59**

c) Carrying value of Net assets of discontinued operation and financial effect arising from disposal of discontinued operation is as follows:

Particulars	Amount
Property, plant and equipment	83,220.12
Other Non-current assets	3,959.65
Trade receivables	4,843.84
Cash and cash equivalents	3,767.86
Other current assets	6,121.61
Total assets (A)	**101,913.08**
Non-current liabilities	61,594.17
Trade payables	240.79
Other current liabilities	8,892.50
Total liabilities (B)	**70,727.46**
Net assets (C)=(A-B)	**31,185.62**
Consideration received	**52,321.20**
Add: Non-controlling interests	244.09
Less: Net assets	31,185.62
Gain on disposal of discontinued operation	**21,379.67**
Movement in cashflows:	
Consideration received	52,321.20
Less: Cash and cash equivalents disposed off	(3,767.86)
Net Cash inflow	**48,553.34**

3.38. Contingent liabilities and commitments (to the extent not provided for)

I) Commitments

Particulars	As at March 31 2023	As at March 31 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	463.98	192.07

II) Claims against the Group not acknowledged as debt in respect of

Particulars	As at March 31 2023	As at March 31 2022
(i) Income tax	730.83	730.83
(ii) Stamp duty (refer subnote a below)	-	-
(iii) Buildings and other construction works cess (BOCW Cess)	287.21	287.21
(iv) Entry tax	150.62	150.62
(vi) Service tax (refer subnote b below)	798.13	798.13
(viii) Township construction contract works ##	149.92	149.92
(ix) Goods and services tax (refer note c below)	1,108.27	1,108.27
(ix) Others (refer note d,e, and f below)	Amount not ascertainable	Amount not ascertainable

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.38. Contingent liabilities and commitments (to the extent not provided for) (Continued)

The Group had earlier entered into a contract with a vendor for construction of township at Nellore for an amount of Rs. 454.06 million. The contract was completed on October 31, 2017 and the full and final settlement was agreed with the vendor on December 15, 2017. Final payment was released by the Group on November 15, 2018. During the earlier years, the vendor sought additional compensation of Rs. 149.91 million (approx.) from the Group for additional work executed, damages, loss of profits, recovery of liquidated damages etc., sought appointment of an arbitrator and also filed proceedings application under Section 11 of Arbitration and Conciliation Act, 1996 against the Group before the Hon'ble High Court of Telangana. The Group is contesting the matter and has obtained legal opinion on the validity of the claims. As per the legal opinion, Group has a good arguable case in its favour and no adjustment required in books of accounts.

Note:

a) Based on the Warranty and Indemnity agreement dated February 1, 2014 entered between the Group and NCC Limited ('EPC Contractor') and other counterparts, the liability, if any arising on account of dispute relating to the Group, would be to the account of EPC Contractor. Accordingly, there would not be any impact on the financial position of the Group on account of Stamp duty relating to the Group.

b) During the previous year, an order has been passed by the office of the Principal Commissioner of Central Tax, Hyderabad consequent to the audit memo and show cause notice issued in the previous years towards levy of service tax on liquidated damages claim on EPC contractor by SEIL. The order was issued for tax demand, interest and penalty of Rs. 796.80 million and Rs. 1.33 million retroactively towards service tax on liquidated damages and reimbursement of expenses to SCU respectively. The Group has filed appeal with the appellate tribunal on March 20, 2020 and also deposited 7.5% tax thereon.

CESTAT vide its order dated April 21, 2023, allowed the appeal in favour of the Group in respect of service tax demand of INR 796.80 million on Liquidated damages. However, the appeal in the matter of applicability of service tax under reverse charge mechanism on reimbursement of expenses to Sembcorp Utilities Pte ltd amounting to Rs. 1.33 million was rejected.

c) During the previous year, Assistant Commissioner (State Tax), Nellore in its order has confirmed a demand for Goods & Service Tax (GST) for an amount of Rs. 639.18 million (of which Rs. 366.67 million pertains to FY 2017-18 and Rs. 272.51 million for FY 2018-19) along with interest of Rs. 405.17 million and penalty of Rs. 63.92 million aggregating to a total tax demand of Rs. 1,108.27 million against the earlier Show Cause Notices (SCNs) issued for levy of GST on Transmission charges incurred and reimbursed by the Group. Group has obtained a expert opinion and filed its reply to the said authorities contending that such transmission charges are not subject to GST. Considering the facts of the case and expert opinion obtained, the Group believes it has a good case in its favour and no adjustments are required in the financial statements.

d) The Group is contesting legal cases in the local courts against the claims made on certain portion of the project lands, under dispute and amount is not ascertainable.

e) The Group has a process whereby periodically all long-term contracts including derivative contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that there are no material foreseeable losses on such long-term contracts which needs to be provided for in the books of account and the Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts.

f) On February 28, 2019 the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, considering that there are numerous interpretative issues relating to retrospective application of this judgement, the Group has assessed the impact of the matter and concluded that there is no material impact on the financial statements. The Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject.

III) Liquidated damages and bank guarantees encashment:

In earlier years the Group raised a claim of Rs. 2,882.50 million and of US$ 9.04 million towards liquidated damages on one of its EPC contractor for delay in the achievement of provisional acceptance for which the Group had to incur additional cost to commence operations and encashed performance bank guarantee of Rs. 516.00 million on April 19, 2017 and Rs. 2,915.00 million on November 3, 2017 respectively. Also, a claim of US $ 40.97 million was raised on EPC equipment suppliers consortium towards the delay in agreed delivery schedule and non-achievement of project provisional acceptance.

The EPC contractor had invoked Arbitration proceedings and filed its statement of claims of Rs. 15,579.00 million with interest. The Group filed its statement of defence along with a counter claim of Rs. 10,127.00 million and US$ 9.04 million.

The tribunal has noted the statements made by the counsels for the parties that they intend to settle certain claims and counter claims and post negotiations they will file application before the tribunal. Based on the statement of defence filed by the Group and legal counsel view, the Group believes it has a good case in its favour and no adjustment is required in the financial statements.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.38. Contingent liabilities and commitments (to the extent not provided for) (Continued)

IV) Electricity duty demand:

During earlier years, the Group received an intimation from the Chief Electrical Inspector, Government of Andhra Pradesh ('GoAP'), whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to Rs.1,493.62 million. Based on the internal assessment and legal opinion received by the Group, the management believes that the provisions of Electricity Duty Act, and Rules, 1939 in respect of payment of electricity duty are not applicable to the Group and accordingly no adjustments has been made in financial statements of the Group for the year ended March 31, 2023.

V) Bank guarantees

Particulars	As at March 31 2023	As at March 31 2022
Bank guarantees with customs and excise	3,827.83	8,345.24
Bank guarantees for PPA and other commitments	7,778.18	8,714.90
	11,606.01	**17,060.14**

3.39 Share-based payments

The Group participates in Share based plans of erstwhile ultimate holding company, Sembcorp Industries Limited (SCI) for its share-based remuneration arrangements which include Restricted Share Plan (SCI RSP) and Performance Share Plan (SCI PSP), collectively known as 'Share Plans 2010 and Share Plans 2020'. The SCI RSP is for directors and employees of the Group, whereas the SCI PSP is primarily for key executives of the Group. The details of share plans are as follows:

a) SCI Restricted Share Plan (RSP)

The number of the restricted share awards granted are based on the achievement of stretched financial and nonfinancial targets for the preceding calendar year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards. For the grant awarded during the year, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

b) SCI Performance Share Plan (PSP)

The SCI PSP is targeted at senior management who shoulder the responsibility for the Group's performance and who are able to drive the growth of the Group to deliver long-term shareholder value. Awards granted under the SCI PSP are performance-based and performance targets set under the SCI PSP are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

The following is the summary of movement in RSP and PSP

Particulars	March 31 2023		March 31 2022	
	RSP	PSP	RSP	PSP
Outstanding at the beginning of the year	776,817	3,059,452	1,278,220	458,752
Granted during the year	375,300	1,130,100	383,514	3,033,800
Vested and exercised during the year	(468,983)	(51,600)	(459,072)	(433,100)
Shares for transferred employees	(610,011)	(3,256,200)	-	-
Forfeited / lapsed during the year	(73,123)	(881,752)	(13,222)	-
Disposal of discontinued operation	-	-	(412,623)	-
At the end of the year	**-**	**-**	**776,817**	**3,059,452**

Information on outstanding and exercisable RSP and PSP is as set out below:

Particulars	March 31 2023		March 31 2022	
	RSP	PSP	RSP	PSP
Options outstanding at the end of the year				
Number of options outstanding	-	-	776,817	3,059,452
Remaining contractual life in years	-	-	0.00-1.25	0.00-4.06
Risk free interest rate (depending in maturity)	0.00%	0.00%	0.47% – 0.96%	0.4% – 1.3%
Expected dividend yield shares	0.00%	0.00%	3.50%-4.20%	3.50%-4.20%
Weighted average price (SGD)	2.02	2.11	1.75	1.71

The fair values of the PSP and RSP are estimated using a Monte Carlo simulation at the grant dates. The Group had charged Rs. 78.18 million (March 31 2022: Rs. 166.98 million) on account of share based payment based on the fair value of the performance shares and restricted shares at the grant date and is being expensed over the vesting period.

Notes to the consolidated financial statements

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3.40 The Group has accounted Rs 3,848.89 million (March 31, 2022: Rs. 2,525.86 million) as Goods and service tax(GST) input tax credit for claiming refund against export of electricity made to Bangladesh. However, the input tax credit refund has been disputed by GST Authorities primarily for non-submission of shipping bill as a proof of export for which representation has been filed by the Group with Ministry of Finance and seeking assistance from Ministry of Power for resolution of the matter. The Group has also filed writ petitions with High Court of Andhra Pradesh, seeking relief against the order of GST Authorities in which they have rejected GST refund applications of the Group.

During the previous year, the Group had received a notice from the office of the Commissioner of Central Tax, Guntur Commissionerate (Anti Evasion) requesting the Group to reverse the input tax credit ('ITC') availed in earlier years. The Group had submitted relevant replies to the department for the notice so received, stating that the sale of electricity to Bangladesh qualifies as an export and eligible for ITC.

Based on representation from Ministry of Power that there is no requirement of furnishing the shipping bill, Ministry of Finance through GST policy wing has issued a circular number 175/07/2022- GST dated July 06, 2022, prescribing the procedure for filing refund of unutilised input tax credit on account of export of electricity. The Group has also received favourable judgement from Hon'ble AP High court for the writ petition filed and with the issuance of this circular, favourable judgement from AP High court and based on legal opinion taken, management is of the view that eligibility of refund has been established and no adjustment is required in the financial statements of the Group for the year ended March 31, 2023.

3.41 As per the Mega Power Projects Policy 2009, the Group needs to enter into a long term PPAs for a minimum of 85% of the net capacity to avail the customs/excise duty benefits for capital equipment procured for power generation. During the previous year, the Group determined that the duty benefit will not be available for Rs. 2,047.64 million due to absence of long term PPAs and consequently provided for the same towards cost of PPE. In case of the remaining unfilled conditions, the Group believes it will be able to comply with the conditions attached to benefit.

3.42 Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (LPSC Rules, 2022) were notified by the Ministry of Power on June 03, 2022 and are applicable to outstanding dues of generating companies. As per the said rules, the total outstanding dues including late payment surcharges upto the date of the said notification were rescheduled and the due dates redetermined for payment by Discoms in equated monthly instalments in the manner prescribed in the said Rules. Necessary adjustments on account of the above has been made in the financial statements towards "Loss on derecognition of financial asset", "Impairment Loss/ (Reversal) on Financial Assets (Net)" and "Unwinding of discount on trade & late payment surcharge receivables" (as dislcosed in other income) amounting to Rs. 1,885.67 million, Rs. 364.65 million and Rs. 1,008.26 million respectively. Based on the redetermined due dates, certain receivables which are scheduled to realise beyond 12 months from the balance sheet date are classified as non-current trade receivables.

3.43 Pursuant to Share Purchase Agreement (SPA), Sembcorp Utilities Pte. Ltd. (SCU) transferred 100% of it's shareholding in SEIL in favour of Tanweer Infrastructure SAOC, Oman on January 19, 2023. Consequently, SEIL is now a wholly owned subsidiary of Tanweer Infrastructure SAOC.

The Group entered into a technical service agreement with one of the Indian Subsidiaries of SCU to receive certain services in connection with the operation and maintenance of the Plant. During the year, the Group transferred certain employees to the said Indian subsidiary along with related employee liabilities.

3.45 12. The Board of Directors of the holding company at its meeting held on May 24, 2023 has declared an interim dividend of Rs. 0.98 (9.80%) per equity share of par value of Rs. 10 each amounting to Rs. 5,325.00 million for the financial year ended March 31, 2023.

3.46 The Group has assessed the impact of Covid-19 on the financial statements, business operations, liquidity position and cash flows and has concluded no adjustments are required in respect of carrying amounts of assets and liabilities as at March 31, 2023. The Group will continue to closely monitor the situation arising on account of Covid-19 pandemic considering both internal and external factors.

3.47 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.48 Relationship with struck off companies:

Name of the struck off company	Nature of transaction with struck off company	Balance Outstanding as at March 31 2023	Balance Outstanding as at March 31 2022	Relationship with the stuck off company, if any, to be disclosed
Madras Building Products Private Limited	Advance from customer	Nil	0.00	Not applicable
G8ARK factories private limited	Advance from customer	Nil	(0.01)	Not applicable
Omega power erectors private limited	Payable towards repairs and maintenance expense	Nil	(0.05)	Not applicable

3.49. Additional information as required under schedule III of the Companies Act, 2013, in respect of consolidated subsidiaries for financial year 2022-23 and 2021-22 are as below:

Financial year 2022-23

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/ (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other com-prehensive income	Amount	As a % of consolidated total com-prehensive income/ (loss)
Parent								
SEIL Energy India Limited	117,063.36	100.00%	6,214.57	100.01%	(120.05)	100.00%	6,094.52	100.01%
Subsidiaries								
TPCIL Singapore Pte. Ltd	0.38	0.00%	(0.31)	(0.01%)	-	0.00%	(0.31)	(0.01%)
Total	**117,063.74**	**100.00%**	**6,214.26**	**100.00%**	**(120.05)**	**100.00%**	**6,094.21**	**100.00%**
Non-controlling interests in subsidiaries	-		-		-		-	
Inter group eliminations and adjustments	(2.92)		-		-		-	
Consolidated figures	**117,060.82**		**6,214.26**		**(120.05)**		**6,094.21**	

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.49. Additional information as required under schedule III of the Companies Act, 2013, in respect of consolidated subsidiaries for financial year 2022-23 and 2021-22 are as below:

Financial year 2022-23

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income/(loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income/(loss)
Parent								
SEIL Energy India Limited	110,993.13	100.00%	1,423.65	40.61%	142.15	91.43%	1,565.80	42.76%
Subsidiaries								
Sembcorp Green Infra Limited	-	0.00%	245.94	7.02%	0.85	0.55%	246.79	6.74%
TPCIL Singapore Pte. Ltd	0.69	0.00%	(0.31)	(0.01%)	-	0.00%	(0.31)	(0.01%)
Step-down subsidiaries								
Green Infra Wind Energy Limited	-	0.00%	843.38	24.06%	1.13	0.73%	844.51	23.06%
Green Infra Corporate Solar Limited	-	0.00%	0.02	0.00%	0.43	0.28%	0.45	0.01%
Green Infra Wind Power Limited	-	0.00%	(7.92)	(0.23%)	0.63	0.41%	(7.29)	(0.20%)
Green Infra Corporate Wind Limited	-	0.00%	4.32	0.12%	0.61	0.39%	4.93	0.14%
Green Infra Wind Energy Assets Limited	-	0.00%	(5.41)	(0.15%)	0.77	0.50%	(4.64)	(0.13%)
Green Infra Wind Farm Assets Limited	-	0.00%	92.61	2.64%	1.30	0.84%	93.91	2.57%
Green Infra Wind Energy Project Limited	-	0.00%	21.25	0.61%	2.05	1.32%	23.30	0.64%
Green Infra Wind Solutions Limited	-	0.00%	20.04	0.57%	(0.07)	(0.05%)	19.97	0.55%
Green Infra Wind Power Generation Limited	-	0.00%	70.69	2.02%	0.30	0.19%	70.99	1.94%
Green Infra Wind Farms Limited	-	0.00%	62.78	1.79%	0.08	0.05%	62.86	1.72%
Green Infra Wind Generation Limited	-	0.00%	189.97	5.42%	-	0.00%	189.97	5.19%
Green Infra Wind Power Projects Limited	-	0.00%	24.40	0.70%	0.58	0.37%	24.98	0.68%
Green Infra BTV Limited	-	0.00%	63.61	1.81%	0.10	0.06%	63.71	1.74%
Green Infra Wind Energy Theni Limited	-	0.00%	18.43	0.53%	0.29	0.19%	18.72	0.51%
Green Infra Wind Power Theni Limited	-	0.00%	5.43	0.16%	0.07	0.05%	5.50	0.15%
Mulanur Renewable Energy Limited	-	0.00%	25.92	0.74%	(0.03)	(0.02%)	25.89	0.71%
Green Infra Solar Energy Limited	-	0.00%	54.68	1.56%	1.44	0.93%	56.12	1.53%
Green Infra Solar Farms Limited	-	0.00%	82.26	2.35%	1.74	1.12%	84.00	2.29%
Green Infra Solar Projects Limited	-	0.00%	15.39	0.44%	0.54	0.35%	15.93	0.44%
Green Infra Wind Ventures Limited	-	0.00%	(67.60)	(1.93%)	-	0.00%	(67.60)	(1.85%)
Green Infra Renewable Energy Limited	-	0.00%	339.66	9.69%	0.51	0.33%	340.17	9.29%
Green Infra Wind Assets Limited	-	0.00%	(49.21)	(1.40%)	-	0.00%	(49.21)	(1.34%)
Green Infra Wind Technology Limited	-	0.00%	(4.62)	(0.13%)	-	0.00%	(4.62)	(0.13%)
Green Infra Wind Limited	-	0.00%	(0.08)	(0.00%)	-	0.00%	(0.08)	(0.00%)
Green Infra Renewable Projects Limited	-	0.00%	36.79	1.05%	-	0.00%	36.79	1.01%
Green Infra Solar Power Projects Limited	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Green Infra Solar Generation Limited	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total	**110,993.82**	**100.00%**	**3,506.07**	**100.00%**	**155.47**	**100.00%**	**3,661.54**	**100.00%**
Non-controlling interests in subsidiaries	-		104.89		0.11		105.00	
Inter group eliminations and adjustments	(2.92)		23,735.91		(9.80)		23,726.11	
Consolidated figures	**110,990.90**		**27,346.87**		**145.78**		**27,492.65**	

Notes to the consolidated financial statements

(All amounts are in Indian Rupees millions except for share data or otherwise stated)

3.50 Additional regulatory information required by Schedule III

i) There are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period.

ii) The Group is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction of number of Layers) Rules, 2017 during the year ended March 31, 2023 and March 31, 2022.

iii) The Group has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2023 and March 31, 2022.

iv) Details of benami property held : No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2023 and March 31, 2022.

v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2023 and March 31, 2022.

vi) During the year ended March 31, 2023 and March 31, 2022, the Group has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

viii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

ix) During the year ended March 31, 2023 and March 31, 2022, the Group 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 Group 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 to or on behalf of the Ultimate Beneficiaries,

x) During the year ended March 31, 2023 and March 31, 2022, the Group 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 group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648

Sougata Mukherjee
Partner
Membership No: 057084

Tareq Mohamed Sultan Al Mugheiry
Chairman
DIN: 10040158

Raghav Trivedi
Whole Time Director and CEO
DIN: 03485063

Ajay Bagri
Chief Financial Officer

Rajeev Ranjan
Company Secretary
Membership No: F6785

Place: Gurugram
Date: May 24, 2023

Place: Nellore
Date: May 24, 2023

Deloitte
Haskins & Sells

Chartered Accountants
KRB Towers, Plot No.1 to 4 & 4A
1st, 2nd & 3rd Floor
Jubilee Enclave, Madhapur
Hyderabad – 500 081
Telanagana, India

Tel : +91 40 7125 3600
Fax : +91 40 7125 3601

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
SEIL Energy India Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **SEIL Energy India Limited** ("the Company"), for the quarter and nine months ended December 31, 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

MANISH MURALIDHAR CONJEEVARAM
Digitally signed by MANISH MURALIDHAR CONJEEVARAM
Date: 2024.02.06 16:39:38 +05'30'

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 24213649BKCJBP9317)

Place: Muscat, Oman
Date: February 06, 2024

SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

CIN: U40103HR2008PLC095648

Regd. Office : Building No 7A, Level 5, DLF Cybercity, Gurugram 122002, Haryana, India

Telephone No.: (91) 124 6846700/701, Fax No.: (91) 124 6846710, Email: cs@seilenergy.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

(Rs. in million)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022 (Refer note 3)	December 31, 2023	December 31, 2022 (Refer note 3)	March 31, 2023 (Refer note 3)
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
Revenue from operations	21,908.38	27,031.97	21,312.81	74,392.73	68,895.59	93,886.00
Other income (Refer note 11)	960.69	1,811.63	574.58	3,493.24	3,394.73	4,226.64
Total income	**22,869.07**	**28,843.60**	**21,887.39**	**77,885.97**	**72,290.32**	**98,112.64**
Expenses						
Cost of fuel	12,554.88	16,523.51	14,805.08	44,991.68	48,447.65	65,178.26
Transmission charges	77.14	571.93	930.55	1,081.52	3,180.45	3,806.83
Employee benefit expense	540.53	442.18	767.13	1,385.07	1,595.71	1,881.73
Finance costs	1,832.20	1,660.95	2,418.32	5,292.37	6,246.21	7,955.56
Depreciation & amortisation expenses	1,489.28	1,490.81	1,505.04	4,453.64	4,477.34	5,940.76
Impairment loss/ (reversal) on financial assets (net)	(29.00)	21.30	79.87	7.30	(816.71)	(796.81)
Loss on derecognition of financial assets measured at amortised cost (Refer note 11)	-	-	-	-	1,885.67	1,885.67
Other expenses	1,426.61	833.26	780.59	3,114.73	2,883.61	3,789.47
Total expenses	**17,891.64**	**21,543.94**	**21,286.58**	**60,326.31**	**67,899.93**	**89,641.47**
Profit before tax	**4,977.43**	**7,299.66**	**600.81**	**17,559.66**	**4,390.39**	**8,471.17**
Tax expense						
- Current tax	-	-	-	-	-	-
- Deferred tax	1,271.37	1,851.20	266.76	4,462.02	1,221.09	2,256.60
Total tax expense	**1,271.37**	**1,851.20**	**266.76**	**4,462.02**	**1,221.09**	**2,256.60**
Profit after tax	**3,706.06**	**5,448.46**	**334.05**	**13,097.64**	**3,169.30**	**6,214.57**
Other comprehensive loss						
Items that will not be reclassified subsequently to profit or loss:						
Remeasurement of post-employment benefit obligations	-	-	20.97	-	(1.11)	8.05
Income tax effect on above item	-	-	17.00	-	17.00	16.61
Items that will be reclassified subsequently to profit or loss						
Effective portion of changes in fair value of cash flow hedge	-	-	-	-	(115.83)	(115.83)
Cost of hedging reserve – changes in fair value	-	-	-	-	31.46	31.46
Income tax effect on above item	-	-	-	-	(60.34)	(60.34)
Other comprehensive loss (net of tax)	**-**	**-**	**37.97**	**-**	**(128.82)**	**(120.05)**
Total comprehensive income	**3,706.06**	**5,448.46**	**372.02**	**13,097.64**	**3,040.48**	**6,094.52**
Paid up Equity Share Capital (Face value of shares Rs. 10 per share)	46,122.45	54,336.69	54,336.69	46,122.45	54,336.69	54,336.69
Other Equity	-	-	-	-	-	62,726.67
Earnings per equity share* (Face value of shares Rs. 10 per share)						
Basic (Rs.)	0.70	1.00	0.06	2.43	0.58	1.14
Diluted (Rs.)	0.70	1.00	0.06	2.43	0.58	1.14

* The earnings per equity share are not annualised except for year ended March 31, 2023.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

Notes pertaining to the standalone financial results

1. The above unaudited standalone financial results of SEIL Energy India Limited ("the Company") for the quarter and nine months ended December 31, 2023 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors during their respective meetings held on February 06, 2024. The statutory auditor of the Company has carried out a limited review for the quarter and nine months ended December 31, 2023 and have issued an unmodified conclusion.

2. The standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").

3. The standalone financials results of the Company for the quarter and nine months ended December 31, 2022 were reviewed by the predecessor auditors (M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountants), who had expressed an unmodified review conclusion. The standalone financial results of the Company for the year ended March 31, 2023 were audited by the predecessor auditors (M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountants), who had expressed an unmodified audit opinion.

4. As per the Mega Power Projects Policy 2009, the Company needs to enter into a long term PPAs for a minimum of 85% of the net capacity to avail the customs/excise duty benefits on procurement of capital equipment for power generation. As per the policy and notifications issued by Ministry of Power, Company need to comply with the same by April 24, 2025. During the earlier years, the Company determined that the duty benefit will not be available for Rs.2,047.64 million due to absence of long term PPAs and consequently provided for the same towards cost of Property, plant & equipment. This Provision is based on the estimation that available capacities would be tied-up in future and management will evaluate the same at every reporting date. The amount of provision has been fully provided till 2025, unless there is change in the capacity tied up with long term contracts.

5. During the earlier years, the Company received an intimation from the Director of Electrical Safety and Chief Electrical Inspector, Government of Andhra Pradesh ('GoAP'), whereby GoAP had demanded electricity duty on generation and sale of power amounting to Rs.1,493.68 million for period from December, 2014 to March, 2018. Based on the internal assessment and legal advice received by the Company, the management has responded that the provisions of Electricity Duty Act, and Rules, 1939 in respect of payment of electricity duty are not applicable to the Company and accordingly no adjustments have been made in financial results of the Company for the quarter and nine months ended December 31, 2023.

   The Company has filed writ petition with Hon'ble High Court of Andhra Pradesh against the said demand from the authorities which has been admitted by the High Court for hearing.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

Notes pertaining to the standalone financial results (Continued...)

6. Additional disclosures as per clause 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:

(Rs. in million)

Sl no	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2023 (Unaudited)	September 30, 2023 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)	March 31, 2023 (Audited)
1	Debt - Equity Ratio (times) [Debt / Networth] Debt - Non current borrowings + Current borrowings + Non current unsecured loans + Current unsecured loans)	0.69	0.53	0.63	0.69	0.63	0.57
2	Debt service coverage ratio (times) (Earnings before interest, depreciation, tax and exceptional item / (Interest expense + Scheduled principal repayment of term loans for the next period / year of borrowings)	3.27	5.23	1.46	3.70	1.83	2.16
3	Interest service coverage ratio (times) (Earnings before interest , depreciation, tax and exceptional item / interest expense for the period/ year)	4.53	6.29	1.87	5.16	2.42	2.81
4	Outstanding redeemable preference shares	-	-	-	-	-	-
5	Capital redemption reserve/Debenture redemption	-	-	-	-	-	-
6	Net worth (Equity share capital + Other equity)	101,684.17	121,129.98	114,115.95	101,684.17	114,115.95	117,063.36
7	Net profit after tax	3,706.06	5,448.46	334.05	13,097.64	3,169.30	6,214.57
8	Earnings per share (Basic & Diluted) *	0.70	1.00	0.06	2.43	0.58	1.14
9	Current ratio (times) (Current Assets/ Current Liabilities)	1.23	1.27	0.89	1.23	0.89	1.08
10	Long term debt to working capital (times) (Non Current borrowings+ Current maturities of long term borrowings) / (Current Assets- Current liabilities excluding Current maturities of long term borrowings)	3.60	2.17	(12.50)	3.60	(12.50)	5.16
11	Bad debts to accounts receivable ratio (%) (Bad debts/ Average trade receivables)	-	-	-	-	-	-
12	Current liability ratio (%) (Current liability/ Total Liabilities)	43.60%	55.80%	58.58%	43.60%	58.58%	57.82%
13	Total debts to total assets (%) (Non current borrowings + Current borrowings)/ Total assets)	35.88%	30.60%	35.25%	35.88%	35.25%	32.49%
14	Debtors turnover (in days) (Revenue/Average Trade receivables)	160	140	158	140	149	150
15	Inventory turnover (in days) (Cost of Fuel+ consumption of spares/Average Inventory)	56	49	66	55	44	48
16	Operating margin (%) (Profit before depreciation, Interest, Tax & Exceptional items/ Revenue)	37.88%	38.66%	21.23%	36.70%	21.94%	23.82%
17	Net profit margin (%) (Profit after tax)/ Revenue from Operations)	16.92%	20.16%	1.57%	17.61%	4.60%	6.62%

* The earnings per equity share are not annualised except for year ended March 31, 2023.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

7. In earlier years, EPC contractor had invoked Arbitration proceedings and filed its statement of claims of Rs. 15,579.00 million. The Company filed its statement of defence along with a counter claim of Rs. 10,127.00 million and US$ 9.04 million (equivalent Rs. 751.37 million). Also, a claim of US$ 40.97 million (equivalent Rs. 3,405.97 million) was raised on EPC equipment supplier's consortium towards the delay in agreed delivery schedule and non-achievement of project provisional acceptance.

   In the previous quarter, Company had received arbitration award dated September 14, 2023 from Arbitral Tribunal. As per the award, the Arbitral Tribunal allowed the Company's claims to the extent of Rs. 6,827.18 million while at the same time accepting the EPC contractor claims of Rs. 1,012.30 million along with interest and Rs. 200 million as reimbursement of arbitration cost. Further, Tribunal had directed EPC Contractor to reimburse Labour cess payable in future by Company, if any.

   During the current quarter, Company had filed a petition under Section 34 of the Arbitration and Conciliation Act, 1996 ("Arbitration Act") on December 13, 2023 with the District Judge of the Hon'ble City Civil Court, Hyderabad seeking partially to set aside the Impugned Award to the extent it deals with interest on liability of Rs. 357.70 million and arbitration costs of Rs. 200 million. In line with the Arbitral Award, the Company has paid an amount of Rs. 1,468.12 million (Net of applicable taxes) to the EPC contractor on December 14, 2023.

   EPC contractor also filed an application under Section 34 of Arbitration Act challenging the claims not allowed in their favour as per arbitration award. The Company is evaluating the same for further course of action.

8. The Board of Directors of the Company, in the meeting held on November 29, 2023 proposed buy-back of 821,424,000 equity shares of face value Rs. 10 each of the Company for an aggregate amount Rs. 18,564.18 million (excluding transaction cost and tax on Buyback) being 15.12% of the total paid up equity share capital at Rs. 22.60 per equity share, which was subsequently approved by the members in Extra-ordinary General Meeting held on December 11, 2023.

   The Company bought back 821,424,000 equity shares and extinguished the equity shares on December 21, 2023. Capital redemption reserve of Rs. 8,214.24 million was created to the extent of share capital extinguished. Premium on buyback of Rs. 10,349.94 million was utilised from securities premium. The tax on buy-back Rs. 1,436.12 million were offset from securities premium.

9. The Board of Directors in the meeting held on December 14, 2023 has declared an interim dividend of 5.8% (Rs. 0.58 per equity share) on par value amounting to Rs. 3,151.53 million out of profits for the half year ended September 30, 2023. This dividend so declared be paid to those equity shareholders whose name stands in the register of members as a member on that date.

10. The Company has a balance of Rs. 3,754.99 million (March 31, 2023: Rs. 3,848.89 million) of Goods and Service Tax (GST) input tax credit relating period from March 2019 to till date and claimed refund against export of electricity made to Bangladesh Power Development Board (BPDB). GST Authorities has disputed the refund application on various grounds i.e., to file afresh refund application, non-submission of shipping bill, mismatch of Reginal Energy Account (REA), method of determining zero-rated turnover and adjusted total turnover.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

Notes pertaining to the standalone financial results (Continued...)

Based on the Circular No. 175/07/2022-GST dated July 06, 2022, by the Ministry of Finance, Government of India, Hon'ble High Court of Andhra Pradesh at Amaravati issued favorable judgement against writ petitions filed by the Company for GST refund and the management is expecting the same favorable judgement for other writ petitions. Partial GST refund has been received from the period November 2022 to September 2023 of Rs. 906.42 million.

Based on legal advice from the consultant, the Company has filed Writ Petition with Honorable High Court of Andhra Pradesh at Amaravati seeking relief as against filing the afresh refund application, mismatch of REA and method of determining zero-rated turnover and adjusted total turnover. Some of the appeals are filed with Addl. Commissioner (GST-Appeals), Guntur as against the method of determining zero-rated turnover and adjusted total turnover. Management is of the view that eligibility of refund has been established and no adjustment is required in the financial results of the Company for the quarter and nine months ended December 31, 2023.

11. Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (LPSC Rules, 2022) ('Rules') were notified by the Ministry of Power on June 03, 2022. These rules provide a mechanism for settlement of outstanding due of Generating Companies, Inter-state transmission licensee and Electricity Trading licensees. As per the said rules, the total outstanding dues including late payment surcharges upto the date of the said notification were rescheduled and the due dates redetermined for payment by Discoms in equated monthly instalments in the manner prescribed in the said Rules.

    Necessary adjustments on account of the above has been accounted in the previous year's financial statements towards "Loss on derecognition of financial asset", "Impairment Loss/ (Reversal) on Financial Assets (Net)" and "Unwinding of discount on trade & late payment surcharge receivables (as disclosed in other income)" amounting to Rs. 1,885.67 million, Rs. 364.65 million and Rs. 1,008.26 million respectively. Based on the redetermined due dates, certain receivables which are scheduled to realize beyond 12 months from the balance sheet date are classified as non-current trade receivables. During the nine months ended December 31, 2023 an amount of Rs. 629.11 million has been recognized towards "Unwinding of discount on trade & late payment surcharge receivables" (as disclosed in other income)".

12. The Company's business activity falls within a single business segment in terms of Ind AS 108 Operating Segments.

13. The above financial results are also available on the stock exchange website www.bseindia.com.

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(Formerly Sembcorp Energy India Limited)

SEIL ENERGY INDIA LIMITED

Raghav Trivedi
Whole Time Director and CEO
DIN- 03485063

Place: Muscat, Oman
Date: February 06, 2024

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

Deloitte Haskins & Sells

Chartered Accountants
KRB Towers, Plot No.1 to 4 & 4A
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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
SEIL ENERGY INDIA LIMITED (FORMERLY SEMBCORP ENERGY INDIA LIMITED)

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2024 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2024 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2024" of **SEIL ENERGY INDIA LIMITED (FORMERLY SEMBCORP ENERGY INDIA LIMITED)** ("the Company"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2024:

i. is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2024

With respect to the Standalone Financial Results for the quarter ended March 31, 2024, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2024, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2024

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2024 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2024 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2024 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2024

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2024 as a whole is 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 this Standalone Financial Results.

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 Annual Standalone Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 52 of the Listing Regulations.

- Conclude on the appropriateness of the 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement 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 Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

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

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.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2024

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2024 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under Section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

The Statement includes the results for the Quarter ended March 31, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Our report on the Statement is not modified in respect of these matters.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
(UDIN: 24213649BKCJFQ1002)

Place: Nellore
Date: May 21, 2024

SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

CIN: U40103HR2008PLC095648

Regd. Office : Building No 7A, Level 5, DLF Cybercity, Gurugram 122002, Haryana, India

Telephone No.: (91) 124 6846700/701, Fax No.: (91) 124 6846710, Email: cs@seilenergy.com

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

(₹ in million)

Particulars	Quarter ended			Year ended	
	March 31, 2024 (Refer note 3)	December 31, 2023	March 31, 2023 (Refer note 3&4)	March 31, 2024	March 31, 2023 (Refer note 4)
	Unaudited	Unaudited	Unaudited	Audited	Audited
Income					
Revenue from operations	23,930.47	21,908.38	24,990.41	98,323.20	93,886.00
Other income (refer note 8)	8,890.90	960.69	831.91	12,384.14	4,226.64
Total income	**32,821.37**	**22,869.07**	**25,822.32**	**110,707.34**	**98,112.64**
Expenses					
Cost of fuel	14,156.65	12,554.88	16,730.61	59,148.33	65,178.26
Transmission charges	10.61	77.14	626.38	1,092.13	3,806.83
Employee benefit expense	596.89	540.53	286.02	1,981.96	1,881.73
Finance costs	1,799.72	1,832.20	1,709.35	7,092.09	7,955.56
Depreciation & amortisation expenses	1,485.38	1,489.28	1,463.42	5,939.02	5,940.76
Impairment loss/ (reversal) on financial assets (net)	3.00	(29.00)	19.90	10.30	(796.81)
Loss on derecognition of financial assets measured at amortised cost	-	-	-	-	1,885.67
Other expenses	1,766.18	1,426.61	905.86	4,880.91	3,789.47
Total expenses	**19,818.43**	**17,891.64**	**21,741.54**	**80,144.74**	**89,641.47**
Profit before tax	**13,002.94**	**4,977.43**	**4,080.78**	**30,562.60**	**8,471.17**
Tax expense					
- Current tax	-	-	-	-	-
- Deferred tax	3,293.99	1,271.37	1,035.51	7,756.01	2,256.60
Total tax expense	**3,293.99**	**1,271.37**	**1,035.51**	**7,756.01**	**2,256.60**
Profit after tax	**9,708.95**	**3,706.06**	**3,045.27**	**22,806.59**	**6,214.57**
Other comprehensive loss					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of post-employment benefit obligations	(10.23)	-	9.16	(10.23)	8.05
Income tax effect on above item	2.80	-	(0.39)	2.80	16.61
Items that will be reclassified subsequently to profit or loss					
Effective portion of changes in fair value of cash flow hedge	-	-	-	-	(115.83)
Cost of hedging reserve – changes in fair value	-	-	-	-	31.46
Income tax effect on above item	-	-	-	-	(60.34)
Other comprehensive loss (net of tax)	**(7.43)**	**-**	**8.77**	**(7.43)**	**(120.05)**
Total comprehensive income	**9,701.52**	**3,706.06**	**3,054.04**	**22,799.16**	**6,094.52**
Paid up Equity Share Capital (Face value of shares ₹ 10 per share)				46,122.45	54,336.69
Other Equity				59,267.32	62,726.67
Earnings per equity share* (Face value of shares ₹ 10 per share)					
Basic (₹)	2.11	0.70	0.56	4.38	1.14
Diluted (₹)	2.11	0.70	0.56	4.38	1.14

* The earnings per equity share are not annualised except for year ended March 31, 2024 & March 31, 2023.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023 (Refer note 4)
	Audited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	136,988.93	143,292.52
Capital work-in-progress	293.24	306.39
Goodwill	1,234.20	1,234.20
Other Intangible Assets	9.26	12.65
Financial assets		
Investments	-	2.92
Trade receivables	1,111.54	3,208.67
Other financial assets	821.78	1,088.30
Income tax assets (net)	1,030.07	1,075.19
Other non-current assets	417.22	491.63
Total non-current assets	**141,906.24**	**150,712.47**
Current assets		
Inventories	8,347.43	10,014.36
Financial assets		
Investments	385.99	157.44
Trade receivables	33,087.18	37,284.90
Cash and cash equivalents	1,739.43	1,029.92
Other financial assets	941.75	1,096.95
Other current assets	8,187.83	6,748.70
Total current assets	**52,689.61**	**56,332.27**
Total assets	**194,595.85**	**207,044.74**
EQUITY AND LIABILITIES		
Equity		
Equity share capital (Refer note 5)	46,122.45	54,336.69
Other equity (Refer note 5)	59,267.32	62,726.67
Total equity	**105,389.77**	**117,063.36**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	44,206.66	34,747.76
Lease liabilities	75.97	36.99
Provisions	63.01	-
Deferred tax liabilities (net)	10,920.90	3,167.69
Total non-current liabilities	**55,266.54**	**37,952.44**
Current liabilities		
Financial liabilities		
Borrowings	23,325.80	32,519.91
Lease liabilities	14.79	19.48
Trade payables		
Total outstanding dues of micro and small enterprises	102.18	82.74
Total outstanding dues of creditors other than micro and small enterprises	4,334.74	5,068.40
Other financial liabilities	1,148.67	8,170.38
Other current liabilities	2,848.27	5,951.67
Provisions	2,015.61	66.88
Current tax liabilities (net)	149.48	149.48
Total current liabilities	**33,939.54**	**52,028.94**
Total liabilities	**89,206.08**	**89,981.38**
Total equity and liabilities	**194,595.85**	**207,044.74**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in million)

Particulars	For the year ended March 31, 2024 (Audited)	For the year ended March 31, 2023 (Audited) Refer note 4
A. Cash flow from operating activities		
Profit before tax	**30,562.60**	**8,471.17**
Depreciation and amortisation expense	5,939.02	5,940.76
Finance costs	7,092.09	7,955.56
Impairment Loss/ (Reversal) on Financial Assets (net)	10.30	(796.81)
Loss on derecognition of financial assets measured at amortised cost	-	1,885.67
Unwinding of discount on trade & late payment surcharge receivables	(712.05)	(1,008.26)
Interest income on bank deposits	(342.67)	(300.64)
Interest income from Others	(37.40)	-
Liabilities no longer required, written back (Refer note 8)	(8,411.72)	-
Claims Settled (Refer note 8)	285.62	-
Property, plant and equipment written off ROU	(13.32)	-
Property, plant and equipment written off	0.92	3.25
Other Trade Receivable deductions	(1,069.27)	-
Net gain on financial assets measured at FVTPL	(79.47)	(77.39)
Net unrealised loss on foreign exchange differences	28.45	356.39
Provision for Impairment in the value of Investments	5.41	-
Doubtful receivables and advances written off	1.37	-
Operating cash flows before working capital changes	**33,259.88**	**22,429.70**
Decrease/ (Increase) in inventories	1,666.93	(2,691.87)
Decrease/ (Increase) in trade receivables and late payment surcharge receivables	8,286.22	(3,140.83)
(Increase)/ Decrease in financial and non-financial assets including derivative assets	375.00	(564.82)
Decrease in trade payable, other financial liabilities and current liabilities	(866.93)	(26.59)
Decrease in provisions	(3.40)	(43.14)
Cash generated from operations	**42,717.70**	**15,962.45**
Income-tax paid (net of refund)	45.12	(97.53)
Net cash generated from operating activities (A)	**42,762.82**	**15,864.92**
B. Cash flows from investing activities		
Payment for purchase of property, plant and equipment and capital work-in-progress	(1,217.67)	(456.38)
Interest income received on bank deposits	325.02	366.85
Maturity of bank deposits (net)	263.58	3,799.25
Interest income from Others	37.40	-
Investment in subsidiaries	(2.49)	-
(Investment)/ Redemption of mutual funds (net)	(149.08)	2,391.25
Net cash (used in)/ generated from investing activities (B)	**(743.24)**	**6,100.97**
C. Cash flows from financing activities		
Proceeds from long-term borrowings	14,750.00	30,000.00
Repayment of long-term borrowings	(3,789.50)	(67,023.04)
(Repayment)/Proceeds of short-term borrowings (net)	(10,656.29)	19,286.16
Repayment of lease liabilities	(20.93)	(10.54)
Finance cost paid	(7,120.60)	(7,946.53)
Shares Buy back (Refer note 5)	(20,000.30)	-
Dividend paid (Refer note 6)	(14,472.45)	-
Net cash used in financing activities (C)	**(41,310.07)**	**(25,693.95)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	709.51	(3,728.06)
Cash and cash equivalents at the beginning of the year	1,029.92	4,757.98
Cash and cash equivalents at the end of the year	**1,739.43**	**1,029.92**
Components of cash and cash equivalents:		
Balance with scheduled banks		
In current accounts	739.42	725.62
Deposits with original maturity of less than three months	1,000.01	304.30
Total cash and cash equivalents	**1,739.43**	**1,029.92**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

Notes pertaining to the standalone financial results

Additional disclosures as per clause 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:

(₹ in million)

Sl no	Particulars	Quarter ended			Year ended	
		March 31, 2024 (Unaudited) (Refer note 3)	December 31, 2023 (Unaudited)	March 31, 2023 (Unaudited) (Refer note 3 & 4)	March 31, 2024 (Audited)	March 31, 2023 (Refer note 4)
1	Debt - Equity Ratio (times) [Debt / Networth] Debt - Non current borrowings + Current borrowings + Non current unsecured loans + Current unsecured loans)	0.64	0.69	0.57	0.64	0.57
2	Debt service coverage ratio (times) (Earnings before interest, depreciation, tax and exceptional item / (Interest expense + Scheduled principal repayment of term loans for the next period / year of borrowings)	6.24	3.27	3.57	4.38	2.16
3	Interest service coverage ratio (times) (Earnings before interest , depreciation, tax and exceptional item / interest expense for the period/ year)	9.05	4.53	4.24	6.15	2.81
4	Outstanding redeemable preference shares	-	-	-	-	-
5	Capital redemption reserve/Debenture redemption	-	-	-	-	-
6	Net worth (Equity share capital + Other equity)	105,389.77	101,684.17	117,063.36	105,389.77	117,063.36
7	Net profit after tax	9,708.95	3,706.06	3,045.27	22,806.59	6,214.57
8	Earnings per share (Basic & Diluted) *	2.11	0.70	0.56	4.38	1.14
9	Current ratio (times) (Current Assets/ Current Liabilities)	1.55	1.23	1.08	1.55	1.08
10	Long term debt to working capital (times) (Non Current borrowings+ Current maturities of long term borrowings) / (Current Assets- Current liabilities excluding Current maturities of long term borrowings)	2.10	3.60	5.16	2.10	5.16
11	Bad debts to accounts receivable ratio (%) (Bad debts/ Average trade receivables)	-	-	-	-	-
12	Current liability ratio (%) (Current liability/ Total Liabilities)	38.05%	43.60%	57.82%	38.05%	57.82%
13	Total debts to total assets (%) (Non current borrowings + Current borrowings)/ Total assets)	34.70%	35.88%	32.49%	34.70%	32.49%
14	Debtors turnover (in days) (Revenue/Average Trade receivables)	132	160	138	139	150
15	Inventory turnover (in days) (Cost of Fuel+ consumption of spares/Average Inventory)	53	56	49	56	48
16	Operating margin (%) (Profit before depreciation, Interest, Tax & Exceptional items/ Revenue)	68.06%	37.88%	29.03%	44.34%	23.82%
17	Net profit margin (%) (Profit after tax)/ Revenue from Operations)	40.57%	16.92%	12.19%	23.20%	6.62%

* The earnings per equity share are not annualised except for year ended March 31, 2024 and March 31, 2023

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

SEIL Energy India Limited (formerly Sembcorp Energy India Limited)

Notes pertaining to the standalone financial results (Continued…)

1. The above standalone financial results of SEIL Energy India Limited ("the Company") for the quarter and year ended March 31, 2024 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors during their respective meetings held on May 21, 2024. The statutory auditors of the Company have carried out an audit of the annual financial results for the year ended March 31, 2024 and have issued an unmodified conclusion.

2. The standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").

3. The figures for the current quarter and quarter ended March 31, 2023, are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and March 31, 2023, respectively and published year to date figures up to third quarter ended December 31, 2023 and December 31, 2022, respectively, which were subject to limited review by the statutory auditors.

4. The financial results of the Company for the quarter and year ended March 31, 2023, were audited by the M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountants, the predecessor auditor, who have expressed an unmodified opinion.

5. The Company bought back 821,424,000 equity shares (15.12% of the total paid up equity share capital at ₹ 22.60 per equity share) on December 11, 2023 and extinguished the equity shares on December 21, 2023. Capital redemption reserve of ₹ 8,214.24 million was created to the extent of share capital extinguished. Premium on buyback of ₹ 10,349.94 million & the tax on buy-back ₹ 1,436.12 million were adjusted from the securities premium.

6. The final dividend on equity share is recorded as a liability on the date of approval by the shareholders and interim dividend is recorded as liability on the date of declaration by the Company's Board of Directors. The Company declares and pays dividend in India rupees. The details of distribution of dividend made are as under:

₹ in million

Details	March 31, 2024	March 31, 2023
Interim Dividend for FY 2022-23 - ₹ 0.98 per equity share, approved by Board of Directors on May 24, 2023	5,325.00	-
Interim Dividend for FY 2023-24 - ₹ 0.58 per equity share, approved by Board of Directors on December 14, 2023 - ₹ 1.30 per equity share, approved by Board of Directors on February 22, 2024	9,147.45	-

7. The Company is entitled to claim refund of GST Input Tax credit against export of electricity. GST Authorities had disputed the refund application on various grounds i.e. non-submission of shipping bill, mismatch of Regional Energy Account (REA), method of determining zero-rated turnover etc. Based on advice from the Tax consultant, the Company has filed Writ Petitions/Appeals at various levels in this matter.

   Based on the Circular No. 175/07/2022-GST dated July 06, 2022, by the Ministry of Finance, Government of India, Hon'ble High Court of Andhra Pradesh, Amravati issued favourable judgement for Writ petitions filed by the Company allowing REA to be considered as proof of export for the purpose of GST refund on August 26, 2022. Subsequently, the company has received the refund of ₹ 1,184 million during the year.

   Currently, Company has a balance of ₹ 5,748.01 million (March 31, 2023: ₹ 3,848.89 million) of Goods and Service Tax (GST) input tax. Accordingly, Management is of the view that as eligibility of refund has been established, no further adjustment is required in the financial results of the Company for the year ended March 31, 2024.

8. In the earlier years, an EPC contractor had invoked Arbitration proceedings and filed their statement of claims aggregating ₹ 15,579.00 million. The Company filed its statement of defence along with counter claims aggregating ₹ 10,127.00 million and US$ 9.04 million (equivalent ₹ 753.70 million).

   During the year, the Company had received Arbitral Award ("award") dated September 14, 2023 from the Arbitral Tribunal. As per the award, the Arbitral Tribunal unanimously allowed the Company's counter claims aggregating ₹ 6,614.53 million and also accepted the EPC contractor's claims aggregating ₹ 1,012.30 million along with interest @12% p.a from the date of invocation of arbitration to date of payment. The Arbitral Tribunal also awarded ₹ 200.00 million as reimbursement of arbitration cost along with interest @12% p.a after due period of 3 months from the date of award, in favour of the EPC

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

contractor. Further, the Arbitral Tribunal has directed the EPC Contractor to reimburse the Labour cess paid in the past/ payable in future, if any, by the Company. In line with the Arbitral Award, the Company has paid an amount of ₹ 1,468.12 million (Net of applicable taxes) to the EPC contractor on December 14, 2023.

Based on the unanimous Arbitral Award and legal opinions obtained from two national legal firms on this and other related matters, the Company has accounted for the liabilities write back and other claims relating to the EPC contractor and its sub-contractor(s) in the Statement of Profit and Loss Account and as adjustment to Property, Plant & Equipment (PPE) as given below:

₹ in million

Particulars	For the year ended March 31, 2024		
	Profit & Loss A/c	Property, Plant & Equipment	Total
Liquidated damages	1,766.86	1115.64	2,882.50
Retention Money	6,644.86*	503.70	7,148.56
Settlement memo filed before the Arbitral Tribunal	-	(357.70)	(357.70)
Interest and differential insurance paid	(541.17)	-	(541.17)
Capital advance written off	(114.72)	-	(114.72)
Capital creditor written back	330.37	-	330.37
Provision for Arbitration Cost (Incl. Interest)	(207.10)	-	(207.10)
Provision for Interest on Settlement Amount	(294.17)	-	(294.17)
Total	**7,584.93**	**1,261.64**	**8,846.57**

*including ₹ 3,416.52 million, equivalent US$ 40.98 million

The Company has filed a petition under Section 34 of the Arbitration and Conciliation Act, 1996 ("Arbitration Act") on December 13, 2023 with the District Judge of the Hon'ble City Civil Court, Hyderabad seeking to partially set aside the Impugned Arbitral Award to the extent that it deals with the interest allowed @12% p.a from the date of invocation of arbitration to date of payment on liability of ₹ 357.70 million (a component of award, decided through mutual settlement, referred as settlement amount) and allows the arbitration costs of ₹ 200.00 million along with interest @12% p.a after due period of 3 months from the date of Award, in favour of the EPC contractor.

In December, 2023, the EPC contractor also filed a petition under Section 34 of Arbitration Act challenging the Arbitral award. The Company has filed a counter reply against the above petition on April 16, 2024 and its next hearing is scheduled on July 23, 2024. Based on the external legal opinions on the tenability of the petition filed by EPC contractor, on the aforesaid matter, Management believes that it has good grounds to defend the section 34 Petition filed by the EPC Contractor and considers this as a Claim against the Company not acknowledged as debt and consequential impact, if any, of the aforesaid petition will be dealt on the conclusion of this case.

9. The Company's business activity falls within a single business segment in terms of Ind AS 108 Operating Segments.

10. The above financial results are also available on the stock exchange website www.bseindia.com.

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(Formerly Sembcorp Energy India Limited)

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

Raghav Trivedi
Whole Time Director and CEO
DIN- 03485063

Place: Nellore
Date: May 21, 2024

Deloitte Haskins & Sells

Chartered Accountants
KRB Towers, Plot No.1 to 4 & 4A
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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
SEIL ENERGY INDIA LIMITED (FORMERLY SEMBCORP ENERGY INDIA LIMITED)

Opinion

We have audited accompanying Statement of Consolidated Financial Results for the year ended March 31, 2024 of **SEIL ENERGY INDIA LIMITED (FORMERLY SEMBCORP ENERGY INDIA LIMITED)** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), being submitted by the Parent pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Results for the year ended March 31, 2024:

(i) includes the results of the following entities:

Sr No	Name of the entities	Relationship
1	SEIL Energy India Limited	Parent Company
2	TPCIL Singapore Pte Ltd	Subsidiary Company

(ii) is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

(iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2024 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2024, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the year ended March 31, 2024 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the 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 respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2024 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 this Consolidated Financial Results.

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 Annual Consolidated Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 52 of the Listing Regulations.
- Conclude on the appropriateness of the 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the entities within the Group to express an opinion on the Annual Consolidated Financial Results.

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

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors 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.

Other Matters

The consolidated financial results includes the unaudited financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 1.35 million as at March 31, 2024 and total revenues of Nil for the year ended March 31, 2024, total net loss after tax of ₹ 1.84 million for the year ended March 31, 2024 and total comprehensive loss of ₹ 1.84 million for the year ended March 31, 2024 and net cash out flows of ₹ 0.41 million for the year ended March 31, 2024, as considered in the Statement. These financial statements are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Board of the Directors.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
(UDIN: 24213649BKCJFP9401)

Place: Nellore
Date: May 21, 2024

SEIL Energy India Limited (formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648
Regd. Office : Building No 7A, Level 5, DLF Cybercity, Gurugram 122002, Haryana, India
Telephone No.: (91) 124 389 6700/701, Fax No.: (91) 124 3896710, Email: cs@seilenergy.com

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

(₹ in million)

Particulars	Quarter ended			Year ended	
	March 31, 2024 (Refer note 3)	December 31, 2023 (Refer note 3)	March 31, 2023 (Refer note 3 & 4)	March 31, 2024	March 31, 2023 (Refer note 4)
	Unaudited	Unaudited	Unaudited	Audited	Audited
Income					
Revenue from operations	23,930.47	21,908.38	24,990.41	98,323.20	93,886.00
Other income (refer note 8)	8,890.90	960.69	831.91	12,384.14	4,226.64
Total income	**32,821.37**	**22,869.07**	**25,822.32**	**110,707.34**	**98,112.64**
Expenses					
Cost of fuel	14,156.65	12,554.88	16,730.61	59,148.33	65,178.26
Transmission charges	10.61	77.14	626.38	1,092.13	3,806.83
Employee benefits expenses	596.89	540.53	286.02	1,981.96	1,881.73
Finance costs	1,799.72	1,832.20	1,709.35	7,092.09	7,955.56
Depreciation & amortisation expenses	1,485.38	1,489.28	1,463.42	5,939.02	5,940.75
Impairment loss/ (reversal) on financial assets (Net)	3.00	(29.00)	19.90	10.30	(796.81)
Loss on derecognition of financial assets measured at amortised cost	-	-	-	-	1,885.67
Operating and other expenses	1,762.61	1,426.61	905.86	4,877.34	3,789.79
Total expenses	**19,814.86**	**17,891.64**	**21,741.54**	**80,141.17**	**89,641.78**
Profit before tax	**13,006.51**	**4,977.43**	**4,080.78**	**30,566.17**	**8,470.86**
Tax expense					
- Current tax expense	-	-	-	-	-
- Deferred tax expense	3,293.97	1,271.37	1,035.51	7,756.01	2,256.60
Total tax expense	**3,293.97**	**1,271.37**	**1,035.51**	**7,756.01**	**2,256.60**
Profit after tax	**9,712.54**	**3,706.06**	**3,045.27**	**22,810.16**	**6,214.26**
Other comprehensive income/(loss)					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of post-employment benefit obligations	(10.23)	-	9.16	(10.23)	8.05
Income tax effect on above item	2.80	-	(0.39)	2.80	16.61
Items that will be reclassified subsequently to profit or loss:					
Effective portion of changes in fair value of cash flow hedge, net	-	-	-	-	(115.83)
Cost of hedging reserve – changes in fair value	-	-	-	-	31.46
Income tax effect on above item	-	-	-	-	(60.34)
Other comprehensive (loss)/income (net of tax)	**(7.43)**	**-**	**8.77**	**(7.43)**	**(120.05)**
Total comprehensive income	**9,705.11**	**3,706.06**	**3,054.04**	**22,802.73**	**6,094.21**
Paid up Equity Share Capital (Nominal value of shares ₹ 10 per share)				46,122.45	54,336.69
Other Equity				59,268.35	62,724.13
Earnings per share (Nominal value of shares ₹ 10 per share)					
Basic earnings per equity share (₹)*	2.11	0.70	0.56	4.38	1.14
Diluted earnings per equity share (₹)*	2.11	0.70	0.56	4.38	1.14

* The earning per equity share are not annualised except for year ended March 31, 2024 and year ended March 31, 2023.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023 (Refer note 4)
	Audited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	136,988.93	143,292.52
Capital work-in-progress	293.24	306.39
Goodwill	1,234.20	1,234.20
Other Intangible Assets	9.26	12.65
Financial assets		
Trade receivables	1,111.54	3,208.67
Other financial assets	821.78	1,088.30
Non-current tax assets (net)	1,030.07	1,075.19
Other non-current assets	417.22	491.63
Total non-current assets	**141,906.24**	**150,709.55**
Current assets		
Inventories	8,347.43	10,014.36
Financial assets		
Investments	385.99	157.44
Trade receivables	33,087.18	37,284.90
Cash and cash equivalents	1,740.78	1,030.69
Other financial assets	941.75	1,096.95
Other current assets	8,187.83	6,748.70
Total current assets	**52,690.96**	**56,333.04**
Total assets	**194,597.20**	**207,042.59**
EQUITY AND LIABILITIES		
Equity		
Equity share capital (refer note 5)	46,122.45	54,336.69
Other equity (refer note 5)	59,268.35	62,724.13
Total equity	**105,390.80**	**117,060.82**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	44,206.66	34,747.76
Lease liabilities	75.97	36.99
Provisions	63.01	-
Deferred tax liabilities (net)	10,920.90	3,167.69
Total non-current liabilities	**55,266.54**	**37,952.44**
Current liabilities		
Financial liabilities		
Borrowings	23,325.80	32,519.91
Lease liabilities	14.79	19.48
Trade payables		
Dues to micro and small enterprises	102.18	82.74
Dues to creditors other than micro and small enterprises	4,335.06	5,068.79
Other financial liabilities	1,148.67	8,170.38
Other current liabilities	2,848.27	5,951.67
Provisions	2,015.61	66.88
Current tax liabilities (net)	149.48	149.48
Total current liabilities	**33,939.86**	**52,029.33**
Total liabilities	**89,206.40**	**89,981.77**
Total equity and liabilities	**194,597.20**	**207,042.59**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

STATEMENT OF CONSOLIDATED CASH FLOWS

(₹ in million)

Particulars	For the year ended March 31, 2024 (Audited)	For the year ended March 31, 2023 (Refer note 4) (Audited)
A. Cash flow from operating activities		
Profit before tax	30,566.17	8,470.86
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expenses	5,939.02	5,940.75
Property, plant and equipment written off ROU	(13.32)	-
Property, plant and equipment written off	0.92	3.25
Net unrealised loss on foreign exchange fluctuation	28.45	356.39
Impairment Loss/ (Reversal) on Financial Assets (net)	10.30	(796.81)
Loss on derecognition of financial assets measured at amortised cost	-	1,885.67
Unwinding of discount on trade & late payment surcharge receivables	(712.05)	(1,008.26)
Finance costs	7,092.09	7,955.56
Net gain on financial assets measured at FVTPL	(79.47)	(77.39)
Interest income from others	(37.40)	-
Liabilities no longer required, written back (Refer note 8)	(8,411.72)	-
Claims Settled (Refer note 8)	285.62	-
Other trade receiavble deductions	(1,069.27)	-
Doubtful receivables and advances written off	1.37	-
Interest income on bank deposits	(342.67)	(300.64)
Operating cash flows before working capital changes	**33,258.04**	**22,429.38**
Decrease/(increase) in inventories	1,666.93	(2,691.87)
Decrease/(increase) in trade receivables and late payment surcharge receivables	8,286.22	(3,140.83)
Decrease/(increase) in financial and non-financial assets	375.00	(564.82)
Decrease in trade payable, other financial liabilities and current liabilities	(867.00)	(26.54)
Decrease in provisions	(3.40)	(43.14)
Cash generated from operations	**42,715.79**	**15,962.18**
Income-tax paid (net of refund)	45.12	(97.53)
Net cash generated from operating activities (A)	**42,760.91**	**15,864.65**
B. Cash flows from investing activities		
Payment for purchase of property, plant and equipment and capital work-in-progress	(1,217.67)	(456.37)
(Investment)/redemption of mutual funds (net)	(149.08)	2,391.25
Maturity of bank deposits (net)	263.58	3,799.25
Interest income from Others	37.40	-
Interest income received	325.02	366.85
Net cash (used in)/ generated from investing activities (B)	**(740.75)**	**6,100.98**
C. Cash flows from financing activities		
Proceeds from long-term borrowings	14,750.00	30,000.00
Repayment of long-term borrowings	(3,789.50)	(67,023.04)
(Repayment)/Proceeds of short-term borrowings (net)	(10,656.29)	19,286.16
Payment of lease liabilities	(20.93)	(10.54)
Finance costs paid	(7,120.60)	(7,946.53)
Shares Buy back (Refer note 5)	(20,000.30)	-
Dividend paid (Refer note 6)	(14,472.45)	-
Net cash used in financing activities (C)	**(41,310.07)**	**(25,693.95)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	710.09	(3,728.32)
Cash and cash equivalents at the beginning of the year	1,030.69	4,759.01
Cash and cash equivalents at the end of the year	**1,740.78**	**1,030.69**
Components of cash and cash equivalents comprise:		
Balance with scheduled banks		
In current accounts	740.77	726.39
Deposits with original maturity of less than three months	1,000.01	304.30
Total cash and cash equivalents	**1,740.78**	**1,030.69**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

SEIL Energy India Limited (formerly Sembcorp Energy India Limited)
Notes pertaining to the consolidated financial results

Additional disclosures as per clause 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:

(₹ in million)

Sl no	Particulars	Quarter ended			Year ended	
		March 31, 2024 (Unaudited) refer note 3	December 31, 2023 (Unaudited) refer note 3	March 31, 2023 (Unaudited) refer note 3& 4	March 31, 2024 (Audited)	March 31, 2023 (Audited) refer note 4
1	Debt - Equity Ratio (times) [Debt / Networth] Debt - Non current borrowings + Current borrowings + Non current unsecured loans + Current unsecured loans)	0.64	0.69	0.57	0.64	0.57
2	Debt service coverage ratio (times) (Earnings before interest, depreciation, tax and exceptional item / (Interest expense + Scheduled principal repayment of term loans for the next period / year of borrowings)	6.24	3.27	3.57	4.38	2.16
3	Interest service coverage ratio (times) (Earnings before interest , depreciation, tax and exceptional item / interest expense for the period/ year)	9.05	4.53	4.24	6.15	2.81
4	Outstanding redeemable preference shares	-	-	-	-	-
5	Capital redemption reserve/Debenture redemption	-	-	-	-	-
6	Net worth (Equity share capital + Other equity)	105,390.80	101,684.17	117,060.82	105,390.80	117,060.82
7	Net profit after tax	9,712.54	3,706.06	3,045.27	22,810.16	6,214.26
8	Earnings per share (Basic & Diluted) *	2.11	0.70	0.56	4.38	1.14
9	Current ratio (times) (Current Assets/ Current Liabilities)	1.55	1.23	1.08	1.55	1.08
10	Long term debt to working capital (times) (Non Current borrowings+ Current maturities of long term borrowings) / (Current Assets- Current liabilities excluding Current maturities of long term borrowings)	2.10	3.60	5.16	2.10	5.16
11	Bad debts to accounts receivable ratio (%) (Bad debts/ Average trade receivables)	-	-	-	-	-
12	Current liability ratio (%) (Current liability/ Total Liabilities)	38.05%	43.60%	57.82%	38.05%	57.82%
13	Total debts to total assets (%) (Non current borrowings + Current borrowings)/ Total assets)	34.70%	35.88%	32.49%	34.70%	32.49%
14	Debtors turnover (in days) (Revenue/Average Trade receivables)	132	160	138	139	150
15	Inventory turnover (in days) (Cost of Fuel+ consumption of spares/Average Inventory)	53	56	49	56	48
16	Operating margin (%) (Profit before depreciation, Interest, Tax & Exceptional items/ Revenue)	68.08%	37.88%	29.03%	44.34%	23.82%
17	Net profit margin (%) (Profit after tax)/ Revenue from Operations)	40.59%	16.92%	12.19%	23.20%	6.62%

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

Notes pertaining to the consolidated financial results (continued)

1. The statement of consolidated financial results for the quarter and year ended March 31, 2024 of the Company and its subsidiaries have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on May 21, 2024. The statutory auditors of the Company have carried out audit of the annual financial results for the year ended March 31, 2024 and have issued an unmodified conclusion.

   The consolidated financial results includes the financial results of the Holding Company and the following subsidiaries (hereinafter collectively referred to as 'the Group')

   Holding Company
   1. SEIL Energy India Limited (SEIL)
   Subsidiaries
   1. TPCIL Singapore Pte. Ltd,

2. The consolidated financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with relevant rules issued thereunder and the accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").

3. The consolidated financial results for the quarters ended March 31, 2024, December 31, 2023 and March 31, 2023 have been furnished by the management and approved by the board of directors of the Company, but have not been subject to audit or limited review by statutory auditors.

4. The consolidated financial results for the year ended March 31, 2023 were reviewed by the predecessor auditor (M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountants), who had expressed an unmodified review conclusion.

5. The Holding Company bought back 821,424,000 equity shares (15.12% of the total paid up equity share capital at ₹ 22.60 per equity share) on December 11, 2023 and extinguished the equity shares on December 21, 2023. Capital redemption reserve of ₹ 8,214.24 million was created to the extent of share capital extinguished. Premium on buyback of ₹ 10,349.94 million & the tax on buy-back ₹ 1,436.12 million were adjusted from the securities premium.

6. The final dividend on equity share is recorded as a liability on the date of approval by the shareholders and interim dividend is recorded as liability on the date of declaration by the Holding Company's Board of Directors. The Holding Company declares and pays dividend in India rupees.

   The details of distribution of dividend made are as under:

₹ in million

Details	March 31, 2024	March 31, 2023
Interim Dividend for FY 2022-23 - ₹ 0.98 per equity share, approved by Board of Directors on May 24, 2023	5,325.00	-
Interim Dividend for FY 2023-24 - ₹ 0.58 per equity share, approved by Board of Directors on December 14, 2023 - ₹ 1.30 per equity share, approved by Board of Directors on February 22, 2024	9,147.45	-

7. The Holding Company is entitled to claim refund of GST Input Tax credit against export of electricity. GST Authorities had disputed the refund application on various grounds i.e. non-submission of shipping bill, mismatch of Regional Energy Account (REA), method of determining zero-rated turnover etc. Based on advice from the Tax consultant, the Holding Company has filed Writ Petitions/Appeals at various levels in this matter.

   Based on the Circular No. 175/07/2022-GST dated July 06, 2022, by the Ministry of Finance, Government of India, Hon'ble High Court of Andhra Pradesh, Amravati issued favourable judgement for Writ petitions filed by the Holding Company allowing REA to be considered as proof of export for the purpose of GST refund on August 26, 2022. Subsequently, the Holding Company has received the refund of ₹ 1,184 million during the year.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

Notes pertaining to the consolidated financial results (continued)

Currently, Holding Company has a balance of ₹ 5,748.01 million (March 31, 2023: ₹ 3,848.89 million) of Goods and Service Tax (GST) input tax. Accordingly, Management is of the view that as eligibility of refund has been established, no further adjustment is required in the financial results of the Holding Company for the year ended March 31, 2024.

8. In the earlier years, an EPC contractor had invoked Arbitration proceedings and filed their statement of claims aggregating ₹ 15,579.00 million. The Holding Company filed its statement of defence along with counter claims aggregating ₹ 10,127.00 million and US$ 9.04 million (equivalent ₹ 753.70 million).

During the year, the Holding Company had received Arbitral Award ("award") dated September 14, 2023 from the Arbitral Tribunal. As per the award, the Arbitral Tribunal unanimously allowed the Holding Company's counter claims aggregating ₹ 6,614.53 million and also accepted the EPC contractor's claims aggregating ₹ 1,012.30 million along with interest @12% p.a from the date of invocation of arbitration to date of payment. The Arbitral Tribunal also awarded ₹ 200.00 million as reimbursement of arbitration cost along with interest @12% p.a after due period of 3 months from the date of award, in favour of the EPC contractor. Further, the Arbitral Tribunal has directed the EPC Contractor to reimburse the Labour cess paid in the past/ payable in future, if any, by the Holding Company. In line with the Arbitral Award, the Holding Company has paid an amount of ₹ 1,468.12 million (Net of applicable taxes) to the EPC contractor on December 14, 2023.

Based on the unanimous Arbitral Award and legal opinions obtained from two national legal firms on this and other related matters, the Holding Company has accounted for the liabilities write back and other claims relating to the EPC contractor and its sub-contractor(s) in the Statement of Profit and Loss Account and as adjustment to Property, Plant & Equipment (PPE) as given below:

₹ in million

Particulars	For the year ended March 31, 2024		
	Profit & Loss A/c	Property, Plant & Equipment	Total
Liquidated damages	1,766.86	1115.64	2,882.50
Retention Money	6,644.86*	503.70	7,148.56
Settlement memo filed before the Arbitral Tribunal	-	(357.70)	(357.70)
Interest and differential insurance paid	(541.17)	-	(541.17)
Capital advance written off	(114.72)	-	(114.72)
Capital creditor written back	330.37	-	330.37
Provision for Arbitration Cost (Incl. Interest)	(207.10)	-	(207.10)
Provision for Interest on Settlement Amount	(294.17)	-	(294.17)
Total	**7,584.93**	**1,261.64**	**8,846.57**

*including ₹ 3,416.52 million, equivalent US$ 40.98 million

The Holding Company has filed a petition under Section 34 of the Arbitration and Conciliation Act, 1996 ("Arbitration Act") on December 13, 2023 with the District Judge of the Hon'ble City Civil Court, Hyderabad seeking to partially set aside the Impugned Arbitral Award to the extent that it deals with the interest allowed @12% p.a from the date of invocation of arbitration to date of payment on liability of ₹ 357.70 million (a component of award, decided through mutual settlement, referred as settlement amount) and allows the arbitration costs of ₹ 200.00 million along with interest @12% p.a after due period of 3 months from the date of Award, in favour of the EPC contractor.

In December, 2023, the EPC contractor also filed a petition under Section 34 of Arbitration Act challenging the Arbitral award. The Holding Company has filed a counter reply against the above petition on April 16, 2024 and its next hearing is scheduled on July 23, 2024. Based on the external legal opinions on the tenability of the petition filed by EPC contractor, on the aforesaid matter, Management believes that it has good grounds to defend the section 34 Petition filed by the EPC Contractor and considers this as a Claim against the Holding Company not acknowledged as debt and consequential impact, if any, of the aforesaid petition will be dealt on the conclusion of this case.

9. The Group's business activity falls within a single business segment in terms of Ind AS 108 Operating Segments.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

Notes pertaining to the consolidated financial results (continued)

10. The above financial results are also available on the stock exchange website www.bseindia.com.

for and on behalf of the Board of Directors of
SEIL Energy India Limited
(Formerly Sembcorp Energy India Limited)

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS

SEIL ENERGY INDIA LIMITED

Raghav Trivedi
Whole Time Director and CEO
DIN- 03485063

Place: Nellore
Date: May 21, 2024

ANNEXURE 6 | CORPORATE AUTHORISATIONS

Certified true copy of the Board Resolution

Certified true copy of the Special Resolution

SEIL Energy India Limited
(Formerly Sembcorp Energy India Limited)
CIN: U40103HR2008PLC095648
Regd. Office: Building 7A, Level 5,
DLF Cyber City, Gurugram – 122002,
Haryana, India
Tel: (91) 124 6846700/701,
Fax: (91) 124 6846710
Email: cs@seilenergy.com
Website: www.seilenergy.com

CERTIFIED TRUE COPY OF EXTRACT OF THE RESOLUTION APPROVED AT THE 130TH MEETING OF THE BOARD OF DIRECTORS OF SEIL ENERGY INDIA LIMITED (FORMERLY SEMBCORP ENERGY INDIA LIMITED) HELD ON THURSDAY, MAY 30, 2024

==========

APPROVAL FOR ISSUANCE OF SENIOR, SECURED, LISTED, RATED, REDEEMABLE, TRANSFERABLE NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS AMOUNTING TO INR 2500 MILLION

"**RESOLVED THAT** the Company be and hereby approves the terms and conditions of the Debenture holders as specified in the draft general information document/key information document placed before the Board.

FURTHER RESOLVED THAT pursuant to the provisions of Section 42 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Section 71 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 and section 179(3) (c) of the Companies Act, 2013 and such other applicable provisions of the Companies Act, 2013, if any, and (i) subject to the approval of the shareholders and in accordance with the provisions of applicable laws; (ii) the Memorandum and Articles of Association of the Company; and (iii) such other approvals, permissions and sanctions as may be necessary under the applicable laws and subject to such conditions and modifications as may be prescribed in granting of such approvals, permissions and sanctions by any authorities, the Company do, for the purposes of, (i) Capital expenditure; (ii) repayment of existing debt (including outstanding CPs) of the Issuer; (iii) payment of transaction related expenses; and (iv) any other purpose permitted by extant laws/guidelines, proposes to offer, issue and allot Senior, Secured, Listed, Rated, Redeemable, Transferable non-convertible debentures totally aggregating upto INR 2500,000,000 (Indian Rupees Two Thousand Five Hundred Million only) having face value of INR 100,000 (Rupees One Lakh only) each or any other lesser amount as required under law each in one or more tranches ("**Debentures**") on a private placement basis, in one or more tranches, to the eligible investors (**"Debenture holders"**) as may be determined by the Board.

FURTHER RESOLVED THAT pursuant to the provisions of Section 71 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 and such other applicable provisions, if any, the Company do appoint Catalyst Trusteeship Limited as the trustee (**"Trustee"**) for the Debenture holders in respect of the Debentures.

FURTHER RESOLVED THAT the Company do appoint KFin Technologies Limited as the Registrar and Transfer Agent for the issuance of the Debentures.

FURTHER RESOLVED THAT pursuant to the provisions of Section 42 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company do hereby approve the draft private placement offer letters/ general information document/key information document to be issued to the Debenture holders and severally authorise Mr. Tareq Mohamed Sultan Al Mugheiry, Chairman, Mr. Cyrus Erach Cooper, Director, Mr. Raghav Trivedi – Whole Time Director and CEO, Mr. Ajay Bagri, Chief Financial Officer, Mr. Rajeev Ranjan, Company Secretary, Mr. Nitin Singhal, GM Finance and Mr. Siva Kumar Appala, DGM Finance, Authorised persons of the Company, (**Authorised Officers**") to:

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(a) finalise, approve, execute and deliver private placement offer letters / general information document/key information document, documents, prepare and keep record of the said offers in the prescribed manner;

(b) approve of, decide on, and finalize the terms and conditions applicable to the Debentures;

(c) determine the date of opening and closing of the Debenture issue and the period for which the aforesaid issue will remain open;

(d) finalize the date of allotment;

(e) execute, file and deliver all necessary documents, instruments and do all acts necessary in relation to the Debentures issue, including executing agreements with National Securities Depository Limited/ Central Depository Services (India) Limited;

(f) deal with the appropriate regulatory authorities in connection with the Debenture issue including but not limited to Registrar of Companies, Reserve Bank of India, Ministry of Corporate Affairs, National Securities Depository Limited, Central Depository Services (India) Limited etc.;

(g) negotiate, sign, execute, file, amend, supplement, issue and deliver all documents, instruments, papers, applications, notices in relation to the issuance of Debentures, to which it is a party, including but not limited to:

A. the debenture trust deed;
B. the debenture trustee agreement;
C. Deed of Hypothecation, if any;
D. the general information document/key information document; and
E. any other document that is to be executed pursuant to the rights of the Debenture Trustee and / or Debenture holders
(collectively "**Debenture Documents**")

(h) set up of Debenture Redemption Reserve in accordance with the Companies Act, 2013, The Companies (Share Capital and Debentures) Rules, 2014 and other applicable laws; and

(i) do all other acts, deeds and things as may be deemed necessary to give effect to the foregoing and the other terms of the issuance of Debentures.

FURTHER RESOLVED THAT the Company be and is hereby authorised to create and perfect a pari passu charge on all present and future movable fixed assets (including plant and machinery) and current assets, in favour of the Trustee for the benefit of the Debenture holders for the issuance of the Debentures and the Authorised Officers are severally authorised to negotiate, execute all documents and deeds and do all acts, deeds and things in relation thereto.

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FURTHER RESOLVED THAT the Company be and is hereby authorised to create a negative lien on all its immovable assets which are not charged to the Debenture Holders, in favour of the Trustee for the benefit of the Debenture holders in terms of the Debenture Documents and the Authorised Officers are severally authorised to negotiate, execute all documents and deeds and do all acts, deeds and things in relation thereto.

FURTHER RESOLVED THAT Mr. Raghav Trivedi, Whole Time Director & CEO of the Company be and is authorized by the Board of Directors to sign the Directors' Declaration in the general information document/key information document to be issued by the Company with respect to the issuance of Non Convertible Debentures.

FURTHER RESOLVED THAT the Company be and hereby accepts that the Debenture Documents and any other deeds, documents, undertakings, guarantees, writings, agreements and declarations entered into by the Authorized Officer(s) for and on behalf of the Company shall be final and binding on the Company.

FURTHER RESOLVED THAT the Common Seal of the Company, if required by the Debenture holders, be affixed to the Debenture Documents (wherever required/applicable), and such other deeds, documents, undertakings, guarantees, writings, agreements and declarations as the Company may be required by the Trustee/ Debenture holders to execute in connection with the issuance of the Debentures, in the presence of any of the Authorised Person, who shall sign the same in token thereof, in conformity with the Articles of Association of the Company and the common seal of the Company may be carried out of the registered office of the Company for such purpose.

FURTHER RESOLVED THAT the Authorised Person(s) be and are hereby severally authorized, on behalf of the Company, to carry out and effect such amendments and modifications to the constitutional documents of the Company as may be required in terms of the Debenture Documents or otherwise as required by the Trustee/ Debenture holders.

FURTHER RESOLVED THAT Copies of the foregoing resolutions certified by any of the Directors to be furnished to the Trustee/ Debenture holders and they be requested to act thereon."

Certified True Copy
For SEIL Energy India Limited
(Formerly Sembcorp Energy India Limited)

Rajeev Ranjan
Company Secretary
M. No.: F6785

SEIL ENERGY INDIA LIMITED

Date: May 31, 2024

SEIL Energy India Limited
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CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION APPROVED AT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF SEIL ENERGY INDIA LIMITED (FORMERLY SEMBCORP ENERGY INDIA LIMITED) HELD ON FRIDAY, MAY 31, 2024

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APPROVAL FOR THE PRIVATE PLACEMENT OF NON-CONVERTIBLE DEBENTURES AMOUNTING TO INR 2500 MILLION

"**RESOLVED THAT** pursuant to the provisions of Section 42, 179(3)(c) and other applicable provisions, if any, of the Companies Act, 2013 read along with the Companies (Prospectus and Allotment of Securities) Rules, 2014, and such other Rules, circular and clarifications, issued in this regards (including any amendment(s), modification(s) or re-enactment thereof, for the time being in force) and the Memorandum and Articles of Association of the Company, and other applicable laws, if any and in accordance with the resolution passed by the Members of the Company at their Meeting held on December 18, 2017, and such other approvals, consents and sanctions, as may be required, the consent of the members of the Company be and is hereby accorded to raise finance by the issuance and allotment of upto 25,000 (Twenty Five Thousand) Senior, Secured, Listed, Rated, Redeemable, Transferable Non-Convertible Debentures denominated in Indian Rupees of a face value of INR 100,000 (Rupees One Lakh only) each or any other lesser amount as required under law, of the aggregate nominal value of up to INR 2500,000,000 (Indian Rupees Two Thousand Five Hundred Million) (hereinafter referred to as the "Debentures"), to be issued on private placement basis in one or more tranches, more particularly on the terms and conditions to be set out in the general information document/key information document and the debenture trust deed entered inter alia between the Company and the Debenture Trustee, Catalyst Trusteeship Limited (as the "Debenture Trustee") ("Debenture Trust Deed"), as finalized and amended in accordance with this Resolution.

FURTHER RESOLVED THAT all directors of the Company, be and are hereby severally authorized on behalf of the Company to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned Debenture issue including the timing, amount and other terms and conditions of such Debenture issue and also to take all other decisions including varying any of them, either in part or full, as it may, in its absolute discretion, deem appropriate, subject to the specific limits, take such actions and steps including delegation of authority, as may be necessary and to settle all matters arising out of and thereto, and to sign and to execute deeds, applications, documents, agreements and writings that may be required, on behalf of the Company, in relation to the issue of debenture on private placement basis and take decisions on all matters concerning the same, including if necessary, delegate upon its issuance all or any activity pertaining to it to any person or persons so authorized by it in this behalf and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary for giving effect of this Resolution.

FURTHER RESOLVED THAT the draft of the Offer Letter in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, be and is hereby approved.

FURTHER RESOLVED THAT the Company do record the name of the Debenture Holders (as defined in the Debenture Trust Deed) and maintain such record of private placement offer of the Debentures in Form PAS-5 under the Companies (Prospectus and Allotment of Securities) Rules, 2014, if applicable.

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FURTHER RESOLVED THAT the Company be and is hereby authorised to make all the necessary filings with the relevant regulatory authorities and do all such acts, deeds and things as may be required in connection therewith, including but not limited to signing and sending the relevant Offer Letter to the Debenture Holders and to sign and maintain form PAS-5, if applicable.

FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any director(s) and/ or officer(s) of the Company, to give effect to the resolution, without being required to seek any further consent and approval of the members."

For SEIL Energy India Limited
(Formerly Sembcorp Energy India Limited)

Rajeev Ranjan
Company Secretary
M. No.: F6785

Date: June 04, 2024

ANNEXURE 7 | PRE ISSUE AND POST ISSUE SHAREHOLDING PATTERN OF THE COMPANY

S. No.	Category	Pre-Issue		Post-Issue	
		No of shares held	Percentage (%) of shareholding	No of shares held	Percentage (%) of shareholding
A	**Promoters' holding**				
1	**Indian**				
	Individual	-	-	-	-
	Bodies corporate	-	-	-	-
	Sub-total	-	-	-	-
2	**Foreign promoters (including Nominees)**	4,612,244,574	100%	4,612,244,574	100%
	Sub-total (A)	**4,612,244,574**	**100%**	**4,612,244,574**	**100%**
B	**Non-promoters' holding**				
1	**Institutional investors**	-	-	-	-
2	**Non-institutional investors**	-	-	-	-
	Private corporate bodies	-	-	-	-
	Directors and relatives	-	-	-	-
	Indian public	-	-	-	-
	Others [including Non-resident Indians (NRIs)]	-	-	-	-
	Sub-total (B)	-	-	-	-
	Grand Total (A+B)	**4,612,244,574**	**100%**	**4,612,244,574**	**100%**

ANNEXURE 8 | RELATED PARTY TRANSACTIONS

REFER TO FINANCIAL STATEMENTS IN ANNEXURE 5

ANNEXURE 9 | CAPITAL STRUCTURE AS ON 31 MARCH, 2024

Share Capital	INR/ Millions
Authorized Share Capital	1,50,000
Issued, Subscribed and Paid-up Share Capital	46,122.45

PAID UP CAPITAL OF THE COMPANY AS OF 31 MARCH 2024

(In INR Millions)

Before the issue of Debentures	46,122.45
After conversion of convertible instruments (if applicable)	46,122.45
After the issue of Debentures	46,122.45

SECURITIES PREMIUM ACCOUNT OF THE COMPANY AS OF 31 MARCH 2024

(In INR Millions)

Before the issue of Debentures	20,206.73
After the issue of Debentures	20,206.73

ANNEXURE 10 | DEBENTURE TRUSTEE DUE DILIGENCE CERTIFICATE

CL/24-25/07740 ***(Annexure IIA)***

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM
(Applicable for Secured and Unsecured Issuances)

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001.

Dear Sir / Madam,

SUB.: ISSUE OF 25,000 (TWENTY-FIVE THOUSAND) SENIOR, SECURED, RATED, LISTED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES DENOMINATED IN INDIAN RUPEES ("INR"), HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH) EACH FOR AN AGGREGATE AMOUNT OF INR 250,00,00,000 (INDIAN RUPEES TWO HUNDRED AND FIFTY CRORE ONLY) ("DEBENTURES" OR "NCDS") BY WAY OF PRIVATE PLACEMENT BY SEIL ENERGY INDIA LIMITED

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.

g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Mumbai
Date: June 03, 2024

For Catalyst Trusteeship Limited

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Ms. Kalyani Pandey
Compliance Officer

ANNEXURE 11 |DEBENTURE TRUSTEE APPOINTMENT AGREEMENT

सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	:	**IN-DL97878865567722W**
Certificate Issued Date	:	03-Jun-2024 01:35 PM
Account Reference	:	IMPACC (IV)/ dl960003/ DELHI/ DL-DLH
Unique Doc. Reference	:	SUBIN-DLDL96000352428939471948W
Purchased by	:	SEIL ENERGY INDIA LIMITED
Description of Document	:	Article 5 General Agreement
Property Description	:	Not Applicable
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	SEIL ENERGY INDIA LIMITED
Second Party	:	CATALYST TRUSTEESHIP LIMITED
Stamp Duty Paid By	:	SEIL ENERGY INDIA LIMITED
Stamp Duty Amount(Rs.)	:	500 (Five Hundred only)

सत्यमेव जयते

₹500

Please write or type below this line IN-DL97878865

This stamp paper forms an integral part of the Debenture Trustee Agreement between SEIL Energy India Limited and Catalyst Trusteeship Limited.

Ajay Bajpai

SEIL ENERGY INDIA LIMITED

CATALYST TRUSTEESHIP LIMITED

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using e-Stamp Mobile App of Stock Holding Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

03-Jun-2024 01:35 PM 03-Jun-2024 01:35 PM 03-Jun-2024 01:35 PM

सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	:	**IN-DL97878151174215W**
Certificate Issued Date	:	03-Jun-2024 01:34 PM
Account Reference	:	IMPACC (IV)/ dl960003/ DELHI/ DL-DLH
Unique Doc. Reference	:	SUBIN-DLDL96000352430034862986W
Purchased by	:	SEIL ENERGY INDIA LIMITED
Description of Document	:	Article 5 General Agreement
Property Description	:	Not Applicable
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	SEIL ENERGY INDIA LIMITED
Second Party	:	CATALYST TRUSTEESHIP LIMITED
Stamp Duty Paid By	:	SEIL ENERGY INDIA LIMITED
Stamp Duty Amount(Rs.)	:	500 (Five Hundred only)

सत्यमेव जयते

₹500

Please write or type below this line

This stamp paper forms an integral part of the Debenture Trustee Agreement between SEIL Energy India Limited and Catalyst Trusteeship Limited.

Ajay Tayal

SEIL ENERGY INDIA LIMITED

CATALYST TRUSTEESHIP LIMITED

Bisodhi

Statutory Alert:

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2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

DEBENTURE TRUSTEE AGREEMENT
DATED 03 JUNE 2024

BETWEEN

SEIL ENERGY INDIA LIMITED
(ISSUER)

AND

CATALYST TRUSTEESHIP LIMITED
(DEBENTURE TRUSTEE)

IN RESPECT OF

ISSUANCE OF SENIOR, SECURED, LISTED, RATED, REDEEMABLE, TRANSFERABLE

NON-CONVERTIBLE DEBENTURES AGGREGATING UP TO

RS. 250,00,00,000/- (INDIAN RUPEES TWO HUNDRED AND FIFTY CRORES ONLY) (THE "DEBENTURES"), ON A PRIVATE PLACEMENT BASIS (THE "ISSUE")

Issuer	Debenture Trustee

This **DEBENTURE TRUSTEE AGREEMENT** (hereinafter referred to as this "**Agreement**") is executed at Delhi on this **3rd DAY OF JUNE 2024** (hereinafter referred to as "**Effective Date**"), by and between:

SEIL ENERGY INDIA LIMITED, a company registered under the Companies Act, 1956 and validly existing as a public company under the Companies Act, 2013, with corporate identification number U40103HR2008PLC095648, and having its registered office at SEIL Energy India Limited, Building 7A, Level 5,DLF Cybercity, Gurugram - 122002, Haryana (hereinafter referred to as the "**Issuer/Company**", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assignees) of ONE PART.

AND

CATALYST TRUSTEESHIP LIMITED, a company established under the Companies Act, 1956, with CIN no. U74999PN1997PLC110262 and validly existing under the provisions of Companies Act, 2013, having its registered office at GDA House, First Floor, Plot No. 85 S. No. 94 & 95, Bhusari Colony (Right), Kothrud, Pune 411038 and having its branch office at 910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi -110001 (hereinafter called "**the Trustees**"/ "**Debenture Trustee**") (which expression shall include its successors and assigns and the Trustees for the time being wherever the context or meaning shall so require or permit) of the **OTHER PART.**

The Company and the Debenture Trustee shall be individually referred to as a "**Party**" and collectively as "**Parties**".

WHEREAS

A. The Issuer is a leading independent power producer (IPP) committed to India's energy security.

B. The Issuer proposes to issue the debentures, for the purpose of *inter alia* (i) Capital expenditure; (ii) repayment of existing debt of the Issuer including existing outstanding commercial papers; (iii) payment of transaction related expenses; and (iv) any other purpose permitted by RBI and extant laws/guidelines, pursuant to the provisions of the Companies Act, 2013 and has passed a resolution of the board of directors of the Company dated **30 May 2024** authorizing borrowing of funds by way of issuing senior, secured, listed, rated, redeemable, transferable nonconvertible debentures of the face value of Rs. 1,00,000 (Indian Rupees One Lakh Only) each or any other lesser amount as required under Applicable Law for an aggregate amount not exceeding the limit of INR **250,00,00,000** (Indian Rupees **Two Hundred and Fifty Crores** Only), in one or more tranches (hereinafter referred to as the "**the Debentures**") (the "**Issue**") in terms of the general information memorandum and key information memorandum in terms of the private placement. The Issue shall be in accordance with the relevant provisions of the Companies Act 2013, as amended from time to time ("**Act**") and other applicable regulations and rules under the Act.

C. The issue of the Debentures described has been authorised by the Company through resolution passed by the shareholders of the Company on **31 May 2024** pursuant to Section 42 of the Act read with applicable rules of the Act and the resolution passed by the board of directors of the Company on **30 May 2024**, in accordance with the provisions of the Act and the memorandum and articles of association of the Company.

Issuer	Debenture Trustee

D. Pursuant to the provisions of the Act read with the Securities and Exchange Board of India (Debenture Trustees) Regulations 1993 as amended from time to time ("**Debenture Trustees Regulations**") Act, the Company is required to appoint the Debenture Trustee for the benefit of the Debenture holders and accordingly the Company has approached Catalyst Trusteeship Limited to act as the Debenture Trustee for and on behalf of and for the benefit of the Debenture holders from time to time.

E. The Debenture Trustee is registered with the Securities Exchange Board of India as a debenture trustee under the Debenture Trustees Regulations. The Debenture Trustee shall immediately inform the Issuer if its registration is cancelled or withheld or under consideration for cancellation or withdrawal during the term of this Agreement; and

F. At the request of the Company, Catalyst Trusteeship Limited has agreed to act as the Debenture Trustee for the benefit of the Debenture holders and the Debenture Trustee has vide its letter ref. no. CL/DEB/24-25/170 dated 09 May 2024 ("**Debenture Trustee Offer Letter**") under this Agreement, on the terms and conditions agreed upon and hereinafter set out.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. Unless otherwise defined herein, capitalised terms defined, and references construed in the Debenture Trust Deed shall have the same meaning and construction when used in this Agreement.

2. Appointment of Debenture Trustee: The Company hereby appoints Catalyst Trusteeship Limited as the Debenture Trustee for the Debenture holders of the present Issue of the Debentures, to be issued by the Company and Catalyst Trusteeship Limited hereby agrees to act as Debenture Trustee for the Debenture holders and for purposes related thereto in accordance with the provisions of the Transaction Documents.

3. The Company shall execute the debenture trust deed ("**Debenture Trust Deed**") and the other necessary documents as approved by the Debenture Trustee as may be required from time to time in relation to the Debentures.

4. The proceeds of Debentures shall be used for the purpose of *inter alia* (i) meeting the capital expenditure; (ii) repayment of existing debt of the Issuer including existing commercial papers; (iii) payment of transaction related expenses; and (iv) any other purpose permitted by RBI and extant laws/guidelines, pursuant to the provisions of the Companies Act, 2013. Provided however that the use of the proceeds of the facility shall be subject to the provisions of the Debenture Trust Deed and in compliance of directives issued by the Government of India / RBI / other regulatory agency from time to time.

5. The Company undertakes to comply with the provisions of the Act and other relevant provisions of Applicable Law and agrees to furnish to the Debenture Trustee such information as may be required in terms of the Applicable Law and the Debenture Trust Deed on a regular basis, until the Final Settlement Date. The Company shall pay any and all amounts in relation to stamp duty which is payable in respect of the Debentures and any of the Transaction Documents.

6. The Company shall furnish/ shall have furnished the following documents to the Debenture

Issuer	Debenture Trustee

Trustee:

6.1. Memorandum of association and Articles of association of the Issuer;

6.2. The necessary corporate authorisations by way of board resolution and/or shareholder resolutions necessary for the Issue;

6.3. Letter(s) from the rating agency regarding the ratings afforded to the Debentures;

6.4. Executed copy of this Agreement;

6.5. Executed copy of the Debenture Trust Deed;

6.6. The agreement with the registrar and transfer agent to issue the Debentures;

6.7. Offer documents in relation to the issue of Debentures;

6.8. Evidence of filing of a return of allotment filed with the registrar of companies (Form No-PAS 3) within a maximum period of 15 (fifteen) days from the Deemed Date of Allotment along with a list of the Debenture holders and with the prescribed fee;

6.9. a complete record of private placement offers made by the Company in Form PAS 5;

6.10. Details of the depository with whom the Debentures are held in dematerialised form;

6.11. Copy of latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;

6.12. Periodical reports required to be submitted to the Debenture Trustee under applicable law;

6.13. Beneficiary position reports as provided by the registrar;

6.14. a chartered accountant certificate in connection with the utilization of funds and Issue proceeds within 60 (sixty) Business Days from the Deemed Date of Allotment;

6.15. Details of the recovery expenses fund to be created by the Company in the manner as may be specified by the SEBI from time to time along with duly acknowledged letter / confirmation from stock exchange on the amount of such fund maintained and the mode of maintenance;

6.16. Bank account details of the Company along with copy of pre-authorisation letter issued by Company to its banker in relation to the payment of redemption amount of the Debentures;

6.17. Confirmation/proofs of payment of interest and principal made to the Debenture holders on the relevant due dates; and

6.18. Such other documents as may be reasonably required by the Debenture Trustee in relation to the issue of Debentures and as may be required under Applicable Law.

Issuer	Debenture Trustee

7. **Terms of carrying out due diligence:**

(a) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Transaction Documents and the Applicable Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Applicable Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors / valuers / consultants / lawyers / technical experts / management consultants appointed by the Debenture Trustee with reasonable prior intimation to the Issuer. All actual costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

(b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), Central Registry of Securitisation Asset Reconstruction and Security Interest of India ("**CERSAI**"), Depositories, Information Utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets of the Company or any third party security provider, are registered / disclosed.

(c) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the discretion of the Debenture Trustee to carry out the requisite diligence in relation to the issuance and allotment of the Debentures, in accordance with the Applicable Laws.

(d) The Debenture Trustee shall have the power to either independently appoint or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee.

8. The Company shall pay to the Debenture Trustee so long as it holds the office of the Debenture Trustee, remuneration hereinafter mentioned and in accordance with the Debenture Trustee Offer Letter, for its services as Debenture Trustee in addition to all actual legal, traveling and other costs, charges and expenses which the Debenture Trustee or its officers, employees or agents may incur in relation to preparation, negotiation of or entry into this Agreement and / or any amendment of, supplement to or waiver in respect of this Agreement, against submission of the requisite supporting documents. Apart from the Debenture Trustee fees, the Issuer shall, from time to time, make payment to / reimburse the Debenture Trustee in respect of all actual expenses and out-of-pocket costs incurred by the Debenture Trustee for which requisite supporting documents are submitted by Debenture Trustee. The Issuer shall promptly pay, and in any event before any interest or penalty becomes payable, any stamp, documentary, registration or similar tax payable in connection with the entry into,

Issuer	Debenture Trustee

registration, performance, enforcement or admissibility in evidence of this Agreement and /or any such amendment, supplement or waiver. The remuneration of the Debenture Trustee (including the interest payable on the arrears of fee installments) shall be as per the Debenture Trustee Offer Letter and any amendments and supplemental offer letter thereof.

9. The Company hereby confirms that all actions (including corporate actions), conditions and things required to be taken, fulfilled and done (including the obtaining of any consents (if applicable) by the Company in order: (a) to enable it to lawfully enter into, exercise its rights and perform and comply with its obligations under this Agreement, (b) to ensure that those obligations are legally binding and enforceable, and (c) to make this Agreement admissible in evidence before the courts of India have been taken, fulfilled and done in strict compliance with all applicable laws and regulations.

10. The Debenture Trustee shall perform all duties, fulfill all obligations, exercise all rights and avail all benefits arising from and accruing under the Transaction Documents and shall be liable to the Debenture holders to the extent and in the manner provided for in the Transaction Documents.

11. The Debenture Trustee, "*ipso facto*" does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the Debentures.

12. This Agreement has been entered into in compliance with the provisions of the Companies Act, 1956, applicable provisions of the Companies Act, 2013, all amendments thereto and other applicable provisions and shall be effective on and from the date first hereinabove written and shall be in force till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

13. **Notices**

13.1. Unless otherwise stated, all notices, approvals, instructions and other communications for the Unless otherwise required in this Agreement or relevant Debenture Documents, all notices, approvals, instructions and other communications to be made under or in connection or for the purposes of the Debenture Documents shall be in writing and may be given by facsimile, by email, by personal delivery or by sending the same by prepaid registered mail addressed to the Party concerned.

13.2. The particulars of each Party for the purposes of serving notices shall be as follows:

In case of Debenture Trustee:

Attention	:	Mr. Sameer Trikha
Address	:	9th Floor, Office No. 910-911, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi-110001
Telephone	:	011-43029101
Fax	:	022-49220505

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Email	:	ComplianceCTL-Mumbai@ctltrustee.com

In case of Company:

Attention	:	Mr Rajeev Ranjan
Address	:	SEIL Energy India Limited, Building 7A, Level 5, DLF Cybercity, Gurugram - 122002, Haryana
Telephone	:	+91 124 684 6700/01
Fax	:	N.A.
Email	:	cs@seilenergy.com

13.3. **Delivery**

Any communication or document made or delivered by 1 (one) Person to another under or in connection with or for the purpose of the Debenture Documents shall be effective:

(a) in the case of registered mail, 2 (two) days after posting;

(b) in the case of personal delivery, at the time of delivery; or

(c) if given or made by electronic mail, upon a confirmation of transmission being recorded on the server of the Party sending the communication, unless the Party receives a message indicating failed delivery.

13.4. Notwithstanding anything contained herein, any communication (including electronic communication) or document to be made or delivered by the Company to the Debenture Trustee shall be effective only when actually received by the Debenture Trustee (in legible form) and then only if it is expressly marked for the attention of the department or officer identified with the Debenture Trustee (or any substitute department or officer as the Debenture Trustee shall specify for this purpose).

13.5. **English language**

Any notice given under or in connection with or for the purpose of the Debenture Documents must be in English.

13.6. All other documents provided under or in connection with or for the purpose of the Debenture Documents must be:

(a) in English; or

(b) if not in English, and if so required by the Debenture Trustee, accompanied by a certified English translation and, in this case, the English translation shall prevail unless the document is a constitutional, statutory or other official document.

13.7. E-Mail Indemnity

a) The Issuer understands and acknowledges that there are inherent risks involved in sending the instructions/ communications/ documents to the other Parties via cable or emails and hereby agrees and confirms that all risks shall be fully borne

Issuer	Debenture Trustee

by the Issuer and the Issuer assumes full responsibility for the same.

b) The Issuer shall not hold the Debenture Trustee liable for any losses or damages including legal fees arising upon the Debenture Trustee performing or non-performing or any delay/ default in performing any act, wholly or in part in accordance with the instructions so received which could be a result of any miscommunication, or technological error beyond the control of the Debenture Trustee considering the mode in which the same was conveyed.

c) The Debenture Trustee shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any email or any other electronic mode of communication and may in its sole discretion and exclusive determination, decline or omit to act pursuant to any such instruction, or defer acting in accordance with any such instruction if the Debenture Trustee has doubts about the contents, authorization, origination of the said instruction or if the Debenture Trustee is of the view that the said instruction has been fraudulently sent or mistakenly written and sent or has been altered and sent and the same shall be at the Issuer's risk and the Debenture Trustee shall not be liable for the consequences of any such refusal or omission to act or deferment of action.

d) The Issuer shall indemnify and keep the Debenture Trustee/Debenture Holders and each of its officers, directors, employees, representatives and agents indemnified, against all actions, suits, proceedings and all costs, charges, expenses, losses, or damages which are incurred or suffered by the Debenture Trustee/Debenture Holders by reason of any false or misleading information given by the Issuer to the Debenture Trustee/Debenture Holders hereunder or any breach/default/contravention/non-observance/non-performance by the Issuer of any terms, conditions, agreements and provisions hereunder or under any of the Financing Documents. The amounts payable by the Issuer under this clause (d) shall form part of the Obligations.

e) The Issuer agrees to indemnify the Debenture Trustee for any causes, actions, claims, damages, liabilities etc. that may arise out of acting under such electronic instructions, other than any causes, actions, claims, damages, liabilities etc. resulting from gross negligence, wilful default or fraud of the Debenture Trustee.

14. **Disputes and Governing Law**

14.1. This Agreement is governed by Indian law.

14.2. Jurisdiction

14.2.1 Consent to Proceedings

The Company irrevocably and generally consents in respect of any proceedings anywhere in connection with this Agreement and each other Debenture Document to the giving of any relief or the issue of any process in connection with those

Issuer	Debenture Trustee

proceedings including, any dispute arising in connection with this Agreement and each other Debenture Document including its validity, interpretation, implementation, performance or alleged breach of any provision of this Agreement and each other Debenture Documents ("**Dispute**") or any order or judgment which may be made or given in those proceedings.

14.2.2 Disposal

Subject to provisions of Clause 14.2.3 (*Proceedings in other courts - Dispute Resolution*) below, the Company submits to the non-exclusive jurisdiction of the courts and tribunals of Delhi to settle any Dispute it may have against any other Party, arising out of or in connection with this Agreement and each other Debenture Documents (including a Dispute regarding the existence, validity or termination of this Agreement or such other Debenture Documents) and that, accordingly, any legal action, suit or proceedings (collectively referred to as "**Proceedings**") arising out of or in connection with this Agreement and any other Debenture Documents may be brought or initiated by the Company only in those courts and tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts and tribunals in Delhi.

14.2.3 Proceedings in other courts

Nothing contained in this Clause 14.2.3 (*Proceedings in other courts - Dispute Resolution*) shall limit any right of the Debenture Trustee or the Debenture Holder to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in 1 (one) or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not, and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court and tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

14.2.4 Waiver

The Company: (i) irrevocably waives: (a) any objection now or in future, to the laying of the venue of any Proceedings by any Party (other than the Company), including, before the courts and tribunals in Delhi; and (b) any claim that any such Proceedings have been brought in an inconvenient forum; and (ii) agrees that a judgment in any Proceedings brought in the courts and tribunals having competent jurisdiction shall be conclusive and binding upon it and may be enforced in the courts and tribunals of any other jurisdiction (subject to the laws of such jurisdiction) by a suit upon such judgment (a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by law).

Issuer	Debenture Trustee

14.2.5 Waiver of Immunity

The Borrower irrevocably agrees that, should any Finance Party take any Proceedings anywhere (whether for an injunction, specific performance, damages or otherwise in connection with this Agreement), no immunity (to the extent that it may at any time exist, whether on the grounds of sovereignty or otherwise) from those Proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of its assets or from execution of judgment shall be claimed by it or with respect to its assets. The Company irrevocably agrees that it and its assets are, and shall be, subject to such Proceedings, attachment or execution in respect of its obligations under this Agreement and each other Debenture Documents.

14.2.6 Costs relating to the Disputes

The Borrower hereby agrees that if any differential stamp duty is required to be paid on any of the Debenture Documents as a consequence of any Disputes then the cost with regard to the same shall be borne by the Issuer as may be stipulated in the order passed by such court or tribunal.

15. **Counterparts**

This Agreement may be signed in any number of counterparts, all of which taken together and when delivered to the Debenture Trustee shall constitute one and the same instrument. Any Party may enter into this Agreement by signing any such counterpart.

16. **Partial Invalidity**

The illegality, invalidity or unenforceability of any provision of this Agreement under applicable laws shall not affect the legality, validity or enforceability of any other provision of this Agreement.

17. **Further Assurances**

The Parties hereby agree to execute and do such further documents, assurances, deeds, acts or things as may be necessary to give full effect to the provisions herein contained.

18. **Benefit of Agreement**

This Agreement shall ensure to the benefit of and be binding on the Parties and their respective successors and permitted assigns.

Issuer	Debenture Trustee

IN WITNESS WHEREOF, the Issuer and the Debenture Trustee have caused the same to be executed by the hands of its authorized officials or attorney as hereinafter appearing.

SIGNED AND DELIVERED BY the within named **Issuer, SEIL ENERGY INDIA LIMITED** by the hand of AJAY BAGRI, its authorized official.

For SEIL ENERGY INDIA LIMITED

Ajay Bagri

Authorised Signatory

THE COMMON SEAL OF **Issuer, SEIL ENERGY INDIA LIMITED** has pursuant to the resolution of its Board of Directors passed in that behalf on 30th May 2024, been hereunto affixed in the presence of AJAY BAGRI its Authorized Official who has signed these presents in token thereof.

Ajay Bagri

SIGNED AND DELIVERED by the within named **Debenture Trustee, CATALYST TRUSTEESHIP LIMITED** by the hand of ROHIT SISODIA, its authorised official.

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Issuer	Debenture Trustee

ANNEXURE 12 | DISCLOSURES PURSUANT TO THE SEBI DUE DILIGENCE CIRCULAR

(a) Details of assets, movable property and immovable property on which charge is proposed to be created:

Pari-Passu charge on all moveable fixed assets (present and future) including plant and machinery and current assets (present and future) of the company.

(b) Title deeds (original/ certified true copy by issuers/ certified true copy by existing charge holders, as available) or title reports issued by a legal counsel/ advocates, copies of the relevant agreements/ Memorandum of Understanding.

NA

(c) Copy of evidence of registration with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc.

The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required.

(d.i) For unencumbered assets, an undertaking that the assets on which charge is proposed to be created are free from any encumbrances.

The Issuer confirms that the assets on which charge is proposed to be created are free from any encumbrances.

(d.ii) For encumbered assets, on which charge is proposed to be created, the following consents along-with their validity as on date of their submission:

(i) Details of existing charge over the assets along with details of charge holders, value/ amount, copy of evidence of registration with Sub-registrar, Registrar of Companies, CERSAI, Information Utility (IU) registered with Insolvency and Bankruptcy Board of India (IBBI) etc. as applicable:

NA

(i) Consent/ No-objection certificate (NOC) from existing charge holders for further creation of charge on the assets or relevant transaction documents wherein existing charge holders have given conditional consent/ permission to the Issuer to create further charge on the assets, along-with terms of such conditional consent/ permission, if any:

NA

(iii) Consent/ NOC from existing unsecured lenders, in case, negative lien is created by Issuer in favour of unsecured lenders:

NA

(e) In case of personal guarantee or any other document/ letter with similar intent is offered as security or a part of security:

(i) Details of guarantor viz. relationship with the Issuer: NA

(ii) Net worth statement (not older than 6 months from the date of debenture trustee agreement) certified by a chartered accountant of the guarantor: NA

(iii) List of assets of the guarantor along-with undertakings/consent/NOC as per Paragraphs 4.2 and 4.3 of SEBI Due Diligence Circular: NA

(iv) Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created: NA

(v) Executed copies of previously entered agreements for providing guarantee to any other person, if any: NA

(f) **In case of corporate guarantee or any other document/ letter with similar intent is offered as security or a part of security:** NA

(i) **Details of guarantor viz. holding/ subsidiary/ associate company etc**: NA

(ii) **Audited financial statements (not older than 6 months from the date of debenture trustee agreement) of guarantor including details of all contingent liabilities**: NA

(iii) **List of assets of the guarantor along-with undertakings/consent/NOC as per Paragraphs 4.2 and 4.3 of SEBI Due Diligence Circular:** NA

(iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** NA

(v) **Impact on the security in case of restructuring activity of the guarantor:** NA

(vi) **Undertaking by the guarantor that the guarantee shall be disclosed as "contingent liability" in the "notes to accounts" of financial statement of the guarantor:** NA

(vii) **Copy of Board resolution of the guarantor for the guarantee provided in respect of the debt securities of the Issuer:** NA

(viii) **Executed copies of previously entered agreements for providing guarantee to any other person, if any**: NA

(g) **In case securities (equity shares etc.) are being offered as security then a holding statement from the depository participant along-with an undertaking that these securities shall be pledged in favour of debenture trustee(s) in the depository system:**

NA

(h) **Details of any other form of security being offered viz. Debt Service Reserve Account etc.**:

ISRA as provided under Section 7 (Issuer Details) herein.

(i) **Any other information, documents or records required by debenture trustee with regard to creation of security and perfection of security:**

NA

(j) **Declaration**:

The issuer declares that debt securities shall be considered as secured only if the charged asset is registered with sub-registrar and registrar of companies or CERSAI or Depository etc. as applicable, or is independently verifiable by the debenture trustee.

(k) **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s)**:

Please refer to the consent letter of the Debenture Trustee along with Debenture Trustee Agreement for terms and conditions of the appointment of the Debenture Trustee and fee of the Debenture Trustee.

(l) **Details of security to be created**:

As provided under Section 7 (Issue Details) herein.

(m) **Process of due diligence carried out by the debenture trustee**:

As provided under Section 14 (Disclosures in terms of SEBI Debenture Trustee Master Circular) herein.

(n) **Due diligence certificate as per the format specified in Annexure A**: Please refer to Annexure 10 herein.