



September 07, 2023

Scrip Code- 533122

RTNPOWER/EQ

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East),  
Mumbai-400 051

**Sub: Annual Report of the Company for the Financial Year ended March 31, 2023.**

In furtherance to our intimation dated September 06, 2023 wherein the Company had informed that the 16<sup>th</sup> Annual General Meeting (AGM) of the Company is scheduled to be held on Friday, 29th September, 2023 at 02:30 P.M. (IST) through Video Conference/Other Audio Visual Means, we are submitting herewith the Annual Report of the Company including the Business Responsibility and Sustainability Report and the Notice of AGM for the financial year 2022-23, which is being sent only through electronic mode to the Members, holding equity shares of the Company as on September 01, 2023 and whose email address is registered with the Company/Depositories.

The Annual Report containing the Notice of AGM is also uploaded on the Company's website at [www.rattanindiapower.com](http://www.rattanindiapower.com)

This is for your information and record.

Yours faithfully,  
For **RattanIndia Power Limited**

**Lalit Narayan Mathpati**  
*Company Secretary*

Encl: a/a

## **RattanIndia Power Limited**

**Registered Address:** A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi - 110037

**Tel.:**+91 11 46611666; **Fax No:**+91 11 46611777

**Website:** [www.rattanindiapower.com](http://www.rattanindiapower.com)

**CIN:** L40102DL2007PLC169082

## RattanIndia Power Limited

CIN: L40102DL2007PLC169082

Registered Office: A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi-110037

Email: [ir\\_rpl@rattanindia.com](mailto:ir_rpl@rattanindia.com), Tel: 011-46611666,

Fax: 011-46611777, Website: <https://www.rattanindiapower.com>

### NOTICE

Notice is hereby given that the 16<sup>th</sup> Annual General Meeting (AGM) of the members of RattanIndia Power Limited will be held on Friday, September 29, 2023 at 2:30 P.M. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business.

#### ORDINARY BUSINESS:

- 1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and auditors thereon.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended March 31, 2023, together with the reports of the Board of Directors and of the Auditors thereon be and are hereby received, considered and adopted.”

- 2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and reports of the auditors thereon.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2023, together with the reports of the Auditors thereon be and are hereby received, considered and adopted.”

- 3. To appoint a Director in place of Mr. Rajiv Rattan (DIN: 00010849), who retires by rotation and being eligible, offers himself for re-appointment.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Rajiv Rattan (DIN: 00010849), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

#### SPECIAL BUSINESS:

- 4. Appointment of Mr. Ajay Kumar Tandon (DIN: 07087682) as an Independent Director of the Company.**

To consider and if thought fit, to pass the following resolution as a Special resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Schedule IV and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2005 (‘SEBI Listing Regulation’), Mr. Ajay Kumar Tandon (DIN: 07087682), who was appointed as an Additional Director and an Independent Director of the Company on September 02, 2023, by the Board of Directors of the Company on the recommendations of the Nomination and Remuneration Committee, in terms of Section 161 of the Companies Act, 2013 (‘Act’) read with the Articles of Association of the Company and who holds office as such upto the date of ensuing AGM and who is eligible for appointment as a director and Independent Director of the Company and who has consented to act as a Director of the Company and who meets the criteria for independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, and who has submitted a declaration to that effect and in respect of whom, the Company has received a notice in writing from a Member under Section 160(1) of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as a Director and Independent Director of the Company for a term of five consecutive years commencing from September 02, 2023.

**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) and the Company Secretary of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

**5. Approval to the payment of remuneration to Mr. Ajay Kumar Tandon, an Independent Director of the Company.**

To consider and if thought fit, to pass the following resolution as a Special resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013 ("the Act") read with Rules framed thereunder, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), the relevant provisions of the Articles of Association of the Company, such other approval(s), permission(s) and sanction(s) as may be necessary and pursuant to the approval of the Board on the basis of the recommendation from Nomination & Remuneration Committee, consent of the members of the Company be and is hereby accorded for payment, in addition to the sitting fees and re-imburement of expenses for attending the Meetings of the Board of Directors and Committees thereof, of remuneration including profit related commission to Mr. Ajay Kumar Tandon, Independent Director, of the Company, of such amount up to ₹ 26,00,000/- (Rupees twenty six lakhs only), per annum, effective 02 September, 2023, which may exceed fifty percent of the total annual remuneration payable to all non – executive directors of the Company in any financial year and which shall remain unchanged in the event of inadequacy or absence of profit in any financial year during his tenure as such, payable in such form and manner as the Board of Directors of the Company may from time to time determine.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to revise the remuneration of Mr. Tandon from time to time, to the extent it may deem appropriate, provided that such revision/ variation is in compliance with Companies Act, 2013 read with Schedule V thereto and SEBI Listing Regulation and any other applicable laws, if any, and/ or any guidelines prescribed by the Government from time to time and/or other competent authority if any, as the case may be.

**RESOLVED FURTHER THAT** the Board be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution, for which purpose it may delegate powers to the Company Secretary or any other person deemed appropriate."

**6. Appointment of Mr. Baliram Ratna Jadhav (DIN: 10295412) as a Whole Time Director of the Company.**

To consider and if thought fit, to pass the following resolution as a Special resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149,152,160 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Baliram Ratna Jadhav (DIN: 10295412) who was appointed as an Additional Director of the Company by the Board of Directors of the Company, with effect from September 02, 2023 and who holds office as a director until the date of the ensuing annual general meeting of the Company in terms of Section 161 of the Companies Act, 2013 be and is hereby appointed as a director on the Board of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 read with Schedule V thereto and Rule 3 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications thereto or re-enactments thereof, for the time being in force, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company as amended from time to time, subject to such approval as may statutorily or contractually required approval of the members be and hereby accorded to the appointment of Mr. Baliram Ratna Jadhav by the Board of Directors of the Company, as the Whole Time Director of the Company for a period of five years w.e.f. September 02, 2023, such appointment being renewable for a further period of five years upon each expiry, on the terms and conditions including remuneration as set out in the explanatory statement, which shall remain unchanged in the event of inadequacy or absence of profit in any financial year during his tenure.

**RESOLVED FURTHER THAT** the approval accorded by the members, to his appointment as a Director of the Company liable to retire by rotation, shall be deemed to be a continuation of his appointment as the Whole Time Director of the Company for the period approved by the Board.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to revise the remuneration of Mr. Baliram Ratna Jadhav or vary other terms of his appointment from time to time, to the extent it may deem appropriate, provided that such revision/ variation is in compliance with Companies Act, 2013 read with Schedule V thereto and any other applicable laws, if any, and/or any guidelines prescribed by the Government from time to time and/or other competent authority if any, as the case may be.

**RESOLVED FURTHER THAT** the Board be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution, for which purpose it may delegate powers to the Company Secretary or any other person deemed appropriate.”

#### **7. Appointment of Mr. Himanshu Mathur (DIN: 03077198) as a Whole Time Director of the Company.**

To consider and if thought fit, to pass the following resolution as a Special resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149,152,160 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Himanshu Mathur (DIN: 03077198) who was appointed as an Additional Director of the Company by the Board of Directors of the Company, with effect from September 05, 2023 and who holds office as a director until the date of the ensuing annual general meeting of the Company in terms of Section 161 of the Companies Act, 2013 be and is hereby appointed as a director on the Board of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 read with Schedule V thereto and Rule 3 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications thereto or re-enactments thereof, for the time being in force, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company as amended from time to time, subject to such approval as may statutorily or contractually required approval of the members be and hereby accorded to the appointment of Mr. Himanshu Mathur by the Board of Directors of the Company, as the Whole Time Director of the Company for a period of five years w.e.f. September 05, 2023, such appointment being renewable for a further period of five years upon each expiry, on the terms and conditions including remuneration as set out in the explanatory statement, which shall remain unchanged in the event of inadequacy or absence of profit in any financial year during his tenure.

**RESOLVED FURTHER THAT** the approval accorded by the members, to his appointment as a Director of the Company liable to retire by rotation, shall be deemed to be a continuation of his appointment as the Whole Time Director of the Company for the period approved by the Board.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to revise the remuneration of Mr. Himanshu Mathur (DIN: 03077198) or vary other terms of his appointment from time to time, to the extent it may deem appropriate, provided that such revision/ variation is in compliance with Companies Act, 2013 read with Schedule V thereto and any other applicable laws, if any, and/or any guidelines prescribed by the Government from time to time and/or other competent authority if any, as the case may be.

**RESOLVED FURTHER THAT** the Board be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution, for which purpose it may delegate powers to the Company Secretary or any other person deemed appropriate.”

#### **8. Ratification of Cost Auditor’s Remuneration.**

To consider and if thought fit, to pass the following resolution as an Ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the payment of remuneration of ₹ 50,000 (Rupees Fifty Thousands only) and actual out-of-pocket expenses incurred in connection with the audit, as recommended by the Audit Committee to the Board of Directors of the Company (Board) and thereupon approved by the Board as the remuneration payable to M/s Nisha Vats & Co., Cost Accountants, who were appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2022-23 and subsequently paid to them, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts, matters, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

By Order of the Board of Directors  
For **RattanIndia Power Limited**

Sd/-  
**Lalit Narayan Mathpati**  
Company Secretary  
FCS-7943

Place : New Delhi  
Date : September 06, 2023

**Registered Office:**  
A-49, Ground Floor, Road No. 4,  
Mahipalpur, New Delhi-110037  
**CIN:** L40102DL2007PLC169082  
**Email:** ir\_rpl@rattanindia.com  
**Phone No:** 011 – 46611666

**NOTES:**

- i. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its general circular no. General Circular no. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020 read with other relevant circulars, including General Circular No. 10/2021 dated June 23, 2021, General Circular no.20/2021 dated December 8, 2021, General Circular no.3/2022 dated May 5, 2022 and General Circular no.11/2022 dated December 28, 2022 has permitted the holding of the AGM through Video Conferencing ('VC')/Other Audio Visual means ('OAVM'), without the physical presence of the members at a common venue. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') SEBI Circular and MCA Circulars, the AGM of the Company is being held through Video Conferencing ('VC').
- ii. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to the Special Business to be transacted at this Annual General Meeting ('AGM') is annexed.
- iii. Since this AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), (a) Members will not be able to appoint proxies for the meeting, and (b) Attendance Slip & Route Map are not annexed to this Notice. The Route Map is not required to be annexed to this Notice.
- iv. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
- v. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (i.e. facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of Registrar and Transfer Agent of the Company, KFin Technologies Limited ("KFinTech" or "RTA"). The Board of Directors has appointed Mr. Sanjay Khandelwal (Membership No. FCS 5945) of S. Khandelwal & Co., Practicing Company Secretary, as the Scrutinizer to scrutinize the remote e-voting process and voting during the AGM, in a fair and transparent manner.
- vi. Remote e-voting will commence at 10:00 A.M. on Tuesday, September 26, 2023 and will end at 5:00 P.M. on Thursday, September 28, 2023, then remote e-voting will be blocked.
- vii. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on Friday, September 22, 2023 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purpose only. The Register of Member and Share Transfer Book of the Company shall remain closed from Saturday, September 23, 2023 to Friday, September 29, 2023 (both days inclusive) for the purpose of AGM.
- viii. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2023 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories.

- ix. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.rattanindiapower.com](http://www.rattanindiapower.com) and the websites of the Stock Exchanges where the equity shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of the Registrar and Transfer Agent of the Company, KFin Technologies Limited ("RTA") at ("RTA") <https://evoting.kfintech.com>.
- x. Members who hold shares in the certificate form or who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the AGM Notice and the Report and Accounts 2023, or participate in the AGM, or cast their votes through remote e-voting or e-voting during the meeting, are required to register their e-mail addresses with the Company's RTA, KFin Technologies Limited at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
- xi. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Transfer Agent. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOS3/CIR/P/2019/30 dated February 11, 2019, decided to grant relaxation to Non-residents (NRIs, PIOs, OCIs and foreign nationals) from the requirement to furnish PAN and permit them to transfer equity shares held by them in the Company.
- xii. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM. Corporate Members intending to depute their authorised representatives to attend the Meeting through VC/OVAM are requested to send to the Company a certified true copy of the Board Resolution together with the attested specimen signature of the duly authorized signatory (ies) who are authorized to attend and vote at the Meeting on their behalf.
- xiii. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and other relevant registers and documents referred in the Notice will be available electronically for inspection by the members during the AGM. All other documents referred to in the Notice will be available for electronic inspection during business hours, by the members from the date of circulation of this Notice up to the date of AGM, without any fee. Members seeking to inspect such documents can send an email to [ir\\_rpl@rattanindia.com](mailto:ir_rpl@rattanindia.com).
- xiv. The relevant details of the directors sought to be appointed/reappointed, including their brief resume and the nature of their expertise in specific functional areas, are provided in the explanatory statement and Corporate Governance Report forming part of the Annual Report. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the director seeking appointment/ reappointment at the AGM, has been provided in the Corporate Governance section of the Annual Report.
- xv. As per Regulation 40 of SEBI Listing Regulations, as amended, and vide SEBI Notification No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018 and further amendment through Notification No. SEBI/ LAD-NRO/GN/2018/49 dated November 30, 2018, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of requests received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of members with respect to their portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact Company's RTA, KFin Technologies Limited for assistance in this regard.
- xvi. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit these details to their Depository Participants in case the shares are held by them in electronic form, and to the RTA, KFin Technologies Limited, in case the shares are held in physical form.
- xvii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:
- Step 1** : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access to KFinTech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.
- Step 3** : Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

**Details on Step 1 are mentioned below:**

**I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

Type of shareholders	Logic Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. <b>User already registered for IDeAS facility:</b> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”</li> <li>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ol> </li> <li>2. <b>User not registered for IDeAS e-Services</b> <ol style="list-style-type: none"> <li>I. To register click on link : <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>II. Select “Register Online for IDeAS” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>III. Proceed with completing the required fields.</li> <li>IV. Follow steps given in points 1</li> </ol> </li> <li>3. <b>Alternatively by directly accessing the e-Voting website of NSDL</b> <ol style="list-style-type: none"> <li>I. Open URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a></li> <li>II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech.</li> <li>V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</li> </ol> </li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. <b>Existing user who have opted for Easi / Easiest</b> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login_or">https://web.cdslindia.com/myeasi/home/login_or</a> URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with your registered user id and password.</li> <li>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</li> <li>V. Click on e-Voting service provider name to cast your vote.</li> </ol> </li> <li>2. <b>User not registered for Easi/Easiest</b> <ol style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> <li>III. Follow the steps given in point 1</li> </ol> </li> <li>3. <b>Alternatively, by directly accessing the e-Voting website of CDSL</b> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Provide your demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP, i.e <b>KFintech</b> where the e- Voting is in progress.</li> </ol> </li> </ol>

Type of shareholders	Logic Method
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> <li>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</li> <li>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>III. Click on options available against company name or e-Voting service provider – <b>Kfintech</b> and you will be redirected to e-Voting website of <b>KFintech</b> for casting your vote during the remote e-Voting period without any further authentication.</li> </ol>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**Details on Step 2 are mentioned below:**

**II) Login method for e-Voting for shareholders other than Individual’s shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from Kfintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 7693, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Kfintech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on “LOGIN”.
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the “EVEN” i.e., ‘7693- AGM” and click on “Submit”
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.



- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id [sanjay@csskc.in](mailto:sanjay@csskc.in) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name\_Even No."

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions could not be serviced, will have to follow the following process:

**Procedure for Registration of email and Mobile: securities in physical mode**

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16<sup>th</sup>, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx>

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

- a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- b) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFIN Technologies Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

- c) Through electronic mode with e-sign by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

**Details on Step 3 are mentioned below:**

**III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.**

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by Kfintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/Kfintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the

members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

- ii. Facility for joining AGM through VC/ OAVM shall open atleast 30 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id. Questions /queries received by the Company till September 27, 2023 shall only be considered and responded during the AGM.
- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for atleast 2000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

#### **OTHER INSTRUCTIONS:**

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from September 25, 2023 to September 27, 2023. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from September 25, 2023 to September 27, 2023.
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfintech Website) or contact Ms. C Shobha Anand, at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call Kfintech's toll free No. 1-800-309-4001 for any further clarifications.
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, September 22, 2023, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
  - i. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - ii. Members who may require any technical assistance or support before or during the AGM are requested to contact Kfintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).

VI. The Results of voting will be declared within two working days from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's corporate website [www.rattanindiapower.com](http://www.rattanindiapower.com) and on the website of RTA, such Results will also be forwarded to the National Stock Exchange of India Limited and BSE Limited, where the Company's shares are listed.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the business mentioned at Item Nos. 4, 5, 6, 7 & 8 of the accompanying Notice dated September 06, 2023.

#### **Item Nos. 4 & 5 : Appointment of Mr. Ajay Kumar Tandon as an Independent Director of the Company and payment of remuneration to him**

Based on the recommendations of the Nomination and Remuneration Committee (NRC) of the Company, the Board, on September 02, 2023, in terms of Sections 149 and 161 of the Act read with Schedule IV of the Act and applicable SEBI Listing Regulations, appointed Mr. Ajay Kumar Tandon (DIN: 07087682) as an Additional Director and Independent Director for a period of five years commencing from September 02, 2023, subject to the approval from the shareholders of the Company.

Pursuant to Section 161 of the Companies Act, 2013 read with Regulation 17(1C) of SEBI Listing Regulations, Mr. Ajay Kumar Tandon shall hold office upto the date of ensuing Annual General Meeting of the Company.

The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director. The Company has also received from Mr. Tandon (i) consent in writing to act as Director in Form DIR-2 pursuant to Section 152 (5) & Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) and Rule 14(1) of Companies (Appointment & Qualification of Directors) Rules, 2014 of the Act and (iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. Further, Mr. Ajay Kumar Tandon has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Mr. Tandon has also confirmed that he is not debarred from holding the office of a director by virtue of any order passed by SEBI or any such authority and he is not required to obtain security clearance from the Ministry of Home Affairs, Government of India before seeking appointment as director. Mr. Tandon has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, Mr. Tandon is a person of integrity and fulfils the conditions specified under the Act read with Rules thereunder and the SEBI Listing Regulations for his appointment as an Independent (Non-Executive) Director of the Company and is independent of the Management.

Further based on the recommendations of the Nomination and Remuneration Committee (NRC) of the Company, Board has subject to the approval of the shareholders, pursuant to the provisions of Section 197, 198 and Schedule V of the Companies Act, 2013 and all other applicable provisions of the Act, approved the payment, in addition to the sitting fees and re-imbursment of expenses for attending the Meetings of the Board of Directors and Committees thereof of, remuneration including profit related commission, of an amount up to ₹ 26,00,000/- (Rupees twenty six lakhs only), per annum, effective 02 September, 2023.

Pursuant to Section 149(9) and 197(3) of the Act read with Schedule V of the Act and Regulation 17 of the SEBI Listing Regulations, payment of remuneration (i) in case of no-profit or inadequate profit or (ii) to an individual non – executive director exceeds in any financial year fifty percent of the total remuneration to all the non- executive directors, requires an approval from the shareholders by way of special resolution.

The terms and conditions of appointment of Mr. Ajay Kumar Tandon as an Independent Director, would be made available for inspection to the Members on sending a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at [ir\\_rpl@rattanindia.com](mailto:ir_rpl@rattanindia.com)

#### **Details of Director seeking appointment pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings are as under:**

Mr. Ajay Kumar Tandon is a B. Tech. (Mechanical) from Delhi College of Engineering and has more than three decades of extensive experience in the field of Engineering, Project Management & Planning and Site execution. He has experience in Industrial

sector having worked in top organizations in Power sector, Renewables and Manufacturing sector in India. In his earlier stints, Mr. Tandon has held responsible positions in BHEL, Punj Lloyd, BGR Energy Systems and Multitex Filtration Engineers Pvt. Ltd.

Mr. Ajay Kumar Tandon is member of Audit Committee, Nomination and Remuneration Committee and Risk Management Committee of the Company and he does not holds chairpersonships in any committee.

Mr. Ajay Kumar Tandon is also not debarred from being appointed as Director of the Company, pursuant to any order of SEBI or any competent authority. He meets the criteria of independence as provided under Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

Mr. Tandon will serve the period of five consecutive years commencing from September 02, 2023 and will draw such remuneration as specified in the resolution, in addition to the sitting fees for attending the Board/Committee Meeting.

There is no inter-se relationship between Mr. Tandon and other members of the Board and Key Managerial Personnel of the Company.

He is not a director in any other company including listed company.

Post his appointment as such, one meeting of Board of the Company was held.

He doesn't hold any shares of the Company.

Listed Entities from which Mr. Ajay Kumar Tandon has resigned as Director in past 3 years: None.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Ajay Kumar Tandon, to whom the resolutions relate, are concerned or interested in the Resolutions mentioned at Item Nos. 4 & 5 of the Notice.

The Board recommends the resolution set forth at Item Nos. 4 & 5 for the approval of the Members.

#### **Item No. 6 : Appointment of Mr. Baliram Ratna Jadhav as a Whole Time Director of the Company.**

Based on the recommendations of the Nomination and Remuneration Committee (NRC) of the Company, the Board inducted, on September 02, 2023, pursuant to the provisions of Section 161, 196, 197, 203 and other applicable provisions of the Companies Act, 2013 Schedule V thereto, read with Companies (Appointment And Qualifications of Directors) Rules, 2014 and applicable SEBI Listing Regulations, Mr. Baliram Ratna Jadhav (DIN: 10295412) on the Board of the Company as an Additional Director of the Company and the whole time director of the Company, on the existing terms of his employment including remuneration:

#### **Remuneration (per annum)**

<b>Component</b>	<b>Amount (₹)</b>
Basic	21,08,004
HRA	10,54,008
Other Allowances	17,42,196
Performance Linked Incentive	9,30,000

<b>Gratuity</b>	: As per Company Policy
<b>Leaves and Leave encashment</b>	: As per Company Rules
<b>Other terms and conditions of service including notice period</b>	: As applicable to other employees in his Grade

Your Directors are of the view that the above remuneration payable to him is commensurate with the quantum and level of responsibilities of Mr. Jadhav and that the same should also receive the approval of the shareholders, in terms of Schedule V to the Companies Act, 2013, in the event of inadequacy or absence of profits in any financial year during his tenure.

Pursuant to Regulation 17(1C) of SEBI Listing Regulations read with Section 161 of the Companies Act, 2013 Mr. Jadhav shall hold office upto the date of ensuing Annual General Meeting.

The Company has received a Notice from a Member in writing under Section 160(1) of the Act, signifying his intention to propose the appointment of Mr. Jadhav as a director on the Board of Directors of the Company, liable to retire by rotation. It may be noted here that Mr. Jadhav's appointment as such would mean continuance of his appointment as the Whole Time Director of the Company, for the tenure approved by the Board, subject to his reappointment as director every time upon his retirement from directorship by rotation, during his tenure.

The Company has also received from Mr. Jadhav (i) consent in writing to act as Director in Form DIR-2 pursuant to Section 152 (5) & Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) and Rule 14(1) of Companies (Appointment & Qualification of Directors) Rules, 2014 of the Act. Mr. Jadhav has also confirmed that he is not debarred from holding the office of a director by virtue of any order passed by SEBI or any such authority and he is not required to obtain security clearance from the Ministry of Home Affairs, Government of India before seeking appointment as director.

Mr. Jadhav satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for this appointment.

In terms of the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 read with Schedule V to the Act, wherever applicable, approval of the members by way of a special resolution, would be required to the appointment of Mr. Baliram Ratna Jadhav by the Board of Directors, as a Whole Time Director of the Company for a period of five years with effect from September 02, 2023, at the remuneration and other terms and conditions fixed by the Board.

Mr. Jadhav is neither disqualified from being appointed as a Director in terms of Section 164(2) of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given all the necessary declarations and confirmation including his consent to be appointed as a Whole Time Director of the Company. Mr. Jadhav satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for this appointment.

Further the following information may also be taken note of with regard to the appointment/remuneration of Mr. Jadhav.

**Details of Director seeking appointment pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings are as under:**

**A. General Information**

1. Nature of Industry: Generation, transmission, distribution and sale of electric power.
2. Date of commencement of commercial production: March 13, 2015
3. Financial indicators: set out in detail in the financial statements which form part of the annual report being sent to the members.
4. Foreign investments or collaborations if any: No foreign collaboration and no direct foreign investment

**B. Information about appointee:** Mr. Baliram Ratna Jadhav Holds B. E. Degree (Production) from Mumbai University and PGDC in Power from NPTI, Nagpur. He is a strategic professional having more than 30 years of enriched and extensive experience in the field of Thermal Power Plant, commissioning, operation & maintenance, planning of commissioning and O&M stage activities, particularly in sub-critical and supercritical power plants of 250 MW, 270 MW, 300 MW and 660 MW unit capacities. In his previous stints, he was associated with Reliance Power Limited for a period of 28 years - Dahanu Thermal Power Station & VIPL- Butibori Nagpur, and more than 2 years with other thermal power plants like SKS Power Generation and NTPC-GE Power Service.

Past Remuneration: His appointment is on the existing terms of his employment including remuneration.

Recognition or Awards : Please refer the background details

Job profile and his suitability : He has been associated with the Company since December 19, 2022 and presently heading the Amravati Plant of the Company.

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) : The remuneration payable has been benchmarked with the remuneration being drawn by peers in similar capacity in similar companies of comparable size in the power sector and has been considered by the Nomination and Remuneration Committee of the Company. The profile of Mr. Jadhav, his responsibilities, complex business operations, industry benchmark and size of the Company justify the payment of said remuneration with the remuneration packages paid to their similar counterparts in other companies.

Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any: He is not related with any managerial personnel or other director.

**Other Information:**

Reasons of loss or inadequate profits : N.A

Steps taken or proposed to be taken for improvement : N.A

Expected increase in productivity and profits in measurable terms : N.A

The additional information required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Secretarial Standards is as under :

Brief resume: Please refer the background details

Nature of expertise in specific functional area : Strategy, Leadership, Economy

Mr. Jadhav is not related to any other director of the Company.

Mr. Jadhav holds no other directorship of any listed company. He is not member of any committees. He was not a director of any listed company for last three years.

The Board of Directors recommends the resolution at Item No. 6 of this Notice for your approval

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Baliram Ratna Jadhav, to whom the resolution relate, are concerned or interested in the Resolutions mentioned at Item No. 6 of the Notice.

The Board recommends the resolution set forth at Item No. 6 for the approval of the Members.

**Item No. 7 : Appointment of Mr. Himanshu Mathur (DIN: 03077198) as a Whole Time Director of the Company.**

Based on the recommendations of the Nomination and Remuneration Committee (NRC) of the Company, the Board inducted, on September 05, 2023, pursuant to the provisions of Section 161, 196, 197, 203 and other applicable provisions of the Companies Act, 2013 Schedule V thereto, read with Companies (Appointment And Qualifications of Directors) Rules, 2014 and applicable SEBI Listing Regulations, Mr. Himanshu Mathur (DIN: 03077198) on the Board of the Company as an Additional Director of the Company and the whole time director of the Company, on the existing terms of his employment including remuneration:

**Remuneration (per annum)**

Component	Amount (₹)
Fixed	1,00,00,000
Performance Linked Incentive	25,00,000

**Gratuity** : As per Company Policy

**Leaves and Leave encashment** : As per Company Rules

**Other terms and conditions of service including notice period** : As applicable to other employees in his Grade

Your Directors are of the view that the above remuneration payable to him is commensurate with the quantum and level of responsibilities of Mr. Mathur and that the same should also receive the approval of the shareholders, in terms of Schedule V to the Companies Act, 2013, in the event of inadequacy or absence of profits in any financial year during his tenure.

Pursuant to Regulation 17(1C) of SEBI Listing Regulations read with Section 161 of the Companies Act, 2013 Mr. Mathur shall hold office upto the date of ensuing Annual General Meeting.

The Company has received a Notice from a Member in writing under Section 160(1) of the Act, signifying his intention to propose the appointment of Mr. Mathur as a director on the Board of Directors of the Company, liable to retire by rotation. It may be noted here that Mr. Mathur's appointment as such would mean continuance of his appointment as the Whole Time Director of the Company, for the tenure approved by the Board, subject to his reappointment as director every time upon his retirement from directorship by rotation, during his tenure.

The Company has also received from Mr. Mathur (i) consent in writing to act as Director in Form DIR-2 pursuant to Section 152 (5) & Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) and Rule 14(1) of Companies (Appointment & Qualification of Directors) Rules, 2014 of the Act. Mr. Mathur has also

confirmed that he is not debarred from holding the office of a director by virtue of any order passed by SEBI or any such authority and he is not required to obtain security clearance from the Ministry of Home Affairs, Government of India before seeking appointment as director.

Mr. Mathur satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for this appointment.

In terms of the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 read with Schedule V to the Act, wherever applicable, approval of the members by way of a special resolution, would be required to the appointment of Mr. Himanshu Mathur by the Board of Directors, as a Whole Time Director of the Company for a period of five years with effect from September 02, 2023, at the remuneration and other terms and conditions fixed by the Board.

Mr. Mathur is neither disqualified from being appointed as a Director in terms of Section 164(2) of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given all the necessary declarations and confirmation including his consent to be appointed as a Whole Time Director of the Company. Mr. Mathur satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for this appointment.

Further the following information may also be taken note of with regard to the appointment/remuneration of Mr. Mathur.

**Details of Director seeking appointment pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings are as under:**

**A. General Information**

1. Nature of Industry: Generation, transmission, distribution and sale of electric power.
2. Date of commencement of commercial production: March 13, 2015
3. Financial indicators: set out in detail in the financial statements which form part of the annual report being sent to the members.
4. Foreign investments or collaborations if any: No foreign collaboration and no direct foreign investment

**B. Information about appointee:** Mr. Himanshu Mathur is a 1988 batch Mining Engineering graduate from MBM Engineering College, Jodhpur Rajasthan with around 34 years of diversified experience in a range of fields from Mining to Power. Post graduation, his initial years, were spent in Hindustan Copper Ltd (A Government of India Enterprise) in the field of material handling and mining at middle level managerial position. Subsequently Mr. Mathur worked for nearly twelve years in Siemens –AG since 1998, as Project Manager in the field of Design & Engineering of thermal and combined cycle power plants and Renovation & Modernization of coal-based power plants in India and abroad. He was also associated with RattanIndia Power Limited from 2010 to 2021 and thereafter with Azure Power.

Past Remuneration: N.A.

Recognition or Awards : Please refer the background details.

Job profile and his suitability : Supervision of the business operations of the Company.

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) : The remuneration payable has been benchmarked with the remuneration being drawn by peers in similar capacity in similar companies of comparable size in the power sector and has been considered by the Nomination and Remuneration Committee of the Company. The profile of Mr. Himanshu Mathur, his responsibilities, complex business operations, industry benchmark and size of the Company justify the payment of said remuneration with the remuneration packages paid to their similar counterparts in other companies.

Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any: He is not related with any managerial personnel or other director.

**Other Information:**

Reasons of loss or inadequate profits : N.A

Steps taken or proposed to be taken for improvement : N.A

Expected increase in productivity and profits in measurable terms : N.A

The additional information required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Secretarial Standards is as under :

Brief resume: Please refer the background details

Nature of expertise in specific functional area : Strategy, Leadership, Economy

Mr. Mathur is not related to any other director of the Company.

Mr. Mathur holds no other directorship of any listed company. He is not member of any committees. He was a director in a listed company in the last three years.

The Board of Directors recommends the resolution at Item No. 7 of this Notice for your approval

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Himanshu Mathur, to whom the resolution relate, are concerned or interested in the Resolutions mentioned at Item No. 7 of the Notice.

The Board recommends the resolution set forth at Item No. 7 for the approval of the Members.

#### **Item No. 8.**

Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors had approved the appointment of M/s. Nisha Vats & Co. Cost Accountants, as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2022-23, at a remuneration of Rs 50,000 (Rupees Fifty Thousand Only) and actual out-of-pocket expenses.

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 the remuneration of cost auditors appointed by a company, as fixed by its board of directors, upon recommendations of the audit committee of such board, is subsequently required to be ratified by the shareholders of the company concerned.

Accordingly, the Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the members.

None of the Directors or KMP of the Company or their respective relatives is concerned or interested financially or otherwise in the Resolution at Item No. 8 of the accompanying Notice.

By Order of the Board of Directors  
For **RattanIndia Power Limited**

Place : New Delhi  
Date : September 06, 2023

Sd/-  
**Lalit Narayan Mathpati**  
Company Secretary  
FCS-7943

**Registered Office:**  
A-49, Ground Floor, Road No. 4,  
Mahipalpur, New Delhi-110037  
**CIN:** L40102DL2007PLC169082  
**Email:** ir\_rpl@rattanindia.com  
**Phone No:** 011 – 46611666



# RattanIndia Power Limited

Annual Report 2022 - 23



RattanIndia Power Limited

# RattanIndia Power Limited





**RattanIndia Power Limited**  
*Empowering Nation*



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# Corporate Information

## BOARD OF DIRECTORS

1. Mr. Rajiv Rattan
2. Mr. Brijesh Narendra Gupta (w.e.f July 16, 2022)
3. Mr. Jeevagan Narayana Swami Nadar
4. Mr. Sanjiv Chhikara
5. Mr. Sharad Behal
6. Mr. Asim Kumar De
7. Mr. Vibhav Agarwal (upto June 03, 2022)
8. Mrs. Namita (upto April 14, 2023)
9. Mrs. Neha Poonia (upto November 10, 2022)
10. Mrs. Pritika Poonia (w.e.f November 10, 2022)
11. Mr. Ajay Kumar Tandon (w.e.f. September 02, 2023)
12. Mr. Baliram Ratna Jadhav (w.e.f. September 02, 2023)
13. Mr. Himanshu Mathur (w.e.f. September 05, 2023)

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## BANKERS

Punjab National Bank  
Bank of India

Canara Bank  
Kotak Mahindra Bank Ltd

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## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Lalit Narayan Mathpati

## CHIEF FINANCIAL OFFICER

Mr. Ankur Mitra

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## STATUTORY AUDITORS

Walker Chandiok & Co LLP,  
Chartered Accountants,  
Firm Reg. no. 001076N/N500013  
L 41, Connaught Circus  
Delhi - 110001

## SECRETARIAL AUDITORS

S. Khandelwal & Co.  
Company Secretaries  
E-7/12, Malviya Nagar,  
New Delhi – 110 017 New

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## COST AUDITOR

Nisha Vats & Co,  
Cost Accountants  
Firm Reg. no. 104157

## INTERNAL AUDITOR

KAPG & Associates  
Chartered Accountants

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## REGISTRAR AND TRANSFER AGENT

KFin Technologies Limited  
Selenium Tower-B, Plot No. 31 & 32,  
Financial District, Nanakramguda,  
Serilingampally Mandal, Hyderabad,  
Telangana 500 032

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## REGISTERED OFFICE

A-49, Ground Floor, Road No. 4,  
Mahipalpur, New Delhi 110037  
CIN: L40102DL2007PLC169082  
Email : [www.ir\\_rpl@rattanindiacom](mailto:www.ir_rpl@rattanindiacom)  
Website : [www.rattanindiapower.com](http://www.rattanindiapower.com)



# CHAIRMAN'S MESSAGE



## Chairman's Message

It gives me immense pleasure and delight to present the Annual Report for FY 23 which is a testimony of our robust financial health and operational excellence. Indian power sector is witnessing the landmark changes that has redefined the industry outlook. The power industry's future in India is bright, and sustained economic growth continues to drive electricity demand in India. The favourable policy and regulatory initiatives taken by the Government of India has instilled optimism among the stakeholders. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. India is the third-largest producer and consumer of electricity worldwide, with an installed power capacity of 421.90 GW as of June 30, 2023. Policies are addressing new economic headwinds. These include inflation pressures, tighter global financial conditions, the fallout from the war in Ukraine and associated sanctions on Russia, and significantly slower growth in China and advanced economies. Growth is expected to moderate reflecting the less favorable outlook and tighter financial conditions. As per the International Monetary Fund, Real GDP is projected to grow at 6.1 percent in FY 2023-2024 which would still make it the fastest growing economy in the world.



**Rajiv Rattan**  
*Chairman*

Power is one of the most important infrastructure elements, essential to national wellbeing and economic development. For the Indian economy to grow steadily, enough electrical infrastructure must exist and be developed. India's power generation sources range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. As of March 2023, India has a total thermal installed capacity of 237.27 GW of which 86.5% of the thermal power is obtained from coal and the rest from Lignite, Diesel, and Gas.

Although power generation has grown more than 100-fold since independence, growth in demand has been even higher due to accelerating economic activity. Growing population along with increasing electrification and per-capita usage will provide further impetus. This has resulted in strong domestic demand, with India's GDP growing at 7.2% in FY 2023. This in turn resulted in record demand for electricity as well in 2023, with daily demand rising by 40-45 GW, with the country recording its highest ever demand of 216 GW in fiscal year ending 31 March 2023. The demand further increased to all time high of 234 GW on 17<sup>th</sup> August, 2023.

Fiscal year 2023 has been a very proud year in terms of our performance with your 1350 MW Amravati Plant being rated as having been among the top performing plants not only the state of Maharashtra but the entire country in spite of the strong headwinds faced in securing fuel in light of a prolonged monsoon and spiraling prices of imported coal last year, putting significant pressure on domestic coal supplied by Coal India and its subsidiaries. In spite of this, Amravati Plant ended FY 2023 with an annual availability of 81.35%, and with an annual Plant Load Factor (PLF) of 77.18%, highest ever PLF for the year.

### Industry Developments:

Despite the three shocks of COVID-19, Russian-Ukraine conflict and the Central Banks across economies led by Federal Reserve responding with synchronized policy rate hikes to curb inflation, India is expected to witness GDP growth of 6.0 per cent to 6.8 per cent in 2023-24, depending on the trajectory of economic and political developments globally. The optimistic growth forecasts stem from a number of positives like the rebound of private consumption given a boost to production activity, higher Capital Expenditure (Capex), near-universal vaccination coverage enabling people to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, as well as the return of migrant workers to cities to work in construction sites leading to a significant decline in housing market inventory, the strengthening of the balance sheets of the Corporates, a well-capitalized public sector banks ready to increase the credit supply and the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector to name the major ones.

India's thermal power sector is set to enjoy a growth spurt in power demand in the 2024 fiscal year, projecting a 5.0-5.5% rise, according to rating agency ICRA. The country's electricity demand and a clampdown on thermal capacity additions have been identified as growth drivers. ICRA anticipates that the all-India thermal PLF level will swell to 65.1% in FY2024, a rise from 64.2% in FY2023, thanks to the healthy uptick in thermal PLF and a drop in the dues of state power distribution companies (discoms), following the roll-out of the Late Payment Surcharge (LPS) scheme.

India's energy sector has witnessed multifaceted growth, buoyed by policy interventions, reforms and investments. For the Union Budget 2023, the power ministry has proposed to increase the budget outlay for its flagship Revamped Distribution Sector Scheme (RDSS) with an aim to cover more households with prepaid smart meters and reduce the aggregate technical and commercial (AT&C) losses of the country. India's demand for electricity continues to touch new highs, with the country touching



## Chairman's Message (contd.)

an all-time high demand of 223.24 GW. In terms of supply side, India's total installed capacity of 421.90 GW continues to be dominated by the thermal sector, with more than 56% being contributed by thermal power plants.

India's demand is further expected to grow significantly in light of the Government's push to attain 30% market penetration of electric vehicles by 2030. This is expected to bring in additional demand of 640 TWh of electricity demand by 2030, thereby adding to the robust demand outlook for electricity for the country as a whole.

Electrification in the country is increasing with support from schemes like Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY), Ujwal DISCOM Assurance Yojana (UDAY), and Integrated Power Development Scheme (IPDS). The Centre launched the revamped distribution sector scheme (RDSS) – a reform-based and results-linked scheme in July 2021. The aim was to transform the electricity distribution sector at an estimated outlay of ₹ 3,03,758 Crore with Gross Budgetary Support (GBS) of ₹ 97,631 Crore from the Union Government. The main objective of the scheme is to improve the operational efficiencies and financial sustainability of the distribution sector so as to facilitate 24x7 quality and reliable power for all at affordable price. The scheme envisages target of reducing the AT&C losses to 12-15% at pan-India level and ACS-ARR gap to zero by 2024-25.

The Central Government has issued Guidelines for Resource Adequacy Planning Framework for India, in consultation with Central Electricity Authority (CEA). The Guidelines, issued by the Union Ministry of Power, have been framed under the Rule 16 of Electricity (Amendment) Rules, 2022 which were notified on 29<sup>th</sup> December 2022. The guidelines will ensure that sufficient electricity is made available to power the country's growth, by putting in place a framework for advanced procurement of resources by DISCOMs to meet the electricity demand in a cost-effective manner. Guidelines provide for an institutional mechanism for Resource Adequacy ranging from National level to Discom level such that the availability of resources to meet the demand is ensured at each level. The new generation capacities, energy storage and other flexible resources, needed to reliably meet future demand growth at optimal cost, will be assessed well in advance.

### **Stellar performance in financial year 2022-23**

Your Amravati plant continued to be available at normative levels, to supply and meet its full commitment under the PPA, thereby ensuring recovery of one hundred percent of its entire capacity charges.

This year also saw your Company securing favourable judgement from the Hon'ble Supreme Court of India on 27<sup>th</sup> March 2023 in the long-standing dispute with MSEDCL, regarding recovery of additional costs of procurement of alternative coal and changes in taxes & duties, under which the appeal of MSEDCL against the APTEL order was dismissed. Payments under this have already started materializing, with MSEDCL having already paid ₹ 613.01 Crores as on 30<sup>th</sup> June 2023. Your Company continues to pursue for early release of the balance amount.

Your company also managed to secure a favourable order from the APTEL on 22 March 2022 directing MERC to determine the amount payable to the Company towards the reimbursement of Evacuation Facility Charges levied on coal along with carrying cost and has directed the MERC to pass fresh orders in light of the APTEL direction within 2 months. In this regard, MSEDCL had filed an appeal before the Hon'ble Supreme Court challenging the order from the APTEL which was dismissed by the Supreme Court on 20<sup>th</sup> April 2023 and the APTEL order was upheld.

In terms of operations, the Company ended the fiscal year 2023 with a Plant Load Factor (PLF) of 77.18% for the whole year – the highest ever since its commissioning in 2015. I expect this trend of high PLF to continue in the future, given the position in the state's merit order schedule, ensuring that it continues to contribute to the states and Nation's development by providing reliable, cost-effective and efficient base load supply.

Your Company continues to constantly review and tweak its SOPs and procedures on a regular basis to achieve excellence in performance under key areas related to operational, financial and business, in order to have a meaningful impact on the profitability of the Company. Apart from the above, your Company is also working to make the existing processes more robust and resilient to deal with the new normal.

In terms of financial performance as well, the Company's performance for the year ended 31<sup>st</sup> March 2023 has been the best till date, with the Company having increased the Profit Before Tax (PBT) when compared to the previous fiscal 2022. RPL has ended fiscal 2023 with an EBITDA of ₹ 1108.46 Crores and a Profit Before Tax (PBT) of ₹ 353.02 Crores compared to the previous fiscal 2022 where it had ended the year with EBITDA of ₹ 1160.73 Crores and Profit Before Tax (PBT) of ₹ 348.14 Crores

Post successful restructuring, the Company has been meeting and successfully servicing its debt obligations (both principal and interest) before time, and by 30 June 2023, has repaid ₹ 3,371 Crores (including principal and interest). This includes prepayment of ₹ 763 Crores and has resulted in the total secured external debt outstanding (principal) having reduced to ₹ 1,125 Crores as on 30<sup>th</sup> June, 2023.

## Chairman's Message (contd.)

### **Efforts to resolve stress and improve value to our Shareholders:**

The Company is one of the top 10 power generation companies with 2,700 MW of commissioned capacities (1,350 MW at Amravati and 1,350 MW at Nashik). Amravati Plant is supplying power to Maharashtra State Electricity Distribution Company Limited (MSEDCL) through a 25-year long term PPA. The Company is focused on continuous improvement in plant efficiency and availability and has the requisite expertise to ensure that we have some of the most efficient power plants in the country. We continue to pursue the path of continuous improvement of our operational process and systems to align them with the very best in the industry and I am happy to share our Amravati plant continues to be one of the best performing plants amongst its peers in the country.

Over the last few months, we have also increased our efforts to work with the Central Government, the lenders and stakeholders for our Sinnar Project at Nashik to resolve the current stress. The Ministry of Power, Govt. of India, on 02 May 2022, issued directions to revive select plants which are already commissioned but non-operational till date to various sectoral headwinds to address the growing gap between increasing demand and supply. We are working round the clock and have already initiated all measures with the project stakeholders and institutions to operationalize the plant at the earliest. Due diligence activities have been completed and discussions with Maharashtra Government are in an advanced stage.

### **Impact of Coal Shortage on your Company and our response:**

Coal has been in the news over the past few months not without reason. The recent power crisis in India has moved coal to the centre stage. India's energy sector depends heavily on coal as fuel for its thermal power plants. The ability of coal-based power plants to operate round-the-clock and provide base load capacity is central to meeting the growing electricity demand to fuel India's economic growth. Despite the coal shortage situation, your company managed to lift highest ever rakes from Coal India Limited for Amravati Plant in FY 2023. It is evident that in the near to medium term, India will continue to be significantly dependent on coal. To reduce the severity of coal shortage that impacts electricity generation and in turn the Indian economy, it is important to work on a three-pronged strategy focused on better planning, infrastructure development and increase of domestic supplies.

### **Conclusion:**

Lastly, on behalf of the Board, I take this opportunity to thank all our stakeholders - Shareholders, Customers, Vendors, Employees, Bankers, Financial Institutions, partners in the Amravati Project and other partners for reposing their faith on us and motivating us to excel across all facets of our business. I look forward to your support and confidence in the Board of your Company to help us to achieve an even better year ahead. I would like to end by reiterating our continued commitment to excel in everything we do and in ensuring maximum value to our shareholders.

Thank you and wishing you all the very best.

Sd/-  
**Rajiv Rattan**  
Chairman



# MANAGEMENT DISCUSSION AND ANALYSIS





# Management Discussion and Analysis

## 1. SECTOR AND POLICY OVERVIEW

The Central Government has approved a Revamped Distribution Sector Scheme- a Reforms-based and Results-linked Scheme with an outlay of Rs. 3,03,758 Crores over a period of five years from FY 2021-22 to FY 2025-26 with the objective to improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. The Scheme aims to reduce the AT& C losses to pan-India levels of 12-15% and ACS-ARR gap to zero by 2024-25 by improving the operational efficiencies and financial sustainability of all DISCOMs/ Power Departments. Accordingly, the Indian Government's major policy initiatives have been focussing on its transition from a predominantly fossil-fuel based energy economy to a cleaner and greener economy; improvement in the operational and financial health of the Discoms and augmenting distribution infrastructure; integration of large scale renewable capacity to and continuous strengthening of the country's transmission network; addressing stress in the thermal power sector especially Independent Power Products (IPPs) deepening of the power markets through incorporation of India's third power exchange and through newer products like RTM, GTAM, GDAM, etc. and ensuring timely recovery of costs across the entire value chain on account of Change in Law and other regulatory recovery.

Driven by a fast-expanding economy, growing population, fast urbanization and industrialization, India is expected to see the largest increase in demand across any country globally over the next 20 years as per the International Energy Agency (IEA). India has already put in place a robust policy and institutional framework required for meeting its energy requirements and for attracting investments from across the globe in its energy sector. With over 80% of the eligible population having been vaccinated against Covid-19, India has recovered strongly after the third wave of the pandemic. With economic activity having rebounded and opening up of all business activities, peak power demand for FY 2023 increased by 6.3 percent to 216 GW while in energy terms, it increased by 9.6 percent to 1,512 billion units. India's demand for electricity too reached new heights, with the country registering a record maximum power demand of 223.24 GW on 9<sup>th</sup> June 2023.

The welcome steps taken towards opening of the retail oil & gas markets and allowing private investments in commercial coal mining in the previous years has been met with muted response. In addition, the nation continues to face challenges in ensuring improvements in the financial health of the power sector due to the ailing financial health of its power distribution companies, which are still largely under the control of the Government. In spite of the Government's best intent to increase competition by de-licensing and opening up India's distribution sector to wide-scale private participation, the overall sector continues to be highly regulated. In the Power Sector, Independent Power Producers (IPPs) like your Company procure coal from Coal India Limited (a government owned company). Coal transportation is primarily through the Indian Railways (another government owned organization) and electricity generated by the generators is supplied to Discoms (most of which are government owned). Here, supplier of raw material (coal), services (transportation) and the procurers of electricity are directly under Central or State Governments and in effect, act as monopolies in the respective areas.

In order to improve the business atmosphere in the power sector, a lot of work still needs to be done to improve efficiency. – viz., quality and quantity of coal supplied to IPPs, allotment of rakes by Indian Railways, timely payment of bills by Discoms, etc.

However, notwithstanding the above, the Government continued to focus on reforming the power sector even during the difficult times under Covid-19 and took some landmark initiatives to help overcome the challenges that the Discoms continue to face. Some of these steps include the push for privatization of the distribution sector in States and all Union Territories, a special one-time liquidity infusion of Rs. 90,000 Crores (that was subsequently further scaled up to Rs. 1.35 lakh Crores), focus on consumer rights through the Draft Electricity (Rights of Consumers) Rules, 2020, impetus to domestic solar manufacturing through Basic Custom Duty (BCD) imposition and Performance Linked Incentives (PLI) scheme, opening up commercial mining for private players, and announcement of Rs. 3.06 trillion reforms-based and results-linked Revamped Distribution Sector Scheme.

## 2. INDIA'S FUTURE ELECTRICITY OUTLOOK

Energy demand in India is growing rapidly with major implications for the global energy market. The Government of India has made remarkable progress in providing access to electricity and clean cooking while implementing a range of energy market reforms and integrating a high share of renewable energy sources into the grid. India, with a population of 1.36 billion and a fast growing economy, has seen its energy demand increasing rapidly as the country continues to urbanize and the manufacturing sector develops. This growing demand is met through various energy sources, with coal set to remain the largest source of energy supply. India also continues to develop the institutional framework needed to attract the investment required to satisfy this growing energy need.

Industrial and commercial activity account for more than half of India's annual power use. Homes account for a fourth, while agriculture has accounted for over a sixth in the recent years. Power consumption grew 9.5 per cent to 1,503.65 billion units year-on-year in 2022-23, mainly due to higher demand amid a rise in economic activities. Similarly, the peak power demand or highest supply in a day also rose crossing the 210 GW mark on 9th June 2022 and touching an all-time high of 211.86 GW on 10th June 2022. The Ministry of Power opined that power consumption and demand will see substantial improvement in 2023-24. As per the projections of the International Energy Agency (IEA), India, in order to meet the anticipated growth in electricity demand over the next twenty years, would need to add a power system the size of the European Union to what it has now. India's ambition to move to a 100% electric mobility ecosystem by 2030 itself is expected to add an additional requirement of 70 terawatt hours of electricity.

As per Central Electricity Authority (CEA) estimates, the electricity generation target (Including RE) for the year 2023-24 has been fixed as 1750 billion Unit (BU). i.e., growth of around 7.2% over actual generation of 1624.158 BU for the previous year (2022-23). The generation during 2022-23 was 1624.158 BU as compared to 1491.859 BU generated during 2021-22, representing a growth of about 8.87%.

### 3. RISKS AND CONCERNS

The Power Sector, directly or indirectly, impacts almost all the sectors contributing to the growth of the nation. Setting up of a power project requires huge capital investments and takes years of concentrated efforts for successful completion and commissioning. Hence, any slowdown in the power sector has a domino effect on overall economic growth of the country.

Some of the critical issues impacting the performance of the sector are mentioned below:

#### 3.1. Fuel

India's clean energy transition is advancing; however, coal will stay to boost energy security. Announcements for coal sector for some brownfield expansion projects, delays in retirements or even lifetime extension plans for old thermal plants, and liquidation or revival of part of stalled private sector projects is on the cards. Securing fuel is the top priority to respond to short-term challenges, while implementing reforms is on the long-term transition agenda. India's coal production to increase, however, import dependence may also continue in the power sector to fulfil the rising demand in 2023.

India's coal consumption has witnessed a massive growth of around 753% surge from 130.73 MT in 1983-84 to 1115.02 MT in the year 2022-23. In order to ensure a continuous supply of coal to the power plants and meet any contingent situations relating to Power Sector including alleviating critical coal stock position in power plants, an inter-ministerial sub-group comprising of representatives from the power ministry, coal ministry, railway ministry, Central Electricity Authority (CEA), Coal India Limited (CIL) and its subsidiaries meet regularly. Besides, an Inter-Ministerial Committee (IMC) has also been constituted comprising of railway board chairman; the secretary ministry of coal, the secretary, ministry of environment, forest and climate change and the secretary, ministry of power; to monitor augmentation of coal supply and power generation capacity.

As per the draft report of Niti Aayog, the coal demand is expected to remain in the range of 1,192-1,325 million tonnes by 2030. A plan to increase all India coal production to the level of 1 BT by 2023-24 and coal production by Coal India Limited to 1 BT by 2024-25 has been prepared. The resultant increase in coal availability will be able to meet the demand of coal to the extent available.

India's overall coal Production has seen a quantum jump to 893.08 MT in FY 2022-23 as compared to 728.72 MT in FY 2018-2019 with a growth of about 22.6%. The priority of the Ministry is to enhance the domestic coal production to reduce the dependence on substitutable coal imports. In the last 5 years, the production of Coal India Limited (CIL) has increased by 703.21 MT (Million tonnes) as compared to 606.89 MT in FY 2018-2019 with a growth of 15.9%.

While currently, CIL is expected to supply only 75% of the coal quantity committed under the Fuel Supply Agreements to generators, forcing power generators to source balance coal from costly alternate sources, your plant currently has been able to source the balance 25% from SECL through road mode. Furthermore, your company has been able to get 20% additional coal, over and above the monthly scheduled quantity, from SECL through RCR mode since February 2023 and continues to get this on monthly basis. This will further enhance the availability of the Plant for the next fiscal 2024.

## Management Discussion and Analysis (contd.)

### 3.2. Growth of transmission network and evolving framework for transmission access to support future growth and integration of renewable energy

The Indian power transmission segment has grown significantly over the years, making the country's electricity grid one of the largest synchronous grids in the world, facilitated seamless transfer of electricity from power-surplus regions to power deficit regions, thereby meeting the growing needs of consumers. With India targeting to meet its COP-26 goal of meeting 50% of its energy needs from renewables and achieve 500GW of installed capacity of renewables by 2030, significant expansion and strengthening of the interstate transmission system (ISTS) will be required.

One of the most significant policy and reform initiatives taken by the Central Government to enhance non-discriminatory access to the country's transmission network is the introduction of the General Network Access (GNA) through the Electricity (Transmission System Planning, Development and Recovery of Inter-State Transmission Charges) Rules, 2021, notified on 01 October 2021. GNA allows non-discriminatory access to the Inter-State Transmission System (ISTS), as requested by a designated interstate customer and granted by the central transmission utility (CTU) for a maximum injection or drawl in mega-watts and for a specific period. A transition to GNA would provide the much-needed flexibility to entities in purchasing electricity under contracts of varying durations without the limitations of ISTS network availability. For generators too, there will be enhanced flexibility in sales since target beneficiaries will not have to be specified.

In addition, with an aim to enhance the transparency of the CTU in its role as an independent body as envisaged under the Act, it has been separated from POWERGRID in order to provide greater transparency and a level-playing field between PGCIL and other private transmission players under the TBCB framework.

In addition, the Govt. is now pushing for several interconnections between India and its neighbouring states of Nepal, Bangladesh and Sri Lanka.

Going forward, the Govt. plans to add an additional 17,500 ckm of transmission network and 80,000 MVA of transformation capacity annually over the next three years, with an estimated capital investment of Rs. 3,040 billion between 2020 and 2025, under the National Infrastructure Pipeline, with state utilities expected to contribute to capex additions of about Rs. 1,900 billion. The next few years is expected to see growth in leveraging of technology (shift to extra high voltage network with advanced technology like voltage source convertors and deployment of FACTS and project developers moving to deployment of LiDAR technology, drones and air cranes for construction and thermos-vision cameras and android-based applications for operations & maintenance. In the next few years, in addition to expanding the physical grid, utilities will increasingly need to invest in advanced and grid-enhancing technologies to improve capacity, grid resilience and stability.

### 3.3. Financial health of state Discoms and Government support

Poor financial health and financial viability of the Discoms continue to be the major faced by power producers. Most Discoms continue to make major losses as a result of poor and archaic network infrastructure, inefficient operations and expensive long term power purchase agreements. This has resulted in Discoms' growing inability to pay power generators on time, thereby in turn endangering the financial health of the generators and their lenders, keeping them tottering on the brink of slipping back into stress.

Aggregate Technical and Commercial Loss (AT&C Loss) and ACS-ARR Gap are key indicators of DISCOM performance. In the last 2 years, the AT&C loss of the DISCOMs of the country was hovering at 21-22%. Ministry of Power instituted a number of measures to improve the performance of utilities. The aggregate technical and commercial (AT&C) losses of distribution companies (discoms) have further declined to about 13.5 percent in FY23 from 16.4 percent in FY22, according to provisional data prepared by the Ministry of Power.

The decline of 13.5% in AT&C losses in one year is the result of a number of initiatives taken by the Ministry of Power. The Central Government has approved a Revamped Distribution Sector Scheme- a Reforms-based and Results-linked Scheme with an outlay of Rs.3,03,758 crore over a period of five years from FY 2021-22 to FY 2025-26 with the objective to improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. The Scheme aims to reduce the AT& C losses to pan-India levels of 12-15% and ACS-ARR gap to zero by 2024-25 by improving the operational efficiencies and financial sustainability of all DISCOMs/

Power Departments excluding Private Sector DISCOMs. Apart from RDSS, other decisive measures such as late payment surcharge rules, prudential lending norms by Power Finance Corporation (PFC) and REC etc also have helped in loss reduction

Further, on 03 June 2022, Ministry of Power, Govt. of India notified the Electricity (Late Payment Surcharge and Related Matters) Rules 2022, on the basis of which all outstanding dues (including LPS) up to the date of the notification frozen and rescheduled into monthly instalments ranging from 12 to 48 months, failing which, the supply obligation of the generating company will stand reduced to 75%, with the generator being free to sell the balance 25% in the exchanges. In addition, a LPS would be applicable on the outstanding amount after the due date equivalent to the base rate in the first month of default. This will increase by 0.5% for each subsequent month, provided that the LPS rate shall not be more than 3% of the base rate at a time.

### 3.4. Distribution Reforms

The Distribution Sector continues to be the sticky pain point for the entire power sector value chain. The Government has done remarkably well in ensuring one hundred percent electrification of households under its flagship SAUBHAGYA program in the past few years – the impact of which is now being felt in terms of increased domestic demand for electricity.

The Govt. of India, with an intent to improve the performance of distribution, had released the plan to privatize the distribution business in 8 Union Territories in 2020 as part of the fourth tranche of Rs. 20 trillion stimulus package announced to address the economic fallout of the pandemic. Of these, 3 Union Territories have already been awarded to the selected private bidders.

However, the impending changes to the Electricity Act 2003, proposed to be brought in through the Electricity (Amendment) Bill, 2021, still remains to see the light of day. This draft Bill proposes bringing in de-licensing of the distribution business which is expected to improve performance through competition and offer customers choices in choosing their preferred electricity supplier.

This, along with the Revamped Distribution Sector Scheme announced by the Cabinet in June 2021 (which aims to bring down Aggregate Techno-Commercial Losses to 12-15% and reduce the gap between Average Cost of Supply and Average Revenue Realization to 0% by 2024-25), is expected to largely address the current inefficiencies and problems being faced by the distribution sector.

### 3.5. Delays in resolution of disputed receivables from Discoms by generators

The Company too has been continuously striving and leaving no stone unturned to secure its admitted dues locked up under disputes to the tune of more than Rs. 1,770.12 Crores. The last few years has seen the issue of disputed receivables, especially on account of recovery of costs related to mandatory charges incurred towards washing of coal (mandated by changes notified by the Ministry of Environment, Forests and Climate Change) and towards compensation for procurement of alternate coal on account of Coal India's failure to meet committed delivery quantity under Fuel Supply Agreements (FSA) through Change in Law for projects supplying power under tariff based competitively bid PPAs like that of your Company, has been a major cause for financial stress and delayed recoveries of just receivables from Discoms. However, on account of certain favourable orders from Hon'ble Supreme Court and APTEL, the company has witnessed a traction towards recovery of disputed receivables.

In this regard, the Company has been successful in securing favourable orders in two issues that it has been pursuing to resolve – one, in case of recovery and pass-thru of past costs incurred in recovery of cost of procurement of alternate coal due to failure of the coal companies to meet their commitment under the FSA to the tune of Rs. 1,420 Crores as on 30<sup>th</sup> June 2023, in which the Hon'ble Supreme Court has decided the matter in favour of the Company and secondly, in an order from the APTEL on 22 March 2022, towards reimbursement of Evacuation Facility Charges levied on coal, along with carrying cost. In this regard, MSEDCL had filed an appeal before the Hon'ble Supreme Court challenging the order from the APTEL which was dismissed by the Supreme Court on 20<sup>th</sup> April 2023 and the APTEL order was upheld.

The Company continues to constantly pursue and follow up in case of the other outstanding disputed receivables and is hopeful, that with the proposed strengthening of the regulatory mechanism and the institutional framework under the proposed Electricity (Amendment) Bill, 2021, hopefully, a large part of this issue of delay would now be addressed.



# Management Discussion and Analysis (contd.)

## 4. BUSINESS REVIEW

Your Company has a well-formulated strategy to tackle the challenges that the sector is facing currently. With a total of 2,700 MW commissioned capacity at Amravati and Nasik, the Company is amongst the top 10 private power producers in the country. Amravati thermal power plant has a long-term arrangement for supply of 1,200 MW to the Maharashtra State Electricity Distribution Company Ltd (MSEDCL) and all the five units of Amravati TPP are available for supplying power.

*Your Amravati Plant continued to be available to supply at above 80% plant availability in line with the provisions of the PPA. Your Company also managed to secure a favourable order from the Maharashtra Electricity Regulatory Commission (MERC) on 31 December 2020, which has made the plant significantly competitive in the State Merit Order Schedule, and as a result, ended the financial year with a plant load factor (PLF) of 88% in the fourth quarter for FY 2023. Amravati plant would continue to be extremely competitive, resulting in higher PLF going forward and contributing to the Nation's development by providing reliable, cost-effective and efficient base load supply.*

*Your Company is also undertaking a holistic and organization wide transformation exercise to achieve excellence in performance under key areas related to operational, financial and business, in order to have a meaningful impact on the profitability of the Company.*

*Your Company also managed to secure favourable judgement from the Hon'ble Supreme Court of India on 27<sup>th</sup> March 2023 in the long-standing dispute with MSEDCL, regarding recovery of additional costs of procurement of alternative coal and changes in taxes & duties, under which the appeal of MSEDCL against the APTEL order was dismissed. Payments under this have already started materializing, with MSEDCL having already paid Rs. 613.01 Crores as on 30<sup>th</sup> June 2023. Your Company continues to pursue for early release of the balance amount.*

*Your company also managed to secure order from APTEL on 22 March 2022 directing MERC to determine the amount payable to the Company towards the reimbursement of Evacuation Facility Charges levied on coal along with Carrying Cost to be calculated at LPS rate and MERC to pass fresh Order considering APTEL direction within 2 months. In this regard, MSEDCL had filed an appeal before the Hon'ble Supreme Court challenging the order from the APTEL which was dismissed by the Supreme Court on 20 April 2023 and the APTEL order was upheld.*

*Apart from the above, your Company is also working on to make the existing processes more robust and resilient to deal with the new normal. The Company ended the year 2022-23 with an EBITDA of Rs. 1,108.46 Crores and Profit After Tax (PAT) of Rs. 332.65 Crores, with PAT higher when compared to FY 2021-22 with an EBITDA of Rs. 1160.73 Crores and PAT of Rs. 348.14 Crores.*

*In addition to this, your Company continues to strive to improve its margins on a regular basis. The management of your Company continues to leave no stone unturned towards resolving the current stress in Sinnar Thermal Power Limited and is in active discussion with lenders and other stakeholders.*

## 5. COMPETITIVE STRENGTHS

Your company has following competitive strengths which will enable it to achieve a strong position in the Power Sector:

### 5.1. Statutory and Non-statutory Clearances

Your Company has secured all major required clearances necessary for successful operations of the Amravati Thermal Power Project and Nasik Thermal Power Project.

For the Amravati Thermal Power Project, the Company has taken 1,350 acres of land on lease from Maharashtra Industrial Development Corporation (MIDC), signed a Fuel Supply Agreement (FSA) for 6.10 MTPA coal with South Eastern Coalfields Limited (SECL), obtained 87.6 million cubic meter water allocation from upper Wardha dam from Vidarbha Irrigation Development Corporation and has secured the consent to operate from Maharashtra State Pollution Control Board.

For Nasik Thermal Power Project, Sinnar Thermal Power Limited has taken 1,069.35 acres of land on lease in Nasik SEZ, secured coal allocation for total 5.226 MTPA coal from South Eastern Coalfields Limited & Mahanadi Coalfields Limited and had secured 36.5 million cubic meter water allocation from Water Resources Department, Nasik. The Nasik project continues to be preserved in line with the recommendations of the independent Lenders' Engineers.

The two projects are among the few which have all major clearances in place, while as much as 11GW of coal-based projects continue to be stressed due to non-availability of coal linkages, as per the Government of India's report.

## 5.2. Financial Closure

Both Amravati and Nasik power projects have achieved financial closure.

## 5.3. Power Purchase Agreement

Amravati thermal power project has a 1,200 MW PPA with MSEDCL for period of 25 years from the date of commercial operation and has been successfully supplying power to MSEDCL for over 9 years now. This PPA has a provision for further extension of term based on mutual agreement between the parties. The Power plant is supplying power generated from this power plant to MSEDCL at pre-determined tariffs, as part of a Case-1 bidding framework initiated by MSEDCL.

Further, in the case of the Sinnar Thermal Power Limited (SPV for development of the Sinnar Thermal Power Project), your Company is leaving no stone unturned to secure a long term PPA from MSEDCL.

## 5.4. Fuel Security

Your Company has Fuel Supply Agreements (FSA) with Coal Companies, supplying coal at prices notified by the Ministry of Coal, covering the entire requirement for operating the plant at normative PLF. This puts your Company in a very strong competitive position as compared to the present mechanism wherein coal linkages are granted through e-auction process where bidders either offer premium over notified prices of coal or offer discount on the tariff for supply of power under PPA. In fact, your Company has been successful in enhancing its fuel linkage from the coal company by 20% beyond monthly scheduled quantity thereby enhancing long term fuel security for the Project and reducing dependence on competitively auctioned / imported coal.

## 5.5. Execution Team

One of key strengths of your company is the team of experts who have vast experience of constructing, commissioning and operating large power projects. Senior management people of the Company comprise of an excellent balance of leaders and experts with experience in both the private and public sectors, including senior and experienced people from Navratna Companies of the country - like NTPC, BHEL, to name a few and who have vast experience in the implementation and operation of thermal power projects. This team is capable of addressing the challenges currently being faced by thermal power projects in the country.

## 6. STRATEGY

The key elements of the Company's strategy include:

### 6.1. Capitalizing on the opportunities in Indian power generation sector

Your Company has planned significant long-term initiatives to capitalize on the huge potential presented by the Indian power sector. With a growing economy, there will be increase in electricity demand and therefore, significant investment will be required in generation, transmission and distribution to fulfil this demand and fulfil Government of India's ambitious target of providing "Power for All". The Company already has the expertise and ability to raise capital and execute large scale power projects to reap the benefits of growth in the sector. With its partnership with marque special situations funds, the Company continues to evaluate options for strategic acquisitions being offered in the market on an on-going basis to enhance value to its shareholders.

### 6.2. Leveraging of project execution and operating skills

Your Company has a young and dynamic leadership team with diversified experience across operations, finance and business-related areas and constantly strive to achieve excellence in their core areas of operations. We have hired leaders and project managers with the ability and skill sets to drive business to new heights.

### 6.3. Ensuring fuel security

Your Company has adequate coal linkages/FSA with Coal India Limited to ensure a steady supply of coal to fire the power plants. In this regard, the Company was successful in enhancing its long-term fuel supply arrangement with the coal company, increasing its monthly allocation by 20% beyond monthly scheduled quantity for February and March 2023, minimizing the requirement to secure additional coal supplies to meet demand.

# Management Discussion and Analysis (contd.)

The Company also continues to actively evaluate opportunities available for securing coal blocks for mining of coal for captive use under the auction process for commercial mining, which will ensure long-term self-sufficiency in fuel for the Project and minimize associated costs.

## **6.4. Operating power plant at high availability:**

It is vital that a power station has a high plant availability factor (PAF), which in turn translates to higher Plant Load Factor (PLF). Unplanned outages can result in loss of revenue. Your Company has in place a team of very experienced and skilled O&M experts to run its power plants smoothly with the highest possible availability. As a result, even due to the shortage of coal supply from Coal India Limited and rakes availability from railways, Amravati Plant put in place a comprehensive risk mitigation framework to address the same, ensuring 81% plant availability during FY 2023.

## **6.5. Climate Change:**

The Company is sensitive about the climate change initiatives implemented worldwide as well as in our country and to contribute to the novel cause, company has adopted the best-available technologies at our power plant to ensure efficient operations.

## **7. HUMAN RESOURCES**

Your Company's human resource policy provides an environment that motivates its employees to realize their full potential.

Your Company respects each employee and motivates them by offering opportunities based on their skill-sets, and in the process, builds mutually benefiting relations between the Company and its employees. Your Company has put in place a policy that not only increases productivity but also increases job satisfaction of its employees.

Your Company has put in place a recruitment system in the organization wherein right candidates with the right skills are recruited. Your company has established systems which aim to provide training to employees at every level of the organization that leads to quality work output in their assigned work, in turn helping in improving the bottom-line of your Company.

In addition to this, proper remuneration, regular appraisal, and development opportunities provided to the employees have enabled your Company to achieve its goal in a highly competitive market. Your Company believes that its employees are most productive when they have a good work-life balance to enable them to meet their responsibilities outside work and minimizes employee turnover. The total number of permanent employees as on March 31, 2023 was 544.

## **8. CORPORATE SOCIAL RESPONSIBILITY**

Corporate Social Responsibility Policy (CSR Policy) was framed in the year 2014 and a Corporate Social Responsibility Committee, comprising members from the Board of Directors of the company was constituted. The Committee is entrusted with the responsibility of effectuating and operationalizing the CSR Policy of the Company.

As part of these efforts, the Company continues to engage with the local community at its Plant site and undertake initiatives from time to time in this regard.

## **9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has a system of internal controls commensurate with the nature and size of its operations, which effectively and adequately encompasses every facet of its operations and functional areas.

The system involves a compliance management team with established policies, norms and practices as also the applicable statutes and rules and regulations, with an inbuilt system of checks and balances, so that appropriate and immediate corrective actions are initiated in right earnest in the event of any deviations from the stipulated standards and parameters.

The effectiveness and deliverability of the internal control systems are reviewed periodically so that measures, if any, needed for strengthening the same can be taken, with the changing business needs of the Company. The Company continues to regularly review its systems, processes and controls on an on-going basis, comparing and aligning them with the industry's best practices.

## 10. PERFORMANCE HIGHLIGHTS

### 10.1 Operational Performance:

During FY 2022-23, in spite of the difficulties faced by the economy and businesses due to shortage in coal supply from CIL and rake availability from railways, Amravati Thermal Power Project achieved an annual plant availability of 81.35% and Plant Load Factor (PLF) of 77.18% as against the previous year's availability of 85.85% and PLF of 75.10% respectively. As a result, the Company could realize its entire fixed charges through tariff as per the provisions of the PPA. Availability of the Plant for the Q2 and Q3 was affected due to the significant fall in the availability of coal from coal companies and resulting lower dispatch by Coal India Limited, which saw 16 of the country's 135 coal-fired power plants with zero coal stock at the end of Q2 FY 2022.

However, despite these issues impacting thermal power plants across the country, your Plant achieved a PLF of 87.77% in the last quarter of FY 2023 and an annual PLF of 77.18% for the whole of FY 2023. Going forward, we are confident that the Amravati Plant would continue to be competitive in the MOD and demonstrate comparatively higher PLFs.

The Company sold 8,422.16 million units (MU) of electricity to MSEDCL during the financial year under its long term PPA, compared to 8,156.86 million units in the previous fiscal.

### 10.2 Financial Performance:

Particulars	FY 2022-23	FY 2021-22	FY 2020-21
Generation Sales (MU)	8422.16	8156.864	2,597.62
Net Sales (Rs. Crore)	3231.16	3,259.52	1,559.86
PBT (Rs. Crore)	353.02	348.14	96.71

## 11. SIGNIFICANT CHANGES DURING THE YEAR

During the Year under review, there were following changes in the Key Financial Ratios:

S. No.	Ratio	Formula			Remarks
			FY 2022-23	FY 2021-22	
1	Debtors' Turnover	Revenue/ Average trade receivables	1.29	1.37	Due to decrease in revenue and average trade receivable
2	Inventory Turnover	Cost of material consumed/ Average value of inventory	17.57	11.38	Due to higher Plant Load Factor (PLF) as compared to previous year (PLF)
3	Interest Coverage Ratio	Earnings before interest and tax/ Interest Expense	1.66	1.59	Due to decrease in EBITDA and reduced interest cost
4	Current Ratio	Current assets/ Current liabilities	1.53	1.66	Current portion of long-term borrowings has resulted in decline in ratio
5	Debt Equity Ratio equity	Total debt*/ Shareholder's	0.69	0.83	Due decrease in debt
6	Operating Profit Margin (%)	Earnings before interest and tax/ Revenue	27.43%	28.66%	Due to increase in consumption on account of higher Plant Load Factor (PLF) as compared to previous year (PLF)
7	Net Profit Margin (%)	Net profit/ Revenue	10.30%	10.68%	Due to decrease in profit and revenue
8	Return on Networth (%)	Net profits after taxes/ Average shareholder's equity	6.11%	6.82%	Due to decrease in profit

\*Total debts excluding lease liability.

Further please refer to note 46 of financial statements also.

# Management Discussion and Analysis (contd.)

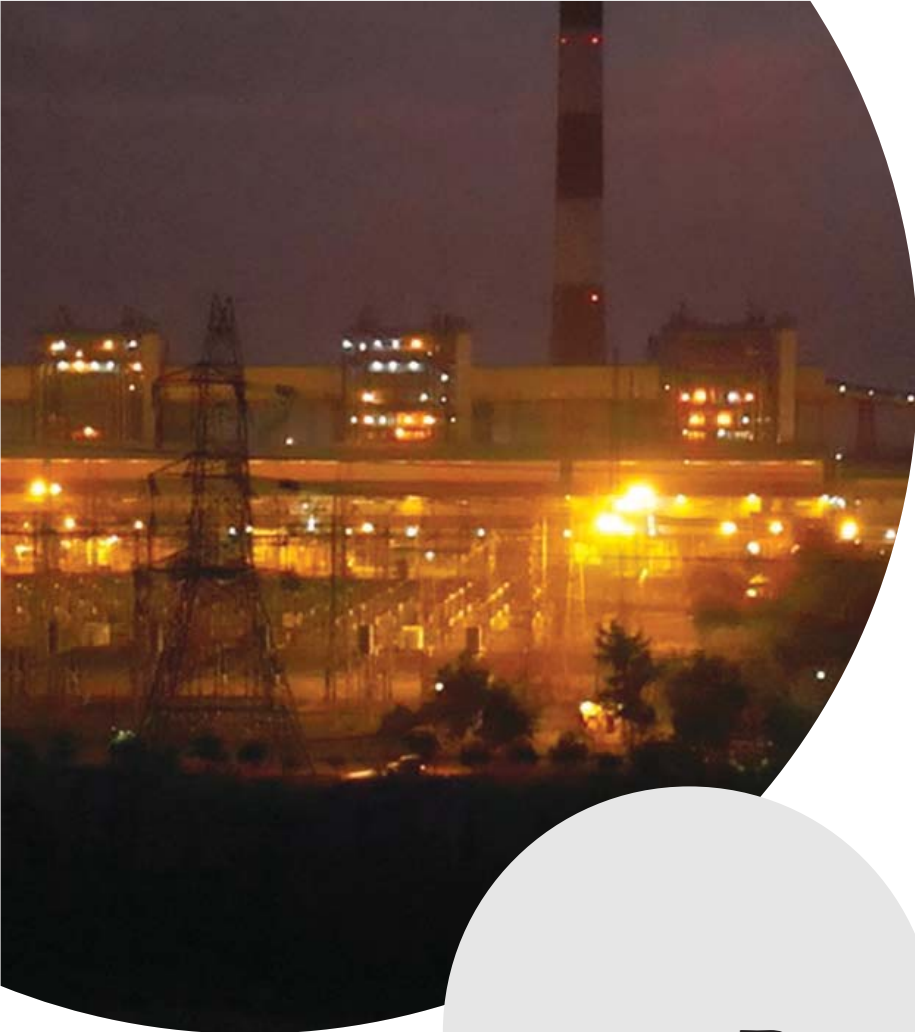
## 12. FORWARD LOOKING STATEMENTS

Statements in this Management Discussion and Analysis Report, describing the Company's objectives, projections, estimates and expectations, may be forward looking statements within the meaning of applicable securities, laws, and regulations.

Forward-looking statements are based on certain assumptions and expectations of future events and the actual results might differ from those expressed or implied herein. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility nor is under any obligation to publicly amend, modify or revise any such forward-looking statements based on any subsequent developments, information, or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include cost of fuel, determination of tariff and such other charges and levies by the regulatory authority, changes in Government regulations, tax laws, economic developments, and such other factors.

## 13. DETAILS OF CHANGE IN RETURN OR NETWORTH AS ON MARCH 31, 2023

Return on net worth has decreased to 6.11% from 6.82% due to decrease in total revenue and increase in average shareholders equity during FY 22-23.



# BOARD'S REPORT

# Board's Report

## Dear Shareholders,

Your Directors present to you the Sixteenth Annual Report and the Audited Statement of Accounts of the Company, for year ended March 31, 2023

## FINANCIAL RESULTS

(₹ In lakhs)

Particulars	Standalone		Consolidated	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Revenue</b>				
Revenue from operations	323,116.35	325,951.86	323,116.35	325,951.86
Other income	34,997.08	35,322.27	32,819.84	40,964.09
	<b>358,113.43</b>	<b>361,274.13</b>	<b>355,936.19</b>	<b>366,915.95</b>
<b>Expenses</b>				
Cost of fuel, power and water consumed	223,030.25	224,810.96	223,904.93	225,098.68
Employee benefits expense	5,560.10	4,922.16	5,589.18	5,003.62
Finance costs	53,336.87	58,588.59	251,123.18	234,178.67
Depreciation and amortisation expense	22,207.11	22,671.04	40,437.48	41,445.32
Other expenses	18,677.47	15,467.77	19,830.24	15,560.66
	<b>322,811.80</b>	<b>326,460.52</b>	<b>540,885.01</b>	<b>521,286.95</b>
<b>Profit/ (loss) before tax and exceptional items</b>	<b>35,301.63</b>	<b>34,813.61</b>	<b>(184,948.82)</b>	<b>(154,371.00)</b>
Less: Exceptional item	-	-	-	43,773.00
<b>Profit/ (loss) before tax</b>	<b>35,301.63</b>	<b>34,813.61</b>	<b>(184,948.82)</b>	<b>(198,144.00)</b>
<b>Tax expense:</b>				
Current tax	-	-	-	-
Deferred tax	2,036.54	-	2,036.54	-
<b>Total tax expenses</b>	<b>2,036.54</b>	<b>-</b>	<b>2,036.54</b>	<b>-</b>
<b>Profit/ (loss) for the year</b>	<b>33,265.09</b>	<b>34,813.61</b>	<b>(186,985.36)</b>	<b>(198,144.00)</b>
<b>Other comprehensive income</b>				
A. Items that will not be reclassified to profit or loss				
Re-measurement of post-employment benefit obligations	(121.42)	(59.40)	(116.25)	(51.72)
B. Items that will be reclassified to profit or loss				
Exchange differences in translating the foreign operations	-	-	(11.34)	(3.93)
<b>Other comprehensive income for the year</b>	<b>(121.42)</b>	<b>(59.40)</b>	<b>(127.59)</b>	<b>(55.65)</b>
<b>Total comprehensive profit/ (loss) for the year</b>	<b>33,143.67</b>	<b>34,754.21</b>	<b>(187,112.95)</b>	<b>(198,199.65)</b>
<b>Loss for the year attributable to:</b>				
Owner			(186,985.36)	(198,144.00)
Non-controlling interest			-	-
			<b>(186,985.36)</b>	<b>(198,144.00)</b>
<b>Other comprehensive income for the year attributable to:</b>				
Owner			(127.59)	(55.65)
Non-controlling interest			-	-
			<b>(127.59)</b>	<b>(55.65)</b>
<b>Total comprehensive loss for the year attributable to:</b>				
Owner			(187,112.95)	(198,199.65)
Non-controlling interest			-	-
			<b>(187,112.95)</b>	<b>(198,199.65)</b>
Paid up equity share capital (Face value of ₹ 10 each)	537,010.59	537,010.59	537,010.59	537,010.59
Other equity	23,794.17	(9,349.50)	(990,303.48)	(803,190.53)
Earnings per equity share				
Basic (₹)	0.62	0.65	(3.48)	(3.69)
Diluted (₹)	0.62	0.65	(3.48)	(3.69)

## Board’s Report (contd.)

### TRANSFER TO RESERVE

The Board of Directors has decided to retain the entire amount of profits for FY 2022-23 in P&L account and the total Profit of ₹ 33,143.67 lakhs for the FY 2022-23 has been transferred to Retained Earnings. There has been no other transfer to any reserves.

### COMPANY PERFORMANCE

The Company continued to demonstrate strong financial performance and for the financial year ended March 31, 2023 posted a total income of ₹ 3,581 Crore. and profit before tax of ₹ 353 Crore and EBITDA of ₹ 1,108 Crore.

In financial year 2022-23, Amravati plant of the Company achieved record milestones of highest ever PLF of 77% and received and uploaded highest ever coal rakes (1,487 nos. i.e daily average of 4.1 rakes), since commissioning in March 2015.

The Company continues to timely serve its debt obligation having paid ₹ 3,116 Crore (principal and interest) since January 2020 including ₹ 733 Crore as prepayment.

The outstanding secured external debt reduced to ₹ 1,213 Crore (including accrued interest) against standalone net worth of ₹ 5,608 Crore as on March 31, 2023.

Post closure of financial year, the Company refinanced its debt in a ₹ 1,114 Crore transaction led by Kotak Mahindra Bank Limited.



The Amravati plant has been reporting steady financial performance since its commissioning in 2015:

Year	Total Revenue (₹ Crore)	EBITDA (₹ Crore)	PAT (₹ Crore)
FY 2016	2640	1,281 <sup>#</sup>	-108
FY 2017	1504	1,116 <sup>#</sup>	-321
FY 2018	2239	1,100 <sup>#</sup>	-418
FY 2019	2089	1,105 <sup>#</sup>	-2792
FY 2020*	1994	3,480	1899
FY 2021	2176	988	97
FY 2022	3613	1161	348
FY 2023	3581	1108	333

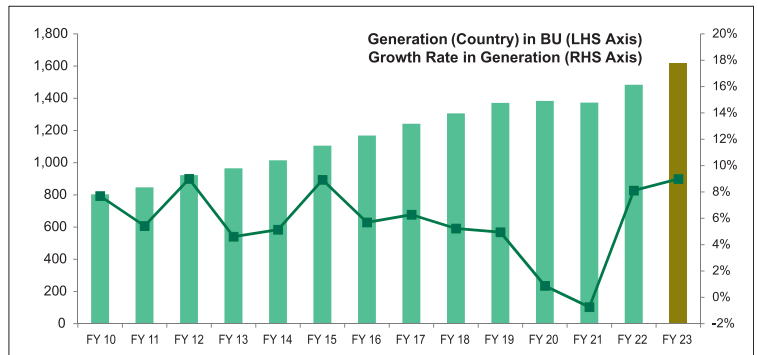
# as per IGAAP \*Includes impact of OTS in December 2019



**Amravati Plant has been a significant turnaround story in Indian Power Sector post its Debt Restructuring in December 2019**

### Generation Trend in India

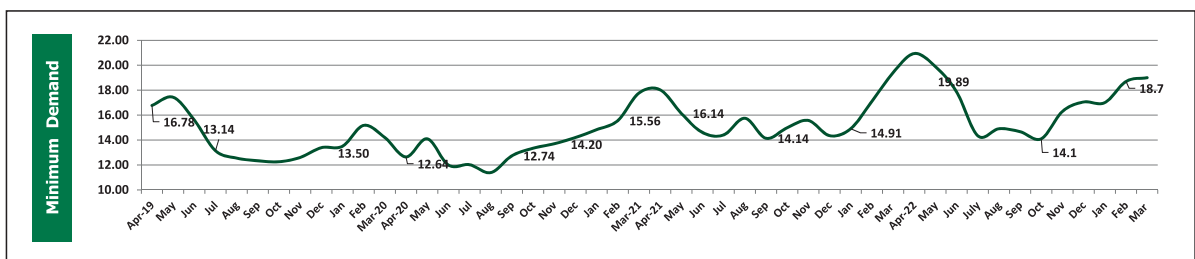
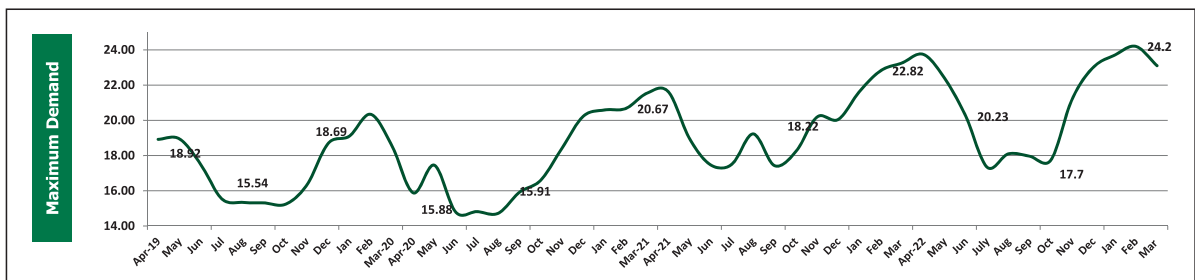
Generation Country - (BUs)		
All India	Total	% Growth
FY 11	847	5.4%
FY 12	923	9.0%
FY 13	965	4.6%
FY 14	1,015	5.1%
FY 15	1,105	8.9%
FY 16	1,168	5.7%
FY 17	1,242	6.3%
FY 18	1,307	5.2%
FY 19	1,371	4.9%
FY 20	1,383	0.9%
FY 21	1,373	-0.7%
FY 22	1,484	8.1%
FY 23	1,618	9.0%
	<b>CAGR</b>	<b>5.5%</b>



Source: CEA

- All India electricity consumption increased by 9% for FY23 Vs FY22, on the back of strong growth of economic & business activity, as against FY 22.
- Country has observed robust generation growth – CAGR of above 5.5% for last 13 years
- On an overall basis, country has recorded highest ever generation in FY 23.
- In FY23, all India generation was 1,618 billion units (BUs), of which 204 BUs (i.e., only ~13%) was from Renewable Energy Sources 'RES' (Wind+Solar). Further, the total installed capacity of RES of 121 GW is about 30% of the total installed capacity of 416 GW. Thermal coal-based power plants continues to be the backbone of the electricity generation in the country

### Demand trend of MSEDCL (in GW)



**Unprecedented increase in power demand observed by MSEDCL in FY 23 in line with the growth momentum in economic activities across the country**

There was no change in the nature of business and Company concentrate on its own business growth.

## BUSINESS REVIEW

Please refer business review section of Management Discussion and Analysis

## DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP) DETAILS

In terms of the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Rajiv Rattan (DIN: 00010849), would be retiring as a director by rotation and being eligible for re-appointment, has offered himself for the same.

During the year under review:

- (i) Mrs. Neha Poonia (DIN: 07965751), an Independent Woman Director of the Company, ceased to be the Director/Independent Woman Director of the Company on November 10, 2022.
- (ii) Mrs. Pritika Poonia (DIN: 06715564), was appointed as an additional director and Independent Woman Director of the Company, w.e.f November 10, 2022. Her appointment as such was approved by the members of the Company in their Extra Ordinary General Meeting held on February 07, 2023.

Post closure of the financial year, (i) Mrs. Namita (DIN: 08058824) ceased to be a director of the Company, on April 14, 2023 (ii) Mr. Ajay Kumar Tandon (DIN: 07087682) was appointed as an additional and Independent Director of the Company w.e.f September 02, 2023 (iii) Mr. Baliram Ratna Jadhav (DIN: 10295412) was appointed as Whole Time Director of the Company liable to retire by rotation, on such terms and conditions including remuneration as approved by the Board of Directors w.e.f. September 02, 2023 and (iv) Mr. Himanshu Mathur (DIN: 03077198) was appointed as Whole Time Director of the Company liable to retire by rotation, on such terms and conditions including remuneration as approved by the Board of Directors w.e.f. September 05, 2023. Pursuant to Regulation 17(1C) of the SEBI Listing regulation, Mr. Ajay Kumar Tandon, Mr. Baliram Ratna Jadhav and Mr. Himanshu Mathur will hold office upto the ensuing AGM.

The matters as to (i) Reappointment of Mr. Mr. Rajiv Rattan, as a director of the Company liable to retire by rotation, (ii) Approval of appointment of Mr. Ajay Kumar Tandon (DIN: 07087682) as an Independent Director of the Company for a consecutive five years, on the terms and conditions including remuneration as approved by the Board of Directors w.e.f. September 02, 2023, (iii) Approval of appointment of Mr. Baliram Ratna Jadhav (DIN: 10295412) as Whole Time Director of the Company, liable to retire by rotation, on such terms and conditions including remuneration as approved by the Board of Directors w.e.f. September 02, 2023 and (iv) Appointment of Mr. Himanshu Mathur (DIN: 03077198) as Whole Time Director of the Company liable to retire by rotation, on such terms and conditions including remuneration as approved by the Board of Directors w.e.f. September 05, 2023, have accordingly been included in the notice convening the annual general meeting of the Company for the financial year 2022-23, for the approval of the members of the Company.

During the year under review, no Non-Executive Directors (NEDs) of the Company had any pecuniary relationship or transactions with the Company except the payment of sitting fee to the Independent Directors.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31.03.2023 were: Mr. Rajiv Rattan, Executive Chairman, Mr. Brijesh Narendra Gupta, Managing Director, Mr. Asim Kumar De, Whole Time Director, Mr. Ankur Mitra, Chief Financial Officer, and Mr. Lalit Narayan Mathpati, Company Secretary.

Details of the various committees along with the meetings held during the financial year 2022-23, are given in the "Report on the Corporate Governance" of the Annual Report.

## DECLARATIONS FROM INDEPENDENT DIRECTORS

In terms of Section 149 of the Act, Mr. Sanjiv Chhikara, Mr. Sharad Behal, Mr. Jeevagan Narayana Swami Nadar, Mr. Ajay Kumar Tandon and Mrs. Pritika Poonia are the Independent Directors of the Company as on the day of this report. The Company has received declarations from the Independent Directors to the effect that (a) they fulfill the criteria for independence as laid down under Section 149(6) of the Companies Act, 2013 and the rules framed thereunder, read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended upto date (Listing Regulations) (b) that they have got themselves registered in the data bank for Independent Directors being maintained by the Indian Institute of Corporate Affairs (IICA), of the Ministry of Corporate Affairs, Government of India and their names are included in the data bank maintained by IICA (c) they are not aware of any circumstance or situation, existing or anticipated, which may impact or impair their ability to discharge duties and that (d) they have complied with the Code for Independent Director prescribed in Schedule IV to the Companies Act, 2013 which forms a part of the Company's Code of Conduct for Directors and Senior Management Personnel, to which as well, they affirm their compliance.

## Board's Report (contd.)

As required under Regulation 25(7) of Listing Regulations, the Company has programmes for Familiarisation of the Independent Directors about the nature of the Industry, business model, roles, rights and responsibilities of Independent Directors and other relevant information. As required under Regulation 46(2)(i) of Listing Regulations the details of the Familiarisation Programme for Independent Directors are available at the Company's website:

<https://www.rattanindiapower.com/wp-content/uploads/2022/08/FAMILIARIZATION-PROGRAMME-FOR-INDEPENDENT-DIRECTORS-1.pdf>

As required under Regulation 34(3) read with Schedule V Para C (10)(i) of LODR, Certificate from Mr. Sanjay Khandelwal, Practicing Company Secretary that none of the Company's Directors have been debarred or disqualified from being appointed or continuing as directors of Companies, is attached to the corporate governance report, which forms part of board report.

### **COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS**

The Company's Policy on the appointment of Directors and Key and Senior Managerial Personnel and their Remuneration policy can be accessed on the Company's website at the web-link:

[https://www.rattanindiapower.com/wp-content/uploads/2023/08/Section\\_178\(4\)\\_Policy\\_for\\_Selection-and-appointment-of-director-and-KMP-&-their-Remuneration.pdf](https://www.rattanindiapower.com/wp-content/uploads/2023/08/Section_178(4)_Policy_for_Selection-and-appointment-of-director-and-KMP-&-their-Remuneration.pdf)

In seeking to select individuals for induction as directors on the Board of Directors of the Company, the criteria such as qualifications, positive attributes, independence as set out in the aforementioned policy, are strictly adhered to. Additionally, the knowledge, experience and expertise of the incumbent and their relevance to the Company are the other aspects covered by the policy, which are considered.

Remuneration packages for directors, key and senior managerial personnel, are drawn up in consonance with the tenets as laid down in the Remuneration Policy depending upon the nature, quantum, importance and intricacies of the responsibilities and functions being discharged as also the standards prevailing in the industry. The concerned individuals get the best possible remuneration packages permissible under the applicable laws, so that the Company gets to retain the best of quality and talent.

### **ANNUAL EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provisions of the Act and the Listing Regulations.

The Board evaluated its performance after seeking inputs from all the Directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

Pursuant to Schedule II, Part D of Listing Regulations, the Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which is based on attendance, expertise and contribution brought in by the Independent Director at the Board and Committee Meetings.

The performance of the Independent Directors was reviewed and evaluated by the entire Board and in such exercise, the director concerned whose performance was being evaluated, did not participate.

Pursuant to Section 134(3)(p) of the Companies Act, 2013, and Regulation 25(4) of Listing Regulations, Independent Directors have evaluated the quality, quantity and timeliness of the flow of information between the Management and the Performance of the Board as a whole and its Non independent members and other required matters.

The performance of Non – Executive Directors (NEDs), the Board as a whole and the Chairman of the Company was evaluated by Independent Directors, taking into account the views of the Executive Director and NEDs.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

### **MEETINGS OF THE BOARD OF DIRECTORS**

During the year under review 8 meetings of the Board of Directors of the Company were held. The details as to the dates of such meetings and the attendance of various directors of the Company thereat, have been provided in the Corporate Governance Report.

Additionally a meeting of the Independent directors of the Company was held on August 31, 2022, with the participation of all Independent Directors of the Company at the meeting except one.

### **CORPORATE SOCIAL RESPONSIBILITY**

In compliance with the requirements of the Companies Act, 2013, the Company has in place, a well-defined and well structured, Corporate Social Responsibility Policy (CSR Policy) as drawn up by the Corporate Social Responsibility Committee ("CSR Committee") and approved by the Board.

The CSR Committee of the Company as on March 31, 2023, consisted of three directors namely Mr. Sanjiv Chhikara, Independent Director, who is the Chairman of the Committee and Mr. Asim Kumar De and Mrs. Namita, Non-Independent Directors. The Committee has been formed with the objective of implementing and monitoring the CSR Policy of the Company under the control and supervision of the Board of Directors. Post closure of the financial year the CSR Committee was re-constituted and Mrs. Namita ceased to be its members and Mr. Brijesh Narendra Gupta was appointed as its new member in her place.

The CSR Policy of the Company lays down the various causes to which the Company would be making its CSR contribution, towards effectuation of the policy. The Company was not statutorily required to make any contributions, towards CSR, during the year under review, as there has been an average net loss. The CSR Policy of the Company has been uploaded on the website of the Company and is available at the link:

[https://www.rattanindiapower.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy\\_RPL.pdf](https://www.rattanindiapower.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy_RPL.pdf). The Annual report on CSR forms a part of the Directors Report and is annexed hereto as **Annexure-A**.

### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

In due compliance with the requirements of the Listing Regulations, read with Section 188 of the Companies Act, 2013 and the Rule 6A and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended upto date, a well formulated and meticulously framed policy has been in place in the Company which is followed in letter and spirit. The policy is uploaded on the website of the Company at the weblink: <https://www.rattanindiapower.com/wp-content/uploads/2022/08/POLICY-ON-MATERIALITY-OF-RELATED-PARTY-TRANSACTIONS-AND-DEALING-WITH-RELATED-PARTY-TRANSACTIONS.pdf>.

During the year under review all the related party transactions entered into by the Company were with the prior approval of the Audit Committee. All such transactions were at an arms -length basis and in the ordinary course of business of the Company and a detail of such transactions, forms a part of the financial statements of the Company for the financial year 2022-23, which forms a part of the Annual Report. Certain transactions, which were repetitive in nature, were approved through omnibus route.

There were no material transactions of the Company with any of its related parties. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 23 and, hence, the same is not required to be provided.

### **LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT**

During the year, there were no loans and advances given by the Company to any firms/companies, in which directors of the Company are interested.

### **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Company has in place internal financial controls commensurate with the nature and size of business operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies. Internal Auditor along with external firms of Chartered Accountants carry out Audits. Further, Cost Auditors, the Secretarial Auditors and the Statutory Auditors are also responsible for checks during the course of their respective audits. The Audit Committee reviews Audit Reports submitted by the internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up the implementation of corrective actions. The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations from time to time.

Your Directors are of the view that there are adequate policies and procedures in place in the Company so as to ensure:

- (1) the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

## Board's Report (contd.)

- (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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

### RISK MANAGEMENT

In compliance with Regulation 21(2) of the Listing Regulations, as amended upto date, a Risk Management Committee was constituted by the Board of Directors, consisted of following members as on March 31,2023 (i) Mr. Rajiv Rattan - a Non-Independent Director as the Chairman (ii) Mr. Brijesh Narendra Gupta, Managing Director (iii) Mrs. Pritika Poonia, an Independent Director and (iv) Mr. Ankur Mitra, Chief Financial Officer as the other members, to oversee implementation of the Risk Management Policy in force in the Company, and monitor and evaluate risks, basis appropriate methodology, processes and systems. Post closure of Financial year the risk management committee was reconstituted on September 02, 2023 and Mr. Ajay Kumar Tandon was appointed as its new member.

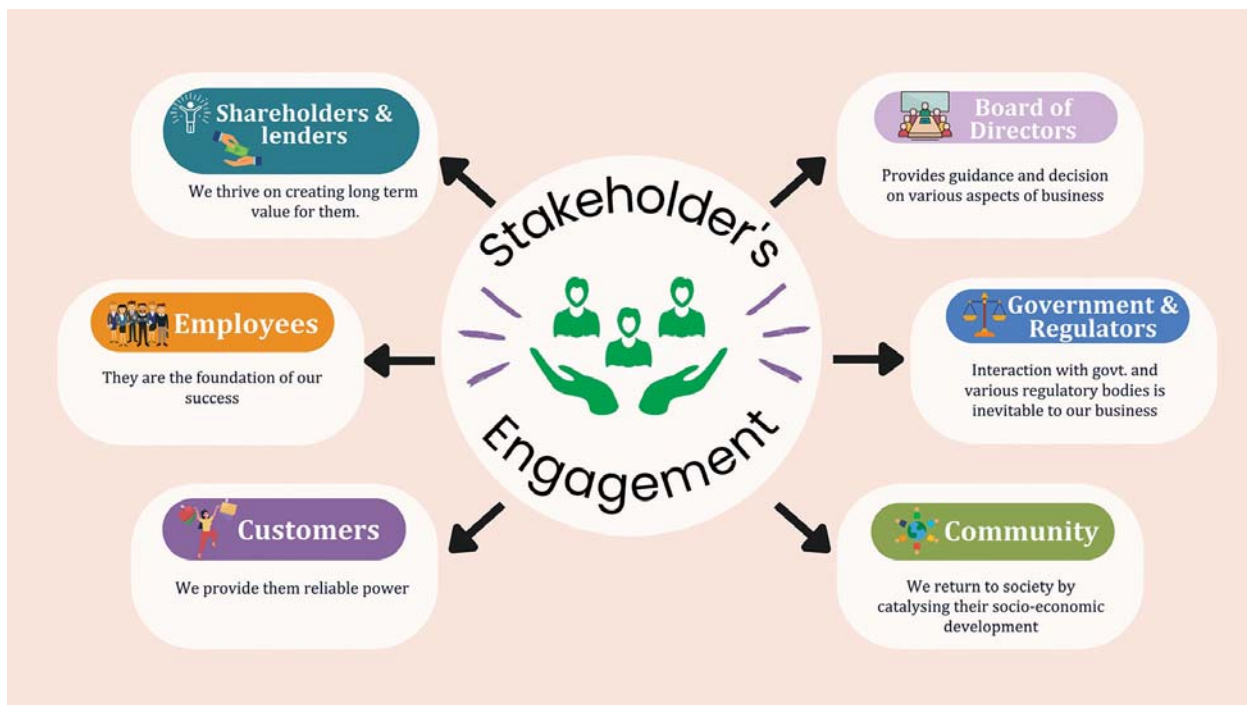
The Risk Management Policy has been drawn up based on a detailed assessment of the operational risks, risks associated with the thermal power business in India, in general and the business of the Company in particular, which could be in the form of as bottlenecks in the receipt of coal supplies, low power off take and the resultant low plant factors, poor health of power distribution companies etc. also the risks which could emanate from un-anticipated and unprecedented situations, like outbreak of Corona Pandemic and how to deal with the such risks.

The Risk management Policy also covers the risks related to the Company assets and property, the risks which the employees of the Company may get exposed to, the risks arising out of non -compliance if any, with the provisions of and requirements laid down under various applicable statutes, Foreign Exchange related risks, risks which could emanate from business competition, contractual risks etc.

Management Discussion and Analysis Report which forms part of the Annual Report identifies key risks, which can affect the performance of the Company.

The policy has been uploaded on the website of the Company and can be accessed at the web link [https://www.rattanindiapower.com/rpl/reg-21\\_risk-management-policy/](https://www.rattanindiapower.com/rpl/reg-21_risk-management-policy/)

### STAKEHOLDER'S ENGAGEMENT



## PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit from public within the meaning of Section 73 of the Companies Act, 2013 read with rules framed thereunder.

## DETAILS OF LOANS, GUARANTEES & SECURITIES GIVEN/ /INVESTMENTS MADE BY THE COMPANY

During the period 2022-23, no loan was given or guarantees extended or securities provided nor any investments was made by the Company in any bodies corporate, attracting the provisions of Section 186 of the Companies Act, 2013 and the rules framed thereunder.

## CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the requirements of Section 129(3) of the Companies Act, 2013 read with rules framed thereunder and pursuant to Regulation 33 of the Listing Regulations:

- (a) Consolidated financial statements of the Company and its subsidiaries for the financial year ended March 31, 2023 were prepared, for being presented to the shareholders for approval along with the standalone financial statements of the Company for the said financial year.
- (b) A separate statement containing the salient features of financial statements of the subsidiaries in the stipulated form AOC-1 is also being annexed to the financial statements, as a part of the Annual Report.

Further, pursuant to provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the Company's website at <https://www.rattanindiapower.com/rpl/audited-financial-statements-of-subsidiaries/>

## DIVIDEND

No dividend has been recommended for the financial year 2022-2023. The "Dividend Distribution Policy" formulated in terms of and pursuant to the Regulation 43A of the Listing Regulations, is available on the website of the Company: <https://www.rattanindiapower.com/wp-content/uploads/2022/08/dividend-distribution-policy.pdf>

## DETAILS OF SIGNIFICANT CHANGES

For changes in the key financial ratio, plz refer para 46 of the standalone financial of the Company.

## MATERIAL CHANGE AND FINANCIAL COMMITMENT

There are no material changes and commitments affecting the financial position of the Company, occurred between the end of the Financial year of the Company i.e. March 31, 2023 till date of this Report, except that the Company has refinanced its debt in a ₹ 1,114 Crore transaction led by Kotak Mahindra Bank Limited.

## SHARE CAPITAL

During the Financial Year 2022-23, there was no change in the Issued and Paid-up share capital. The paid up share capital of the Company as on March 31, 2023 and also as on date is ₹ 5997,02,58,600/- divided into 537,01,05,860 (Five Hundred Thirty Seven Crore One Lakh Five Thousand Eight Hundred and Sixty) fully equity shares of face value ₹ 10/- each, 37,69,20,000 (Thirty Seven Crore Sixty Nine Lakhs Twenty Thousand) optionally convertible cumulative redeemable preference shares of face value of ₹ 10/- each and 25,00,00,000 (Twenty Five Crore) Redeemable Preference Shares of face value of ₹ 10/- each.

## HUMAN RESOURCES

Your Company believes that a progressive organisation can attain its full potential by developing and maintaining a cordial work culture that promotes happiness at workplace. Our constant endeavors are on sustaining an engaged and skilled workforce that is capable of delivering on the commitments to our stakeholders in order for us to remain 'future ready' structurally, financially and culturally.

Your Company continued the people framework of 6 levers – Culture, Capability, Capacity, Compassion, Collaboration and Contribution to meet dynamic business requirements towards building a high performing and caring organization. Our human capital has played a pivotal role in shaping what the Company is today.

# Board's Report (contd.)

## EMPLOYEE HEALTH & SAFETY

Your Company is consciously committed to health and safety of all employees and other stakeholders. Your Company employs a pro-active and pre-emptive approach to occupational health and safety and is committed to actively drive the agenda through the length and breadth of the organisation. Consequently, 100% of your employees and contractual workforce are trained on various aspects of Occupational Health and Safety management system. Your company maintains and continually improve management systems to eliminate hazards, reduce health & safety risks to all our stakeholders.

## DISCLOSURE PURSUANT TO SECTION 197(14) OF THE COMPANIES ACT, 2013

The Company doesn't have any holding company. The executive directors do not receive any remuneration or commission from the subsidiary company.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website on <https://www.rattanindiapower.com/rpl/annual-return-section-92-of-companies-act-2013/>

The e-form MGT-7 shall be filed with the MCA within the due date upon the completion of the 16th Annual General Meeting of the Company as required under Section 92 of the Companies Act, 2013 and the Rules made thereunder.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2023, your Company had two Indian subsidiary companies and three foreign subsidiary companies. Company does not have any associate, nor is it in joint venture with any other entity.

The Company's Policy on material subsidiaries may be accessed on the Company's website at the web-link: <https://www.rattanindiapower.com/wp-content/uploads/2022/08/Policy-on-Material-Subsidiaries.pdf>

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as an **Annexure-D**, to this Report.

Particulars of employee remuneration as required under Section 197(12) of the Companies Act, 2013 (Act) read with Rule 5(2) & (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of the report. However, in terms of the proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the said information on employees' particulars. The said statement will be available at companies website [https://www.rattanindiapower.com/wp-content/uploads/2023/08/Section\\_178\(4\)\\_Policy\\_for\\_Selection-and-appointment-of-director-and-KMP-&-their-Remuneration.pdf](https://www.rattanindiapower.com/wp-content/uploads/2023/08/Section_178(4)_Policy_for_Selection-and-appointment-of-director-and-KMP-&-their-Remuneration.pdf) and is also available for inspection at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

## VIGIL MECHANISM

Pursuant to Section 177(9) of the Act and Regulation 22 of SEBI (LODR) Regulations, Company has established a vigil mechanism and has a whistle blower policy. The policy provides the mechanism for the receipt, retention and treatment of complaints and to protect the confidentiality and anonymity of the stakeholders. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee for redressal.

No person has been denied access to the Chairman of the Audit Committee.

The Whistle Blower Policy is available on the website of the Company i.e. [www.rattanindiapower.com](http://www.rattanindiapower.com) at the link <https://www.rattanindiapower.com/wp-content/uploads/2022/08/VIGIL-MECHANISM-WHISTLE-BLOWER-POLICY-1.pdf>

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Regulation 34(2)(f) of the Listing Regulations mandate the inclusion of the Business Responsibility & Sustainability Report (BRSR), covering disclosures on the company's performance on environment, Social and Governance parameters for the financial year 2022-23. BRSR includes reporting on the nine principles of the National Guidelines for Responsible Business Conduct (NGRBC's Principles) and Core element as framed by MCA. In compliance with the said regulation, we have integrated BRSR disclosures into our Annual Report as **Annexure-F**.

## GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to or developments/happenings in respect of such matters, during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme including the stock option schemes in force in the Company.
3. Passing of Material orders by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. Corporate insolvency resolution process initiated or pending of any Insolvency proceedings under the insolvency and bankruptcy code, 2016 (IBC)

## EMPLOYEE STOCK OPTIONS

Company has in place three employee stock option schemes namely (i) RattanIndia Power Limited Employee Stock Option Plan 2008 (formerly known as SPCL-IPSL Employee Stock Option Plan, 2008) (ii) RattanIndia Power Limited Employee Stock Option Scheme-2009 (formerly known as Indiabulls Power Limited Employee Stock Scheme 2009) and (iii) RattanIndia Power Limited Employee Stock Option Scheme-2011 (formerly known as India Power Limited Employee Stock Option Scheme-2011), together covering nine million stock options convertible into an equivalent number of equity shares of face value ₹ 10 in the Company.

During the year under review, no option under any of the three scheme was granted to any employees of the Company. The Company had implemented the above mentioned three plans with a view to attract, retain, incentivize and motivate employees of the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. These plans were originally approved vide shareholder' resolutions in due compliance of the provisions of the then applicable laws and rules framed thereunder. The disclosures stipulated under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, is annexed to the Board report as **Annexure-B** and also available on Company's website:

[https://www.rattanindiapower.com/wp-content/uploads/2023/08/Reg14\\_SEBI\(Share\\_based\\_Employee\\_Benefits\\_and\\_Sweat\\_Equity\)Reg%202021\\_FY\\_2022\\_23.pdf](https://www.rattanindiapower.com/wp-content/uploads/2023/08/Reg14_SEBI(Share_based_Employee_Benefits_and_Sweat_Equity)Reg%202021_FY_2022_23.pdf)

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report, as required in terms of the provisions of Regulation 34(2)(e) of the Listing Regulations, is presented in a separate section forming part of the Annual Report.

## CORPORATE GOVERNANCE REPORT

Pursuant to the applicable regulation of SEBI (LODR) Regulations, 2015 read with Schedule V thereto, a detailed report on Corporate Governance is included in the Annual Report as **Annexure-G**. A Practicing Company Secretary's Certificate certifying the Company's compliance with the requirements of Listing regulations as set out in the Listing Regulations, is attached to the Report.

## STATUTORY AUDITORS & AUDITORS' REPORT

M/s. Walker Chandiok & Co LLP, Chartered Accountants (Registration no.: 001076N/N500013), Statutory Auditors of the Company, have in compliance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, been re-appointed in the 14<sup>th</sup> Annual General Meeting held on September 21, 2021, as the Statutory Auditors of the Company to hold office as such for a second term of five years from the conclusion of 14<sup>th</sup> Annual General Meeting to the conclusion of 19<sup>th</sup> Annual General Meeting.

The Statutory Auditors of the Company have given following qualification on the standalone financial statements of the Company:

"Company has non-current investment of ₹ 1,211.82 crores (net of impairment provision of ₹ 1,814.39 crores) and inter-corporate deposit (classified under current assets) of ₹ 31.34 crores recoverable from Sinnar Thermal Power Limited (formerly RattanIndia Nasik Power Limited) (STPL). STPL has incurred losses since its inception and is yet to commence operations. The management has assessed that the STPL's status as going concern for the purpose of accounting is appropriate, basis the steps being undertaken. Further, the Hon'ble National Company Law Tribunal, New Delhi (the "NCLT") vide order dated 19<sup>th</sup> September 2022, admitted an application for insolvency filed by an operational creditor against STPL and initiated Corporate Insolvency Resolution Process ('CIRP') under the Insolvency and Bankruptcy Code, 2016 ('IBC'). However, subsequently, in response to the appeal filed against the NCLT order, the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 26<sup>th</sup> September 2022



## Board's Report (contd.)

directed the Interim Resolution Professional ('the IRP') to abstain from taking any steps and has allowed STPL to participate further with the Ministry of Power in continuation of the earlier meetings/ discussions for making the plant operational.

In view of significant uncertainties associated with the outcome of CIRP proceedings and in the absence of adequate evidence to support the appropriateness of going concern assessment of STPL, we are unable to obtain sufficient appropriate audit evidence to comment on adjustments, if any, that may further be required to be made to the carrying value of the above mentioned non-current investment of ₹ 1,211.82 crores and inter-corporate deposit of ₹ 31.34 crores as at 31st March 2023 and the consequential impact thereof on the accompanying Statement for the year ended 31st March 2023.

The Statutory Auditors of the Company have given following qualification on the consolidated financial statements of the Company:

Sinnar Thermal Power Limited (STPL), is yet to commence operations and has incurred net loss amounting to ₹ 2,208.37 crores during the year ended 31st March 2023. The management has assessed that the STPL's status as going concern for the purpose of accounting is appropriate basis the steps being undertaken. Further, STPL's accumulated losses as at 31st March 2023 amount to ₹ 11,803.88 crores and its current liabilities exceed its current assets by ₹ 16,432.11 crores.

Also, STPL has defaulted in repayment of borrowings from banks and financial institutions, including interest, aggregating to ₹ 11,700.31 crores upto 31st March 2023. As described in the said note, the Company's other current financial liabilities as at 31st March 2023 include balances amounting to ₹ 5,581.60 crores, in respect of which confirmations from the respective lenders have not been received while in case of certain lenders, the balance of borrowings and accrued interest confirmed as compared to balance as per books is higher by ₹ 333.91 crores and ₹ 286.53 crores respectively. In management's view, the subsidiary company has accrued for all the dues payable to the lenders in accordance with the terms of the respective loan agreements/ sanction letters and carrying value of assets is recoverable as on 31st March 2023.

The Hon'ble National Company Law Tribunal, New Delhi (the 'NCLT') vide order dated 19th September 2022, admitted an application for insolvency filed by an operational creditor against STPL and initiated Corporate Insolvency Resolution Process ('CIRP') under the Insolvency and Bankruptcy Code, 2016 ('IBC'). However, subsequently, in response to the appeal filed against the NCLT order, the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 26th September 2022 had directed the Interim Resolution Professional ('the IRP') to abstain from taking any steps and has allowed STPL to participate further with the Ministry of Power in continuation of the earlier meetings/ discussions for making the plant operational.

In view of significant uncertainties associated with the outcome of CIRP proceedings and the outcome of ongoing discussions with the lenders for settlement of dues and to secure firm and unconditional commitment for providing working capital loans / bank guarantees required for executing the power purchase agreement ('PPA') required to commence operations and the non-receipt of balance confirmations from the lenders or sufficient and appropriate alternate audit evidence to support the management's assessment as mentioned above, we are unable to obtain sufficient appropriate evidence to comment on the appropriateness of going concern assessment of STPL by the management and/ or adjustments, if any, that may further be required to be made to the carrying value of assets including property, plant and equipment of STPL aggregating to ₹ 7,685.67 crores and the liabilities aggregating to ₹ 6,202.04 crores as at 31 March 2023, included in the Group's consolidated financial results and the consequential impact thereof on the accompanying consolidated financial results for the year ended 31st March 2023.

No fraud has been reported by the Statutory Auditors, details of which are required to be disclosed u/s 143(2) of the Act.

### MANAGEMENT RESPONSE ON STATUTORY AUDITOR QUALIFICATION/COMMENTS

Please refer Point No. 12(D) of the Corporate Governance Report on page 94 of Annual Report.

### AUDIT COMMITTEE

The Audit Committee as on March 31, 2023 comprised of four members namely, Mr. Jeevagan Narayana Swami Nadar who is also the Chairperson of the Committee, Mrs. Pritika Poonia, Mr. Sanjiv Chhikara, Independent Directors and Mr. Rajiv Rattan, a non-independent director. Post closure of Financial year the audit committee was reconstituted on September 02, 2023 and Mr. Ajay Kumar Tandon was appointed as its new member. All the recommendations made by the Audit Committee, as to various matters, during the year under review, were accepted by the Board. A detailed description of the Audit Committee and its scope of responsibility and powers and the number of Audit Committee meetings held during the year under review, is set out in the Corporate Governance Report, which forms a part of the Annual Report.

## **COST AUDITORS**

The Company is required to maintain cost accounts and records as stipulated in terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records And Audit) Rules, 2014. Accordingly, the stipulated cost accounts and records are being maintained by the Company. The Board has appointed M/s Nisha Vats & Co. Cost Accountants as the cost auditors for conducting the audit of cost records of the Company for the financial year 2022-23.

A proposal for ratification of remuneration of the Cost Auditors for the financial year 2022-23 is placed before the Members for ratification.

## **SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

The Board had appointed M/s. S. Khandelwal & Co, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2022-23 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report for the financial year ended March 31, 2023, is annexed as **Annexure-E** to this Report. The Secretarial Audit Report does not contain any reservation, qualification or adverse remark.

Pursuant to Regulation 24(A) of Listing Regulations, the Company has obtained annual secretarial compliance report from M/s. S. Khandelwal & Co, Practicing Company Secretaries. The Secretarial Compliance Report also does not contain any qualification, reservation, adverse remark or any disclaimer.

## **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has proper system in place to ensure compliance with the provisions of all Secretarial Standards issued by the Institute of Company Secretaries of India and that system is adequate and operating effectively.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(C) and 134(5) of the Companies Act, 2013, your Directors to the best of its knowledge and ability, state/confirm that:

1. in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards had been followed and there were no material departures from the same;
2. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and the profits/loss of the Company for the year ended on that date;
3. the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors had prepared the Annual Accounts of the Company on a 'going concern' basis;
5. the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
6. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and were operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and the reviews from management and audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022-2023.

## **PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE**

Pursuant to the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, your Company has constituted an Internal Complaints Committee to consider and resolve all sexual harassment complaints. Your Company has framed a policy on Sexual Harassment of Women to ensure a free and fair enquiry process on complaints received from the women employee about Sexual Harassment, also ensuring complete anonymity and confidentiality of information. During the year under review, there were no cases received/filed pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

# Board's Report (contd.)

## LISTING WITH STOCK EXCHANGES

The shares of the Company continue to remain listed with BSE Limited and National Stock Exchange Limited. The Annual Listing fee payable to the said stock exchanges for the financial year 2023-2024, has been duly paid.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Company has been pioneer for propagating energy conservation and operational efficiency with the objective of providing substantial benefit to customers in the form of reduced emissions, pollutants and deliver cost effective and environment friendly energy solutions.

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014, are provided in **Annexure-C**, which forms a part to this Report.

## DETAILS OF DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANKS/FIs ALONG WITH REASONS THEREOF.

There was no one time settlement done during the financial year 2022-23.

## GREEN INITIATIVES

This year too, Annual Report and the notice of the 16<sup>th</sup> Annual General meeting of the Company are being sent to all members electronically, at their registered e-mail ids as made available to the Company or its Registrar and Transfer Agent, KFin Technologies Limited.

The e-voting facility is being provided to the members to enable them to cast their votes electronically on all resolutions sent forth in the notice, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are provided in the notice.

Furthermore, in compliance with the conditions and the related procedure laid down in the MCA Circulars, the meeting and the voting thereat shall take place in the manner so laid down

## ACKNOWLEDGEMENT

Your directors take the opportunity to express their sincere gratitude to the Investors and to bankers of the Company, the governmental authorities, the employees of the Company and other persons and entities associated with the Company, for their continued assistance and support which has enabled the Company to turn into a major power supplying entity in the private sector thereby being able to earn substantial operational revenues and start making profits.

For RattanIndia Power Limited

Date: 05.09.2023  
Place: New Delhi

Sd/-  
**Rajiv Rattan**  
Executive Chairman  
DIN: 00010849



# CSR Activities

# Annexure 'A' to Board's Report

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2022-2023

### 1. A brief outline of Company's CSR policy:

To discharge its corporate social responsibility, the Company has in place a well-defined and well detailed Corporate Social Responsibility Policy ('CSR Policy') in compliance with the requirements of the Companies Act, 2013.

The CSR Policy encompasses a wide range of areas and committed to ensure wellbeing of the communities in the vicinity of its business operations through CSR initiatives and once the financial position of the Company permits, the Policy shall be effectuated with full gusto.

### 2. The Composition of the CSR Committee as on March 31, 2023:

Sl. No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sanjiv Chhikara	Chairman/ Independent Director	Nil	Nil
2	Mrs. Namita*	Member/Director	Nil	Nil
3	Mr. Asim Kumar De	Member/ Whole Time Director	Nil	Nil

\* Post closure of the financial year, Mrs. Namita ceased to be the member of CSR Committee and Mr. Brijesh Narendra Gupta has been appointed as its new member.

### 3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

[https://www.rattanindiapower.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy\\_RPL.pdf](https://www.rattanindiapower.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy_RPL.pdf)

### 4. Provide the executive summary along with weblink of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable : Not Applicable

### 5. (a) Average net profit of the Company as per Section 135(5): The Company has, at an average, been at a loss, for the last three financial years

(b) Two percent of average net profit of the Company as per section 135(5): The Company has, at an average, been at a loss, for the last three financial years

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable

(d) Amount required to be set off for the financial year, if any : Not Applicable

(e) Total CSR obligation for the financial year (a+b-c) : Not Applicable

### 6. (a) Amount spent on CSR projects (both Ongoing Project and other than Ongoing Projects): Not Applicable.

(b) Amount spent in Administrative Overheads: Not Applicable

(c) Amount spent on impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year { (a)+(b)+(c)}: Not Applicable

(e) CSR amount spent or unspent for the financial year: Not Applicable

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer

## Annexure 'A' to Board's Report (contd.)

(f) Excess amount for set-off, if any: Not Applicable

Sl. No	Particular	Amount (in ₹)
1	2	3
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years : Not Applicable

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR account under section 135 (6) (in ₹)	Balance Amount Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1	Not Applicable						
2	FY-2							
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner
Not Applicable					

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.: Not applicable

Sd/-  
**Brijesh Narendra Gupta**  
 (Managing Director)  
 DIN: 08469815

Sd/-  
**Sanjiv Chhikara**  
 (Chairman CSR Committee)  
 DIN: 06966429

# Annexure 'B' to Board's Report

## **DISCLOSURE PURSUANT TO REGULATION 14 READ WITH PART F OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021**

The board of directors in their report shall disclose any material change in the scheme(s) and whether the scheme(s) is / are in compliance with the regulations : There were no material change in the scheme (s) and the scheme (s) are in compliance with the regulations.

- A. Relevant disclosures in terms of the Accounting Standard prescribed by Central Government in terms of Section 133 of the Act including 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time and Section 133 of Companies Act, 2013.**

Please refer note no 36 of the financial statement for the year ended March 31, 2023

- B. Disclosure of Diluted Earnings Per Share on issue of shares pursuant to all the schemes covered under the regulations in accordance with applicable 'Accounting Standard 20- Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.**

Please refer note no 38 of the financial statement for the year ended March 31, 2023

- C. Details related to ESOS**

- i. A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS : RPL- ESOP -2008, RPL - ESOS -2009 and RPL -ESOS -2011, including the general terms and conditions of each ESOS, including :

S. No.	Particulars	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2008 (Formerly 'SPCL-IPSL Employee Stock Option Plan-2008)	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2009 (Formerly INDIABULLS POWER LIMITED- Employee Stock Option Plan-2009)	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2011 (Formerly INDIABULLS POWER LIMITED- Employee Stock Option Plan-2011)
1	Date of Shareholders Approval	January 10, 2008	July 04, 2009	September 30, 2011
2	Total Number of Options approved the Scheme	2,00,00,000	2,00,00,000	5,00,00,000
3	Vesting requirements	Vest uniformly over a period of upto 10 years from the date of grant	Vest uniformly over a period of upto 10 years from the date of grant	Vest uniformly over a period of upto 10 years from the date of grant
4	Exercise Price or Exercising Formula	₹ 10/-	₹ 14/-	₹ 12/-
5	Maximum term of the Options granted	10 years	10 years	10 years
6	Source of Shares	Primary	Primary	Primary
7	Variation in terms of option	During the year 2022-2023, there was no variation in Scheme.	During the year 2022-2023, there was no variation in Scheme.	During the year 2022-2023, there was no variation in Scheme.

- ii. **Method used to account for ESOS- Intrinsic Method used for All schemes.:** Fair Value

- iii. **Difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized.:** N.A

## iv. Option movement during the year:

Particulars	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2008 (Formerly 'SPCL-IPSL Employee Stock Option Plan-2008)	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2009 (Formerly INDIABULLS POWER LIMITED- Employee Stock Option Plan-2009)	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2008 (Formerly INDIABULLS POWER LIMITED- Employee Stock Option Plan-2011)
Number of options outstanding at the beginning of the period	2,400	20,400	60,000
Number of options granted during the year	-	-	-
Number of options forfeited/lapsed during the year	2,400	20,400	60,000
Number of options vested during the year	-	-	-
Number of options exercised during the year	-	-	-
Number of shares arising as a result of exercise of options	-	-	-
Money realized by exercise of option (INR), if the scheme is implemented directly by the Company	-	-	-
Loan repaid by the trust during the year from exercise price received	-	-	-
Number of options outstanding at the end of the year	-	-	-
Number of options exercisable at the end	-	-	-

## v. a. Weighted average exercise prices

Following summarizes the information about stock options outstanding as at March 31, 2023:

Plans	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2008 (Formerly 'SPCL-IPSL Employee Stock Option Plan-2008)	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2009 (Formerly INDIABULLS POWER LIMITED- Employee Stock Option Plan-2009)	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2008 (Formerly INDIABULLS POWER LIMITED- Employee Stock Option Plan-2011)
Weighted average exercise prices of stock Options (in ₹)	10.00	14.00	12.00
- outstanding at the beginning of the year	2,400	20,400	60,000
- granted during the year	-	-	-
- forfeited/cancelled during the year	2,400	20,400	60,000
- exercised during the year	-	-	-
- outstanding at the end of the year	-	-	-
- exercisable at the end of the year	-	-	-



## Annexure 'B' to Board's Report (contd.)

### b. Weighted-average fair values of Options: NA

Plans	RattanIndia Power Limited-Employee Stock Options Plan (ESOP) -2008 (Formerly 'SPCL-IPSL Employee Stock Option Plan-2008)	RattanIndia Power Limited-Employee Stock Options Plan (ESOP) -2009 (Formerly INDIABULLS POWER LIMITED-Employee Stock Option Plan-2009)	RattanIndia Power Limited-Employee Stock Options Plan (ESOP) -2008 (Formerly INDIABULLS POWER LIMITED-Employee Stock Option Plan-2011)
Weighted average fair value of options			

### vi. Employee wise details of options granted during the year 2022-2023:

#### a) Details of the Options granted to Key Managerial Personnel: Nil

Particulars	RattanIndia Power Limited-Employee Stock Options Plan (ESOP) -2008 (Formerly 'SPCL-IPSL Employee Stock Option Plan-2008)	Exercise Price (₹)	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2009 (Formerly INDIABULLS POWER LIMITED-Employee Stock Option Plan-2009)	Exercise Price (₹)	RattanIndia Power Limited- Employee Stock Options Plan (ESOP) -2008 (Formerly INDIABULLS POWER LIMITED-Employee Stock Option Plan-2011)	Exercise Price (₹)

b) Other employees who receive grant in any one year of option amounting to 5% or more option granted during that year: None

c) Identified employees who were granted Options, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant - None

### vii. Methods and Significant assumptions made during the year to estimate the fair value of options: Please refer note no 36 of the financial statement for the year ended March 31, 2023

a) The weighted average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk free interest rate and any other inputs to the model

b) The method used and the assumption made to incorporate the effects of expected early exercise.

c) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility and

d) Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

**ANNEXURE FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT 2013, READ WITH COMPANIES (ACCOUNTS) RULES, 2014 IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

**A. ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION**

RattanIndia Power Group continues to focus on technology absorption to enhance the efficiency of its power plants. The company has already taken many steps for Energy Efficiency in the past. Various measures have been taken in this direction during the FY 2022-23:

1. Optimizing of 01 service water Pump- Implemented extension of River water pump line (CCPL line) directly to DM Plant for the purpose of making DM water, thus stopped one service water pump (37 kw). This was implemented in Feb-23, thus total energy saving of 0.44 Lakh units of power consumption. The expenditure incurred is around ' 0.5 lakhs.

2. Auto Start Logic for Compressed Air CW Pumps System:

Implemented auto start logic in compressed air-cooling water pumps system, as a result of this logic only 01 compressors CW pumps is running & rest put in auto standby mode. The compressor cooling water line is charged through main CW pump header, which helped in restricting the need of additional cooling water pump, resulting in saving of 5.81 lakh Units of power consumption per year. The expenditure incurred is around 1 lakh.

3. CEP (Condensate Extraction Pump) De-staging in Unit 03 & 05:

Implemented CEP de-staging in Unit 03 & 05, Thus reduction in current of 10 Ampere in each unit, result in total energy saving of 8.39 lakhs unit of power consumption per year. The expenditure incurred is around 05 lakhs.

4. PA (Primary Air) Fan Air Optimization:

PA Fan air optimization carried out for operating PA header pressure reduced from 820 mmwc to 750 mmwc, thereby reduction of 8 amps in each unit, and since there are five units, thus total saving of 40 Ampere, resulting in saving of 33 lakh Units of power consumption per year.

5. Optimization of 1 no. LDO (Light Diesel Oil) Forwarding Pump out of 02 Nos:

Running of only 1 no. Light Diesel Oil (LDO) forwarding pump out of 02 Nos, by interconnecting the LDO header between units 1, 2 & Units 3, 4, 5, also implemented auto run logic on low discharge pressure. Thus resulting in saving of 1.07 lakh Units of power consumption per year. The expenditure incurred against replacement activities is around ' 0.5 lakhs.

6. Stopped Hot Well Makeup Pump thus use gravity cum vacuum for Makeup:

Implemented Hotwell level control by makeup through gravity cum vacuum from Condensate Storage Tank. The makeup water is now controlled through gravity cum vacuum from the Condensate Storage Tank to maintain the required hot well level. As a result 67 Kw power saved for all the five units.

Thus result in saving of 5.81 lakh Units of power consumption per year.

The company demonstrates its commitment to energy conservation and efficient plant operation. This measure contributes to long-term energy savings and supports the company's sustainable practices in power generation.

**B. ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION**

Particulars	As at March 31, 2023	As at March 31, 2022
	(₹)	(₹)
Earnings in foreign currency	-	-
Expenditure in foreign currency	-	34,30,939.00

# Annexure 'D' to Board's Report

## DISCLOSURES ON MANAGERIAL REMUNERATION

Details of remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2022-23;

S.No.	Name of Director	Designation	Ratio
1	RAJIV RATTAN***	Chairman and Executive Director	51.14
2	VIBHAV AGARWAL*	Managing Director	5.92
3	BRIJESH NARENDRA GUPTA**	Managing Director	35.63
4	ASIM KUMAR DE	Whole Time Director(WTD)	27.27

\*Mr. Vibhav Agarwal ceased to be Managing Director w.e.f. June 03, 2022

\*\* Mr. Brijesh Narendra Gupta was appointed as Managing Director w.e.f. July 16, 2022

\*\*\*Mr. Rajiv Rattan became Executive Chairman of the Company w.e.f. October 01, 2022

- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23;

S. No.	Name of Director/KMP	Designation	% increase in remuneration
1	Mr. Vibhav Agarwal*	Managing Director	12.53%
2	Mr. Brijesh Narendra Gupta**	Managing Director	0.00
3	Mr. Asim Kumar De	Executive Director(WTD)	6.66%
4	Mr. Rajiv Rattan***	Executive Director	0.00
5	Mr. Ankur Mitra	Chief Financial Officer	14.04%
6	Mr. Lalit Narayan Mathpati	Company Secretary	17.57%

\*Mr. Vibhav Agarwal ceased to be Managing Director w.e.f. June 03, 2022

\*\* Mr. Brijesh Narendra Gupta was appointed as Managing Director w.e.f. July 16, 2022

\*\*\*Mr. Rajiv Rattan became Executive Chairman of the Company w.e.f. October 01, 2022

- (iii) The percentage increase in the median remuneration of employees in the financial year 2022-2023;

Particulars	Amounts	% age of Increments
Apr 22 Median	46,902	
Mar 23 Median	40,000	-14.72%

- (iv) The number of permanent employees on the rolls of the company: 544 permanent employees as on March 31, 2023.
- (v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Percentile Increments (other than Managerial Remuneration)	Percentile Increments (Managerial Remuneration)
14.38%	8.47%

- (vi) affirmation that the remuneration is as per the remuneration policy: The remuneration to Directors, KMP's and other employees of the Company is as per the Remuneration policy of the Company

## FORM-MR-3

### **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**RATTANINDIA POWER LIMITED**  
A-49, Ground floor Road No. 4  
Mahipalpur, New Delhi-110037

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RattanIndia Power Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2023** complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **RattanIndia Power Limited** for the financial year ended on **31<sup>st</sup> March, 2023** according to the provisions of:

- i. The Companies Act, 2013(the Act)and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA')and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act,1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The Regulations prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act') viz.:-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009(till November 9, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 10, 2018);'
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable during the period under audit)
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable during the period under audit)
  - h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not Applicable during the period under audit); and
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
- vi. and other applicable laws like:

## Annexure 'E' to Board's Report (contd.)

- **The Electricity Act, 2003**
- **National Tariff Policy**
- **The Trade Mark Act, 1999**
- **Taxation Laws**
- **Labour Laws and Social Security Laws** – such as Employees State Insurance Act, 1948; Payment of Gratuity Act, 1972; Contract Labour (Regulation and Abolition) Act, 1970; Maternity Benefit Act, 1961, The Equal Remuneration Act 1976; Employees Provident Funds And Miscellaneous Act, 1952
- **IT Related Laws** – Information Technology Act, 2000;
- **Miscellaneous Laws** –Sexual Harassment of Women at Workplace (Prevention, Prohibition and Regulation) Act, 2013

I have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India w.r.t. Meetings of the Board of Directors (SS - 1) and General Meeting (SS – 2).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board and Committees were carried with requisite majority.

I further report that

- The Company has refinanced its debt INR Rupees 1114 crores transaction led by Kotak Mahindra Bank Limited.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company has introduced compliance alert system for applicability of all applicable laws, rules, regulations and guidelines.

For **S. Khandelwal & Co.**  
(Company Secretaries)

Sd/-

**Sanjay Khandelwal**

FCS No. 5945

C P No.: 6128

UDIN: F005945E000708339

Peer Review Certificate No- 2271/2022

Place: New Delhi

Date: 01.08.2023

This report is to be read with my letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**'Annexure A'**

To,  
The Members,  
**RATTANINDIA POWER LIMITED**  
A-49, Ground floor Road No. 4  
Mahipalpur, New Delhi-110037

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of my firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For **S. Khandelwal & Co.**  
(Company Secretaries)

Sd/-  
**Sanjay Khandelwal**

FCS No. 5945

C P No.: 6128

UDIN: F005945E000708339

Peer Review Certificate No- 2271/2022

Place: New Delhi  
Date: 01.08.2023

# Annexure 'F' to Board's Report

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### INTRODUCTION:

In terms of the Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility & Sustainability Report for the financial year ended March 31, 2023:

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L40102DL2007PLC169082
2.	Name of the Listed Entity	RattanIndia Power Limited
3.	Year of incorporation	2007
4.	Registered office address	A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi-11003
5.	Corporate address	5th Floor, Tower-B, Worldmark-I, Aerocity, New Delhi-110037
6.	E-mail	ir_rpl@rattanindiapower.com
7.	Telephone	011-46611666
8.	Website	www.rattanindiapower.com
9.	Financial year for which reporting is being done	2022-2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 5997,02,58,600/- divided into 537,01,05,860 (Five Hundred Thirty Seven Crore One Lakh Five Thousand Eight Hundred and Sixty) fully equity shares of face value ₹ 10/- each, 37,69,20,000 (Thirty Seven Crore Sixty Nine Lakhs Twenty Thousand) optionally convertible cumulative redeemable preference shares of face value of ₹ 10/- each and 25,00,00,000 (Twenty Five Crore) Redeemable Preference Shares of face value of ₹ 10/- each.
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Lalit Narayan Mathpati Company Secretary and Compliance Officer (Tele: 011-46611666 and E-mail: ir_rpl@rattanindiapower.com)
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Report is done on Standalone Basis (In case of any exceptions, they have been highlighted against the respective disclosures)

#### II. PRODUCTS/SERVICES

##### 14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	D	Electricity, Gas, Steam and Air condition Supply	100

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Power Generation & Supply	35102	100

## Annexure 'F' to Board's Report (contd.)

### III. OPERATIONS

#### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	2	4
International	-	-	-

#### 17. Markets served by the entity:

##### a. Number of locations

Locations	Number
National (No. of States)	One (1) state, Maharashtra
International (No. of Countries)	-

##### b. What is the contribution of exports as a percentage of the total turnover of the entity? NIL

##### c. A brief on types of customers: RattanIndia Power serves B2G, its sole customer is Maharashtra State Electricity Development Corporation Limited.

### IV. Employees

#### 18. Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No (B)	% (B/A)	No (C)	% (C/A)
	<b>EMPLOYEES</b>					
1.	Permanent (D)	458	450	98%	8	2%
2.	Other than Permanent (E)	41	33	80%	8	20%
3.	<b>Total employees (D + E)</b>	499	483	97%	16	3%
	<b>WORKERS</b>					
4.	Permanent (F)	51	38	75%	13	25%
5.	Other than Permanent (G)	20	17	85%	3	15%
6.	<b>Total workers (F + G)</b>	71	55	77%	16	23%

##### b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No (B)	% (B/A)	No (C)	% (C/A)
	<b>DIFFERENTLY ABLED EMPLOYEES</b>					
1.	Permanent (D)	1	1	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	1	1	100%	0	0
	<b>DIFFERENTLY ABLED WORKERS</b>					
4.	Permanent (F)	1	1	100%	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	<b>Total differently abled workers (F + G)</b>	1	1	100%	0	0



## Annexure 'F' to Board's Report (contd.)

### 19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel*	5	0	0

\* Key Management Personnel includes the Managing Director, Whole Time Director, Chief Financial Officer and Company Secretary

### 20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-2023			FY 2021-2022			FY 2020-2021		
	(Turnover rate in current FY)			(Turnover rate in previous FY)			(Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	68	3	71	60	4	64	49	5	54
Permanent Workers	3	1	4	13	2	15	15	1	16

### V. Holding, Subsidiary and Associate Companies (including joint ventures)

#### 21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Sinnar Thermal Power Limited	Subsidiary	100%	No
2.	Poena Power Development Limited	Subsidiary	100%	No
3.	Bracond Limited	Subsidiary	100%	No

### VI. CSR Details

#### 22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): 32,595,186,000

(iii) Net worth (in ₹): 52,766,109,000

### VII. Transparency and Disclosures Compliances

#### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	NIL	NIL	NIL	NIL	NIL	NIL
Investors (other than shareholders)	No	NIL	NIL	NIL	NIL	NIL	NIL

## Annexure 'F' to Board's Report (contd.)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	NIL	NIL	NIL	NIL	NIL	NIL
Shareholders	Yes*	1	0	NIL	0	0	NIL
Employees and workers	No	NIL	NIL	NIL	NIL	NIL	NIL
Customers	No	NIL	NIL	NIL	NIL	NIL	NIL
Value Chain Partners	No	NIL	NIL	NIL	NIL	NIL	NIL
Other (please specify)	-	-	-	-	-	-	-

\*(<https://www.rattanindiapower.com/rpl/investor-contacts/>)

### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Stack Emissions - PM, SO2 and NOx	Risk	Failure to comply with the norms fixed by Ministry of Environment may lead to imposition of penalties	BHEL make pollution control equipment's installed to limit emissions. Continuous online monitoring being carried out.	Negative
2	Water & Effluent Management	Risk	Plant operations require water, which is an indispensable input. For environmental and social stability, it is essential to reduce water consumption and increase reutilization	Our plant runs on the highest Cycles of concentration (COC), a factor which establishes reusage of water. Also our plant has been designed on zero discharge basis. All effluents are reused for horticulture, dust suppression, spraying on coal stock etc.	Negative
3	Hazardous waste management	Risk	Hazardous waste is generated as part of plant operations which have the potential to negatively affect the environment	Authorized 3rd party vendor deployed for Recycling and Disposal of waste as per the statutory requirements	Negative

## Annexure 'F' to Board's Report (contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Occupational Health and Safety	Risk	Accidents/Incidents, Fatal or Non-Fatal due to improper health and safety measures could result in reduction in availability of manpower, higher cost of litigation, or even hinder operations.	Implementing best industry practices of EHS, identifying and eliminating risk factors, regular training of workers. Applicability and compliance with regard to regulatory requirements for occupational health and safety safeguards	Negative
5	Labour management	Risk	Labour issues can disrupt plant operations	RPL ensures timely labour compliances as per the statutory requirements	Negative

### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
<b>1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>b. Has the policy been approved by the Board? (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>c. Web Link of the Policies, if available</b>	Policies are displayed on the website of the Company at the weblink: <a href="http://www.rattanindiapower.com">www.rattanindiapower.com</a> in the relevant sections								
<b>2. Whether the entity has translated the policy into procedures. (Yes / No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>3. Do the enlisted policies extend to your value chain partners? (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b>	All the policies are firmly rooted with the NGRBC Principles which align with internationally recognized standards such as ISO 9000, 14000 and 45001, UNGC principles, ILO principles and United Nations Sustainable Development Goals(SDGs)								
<b>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</b>	Towards the effectuation of various programmes and initiatives in pursuit of the policy of promoting equitable growth and Development, the Company has also been coming to the aid of the local population by providing assistance and succor in various other forms such provision of medical aid, contribution towards religious ceremonies of locals etc.								
<b>6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</b>									
<b>Governance, leadership and oversight</b>									
<b>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure): Please refer the Chairman's message.</b>									

## Annexure 'F' to Board's Report (contd.)

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Director is the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Board of Directors is responsible for the decision making.

### 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually (A)/ Half yearly (H)/ Quarterly (Q)/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Board of Directors									A	A	A	A	A	A	A	A	A
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board of Directors									A	A	A	A	A	A	A	A	A
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	No	No	No	No	No	No	No	No	No

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: Not Applicable since the policies of the Company cover all Principles on NGRBCs.

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## Annexure 'F' to Board's Report (contd.)

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

#### ESSENTIAL INDICATORS

##### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of directors	2	During the year, the Board was engaged in various updates on business safety, technology updation, CSR (Energy, Water, Waste, Life Cycle Assessment), work ethics, ESG matters and workplace diversity. These topics provided insights on the said Principles	100
Key Managerial personnel	2		100
Employees other than BoD and KMPs	2		100
Workers	2		100

##### 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website): For FY23, there was no fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions.

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	There were no cases during the year				
Settlement					
Compounding Fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial Institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	There were no cases during the year			
Punishment				

## Annexure 'F' to Board's Report (contd.)

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.: Not Applicable

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy. Yes, Through Anti Bribery and Anti Corruption Policy, we strictly prohibit our employees, agents and intermediaries from engaging in any illegal or inappropriate payments or benefits, either directly or indirectly, that may be perceived as an attempt to gain undue advantages for our business operations

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: NIL

Category	FY (Current Financial Year)	FY (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest: NIL

	FY (Current Financial Year)		FY (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.: Not Applicable

### LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year: Not Applicable

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.

Yes, The Code of Conduct for Non-Executive Directors and for Independent Directors carries explicit clauses covering avoidance of conflict of interest.

## Annexure 'F' to Board's Report (contd.)

### PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

#### ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively: Not Applicable

percentage of	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	NA	NA	NA
Capex	NA	NA	NA

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)  
Yes, RPL has laid down procedures in place for sustainable sourcing.
- b. If yes, what percentage of inputs were sourced sustainably?  
100% of the non-fuel inputs are sourced sustainably.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.  
RPL has taken numerous steps and developed processes to improve waste management practices. These processes are also continuously reviewed, and improvement initiatives are suitably undertaken and monitored for proper implementation.  
The major waste for RPL is the Fly Ash generated from thermal power stations. This is utilized towards ash brick manufacturing, ready mix concrete as per Fly Ash Notification and Quarry filling as per State Pollution Control Board's No Objection Certificate. RPL's endeavor is to utilize the bottom ash as well in line with guidelines of Ministry of Environment, Forest and Climate Change.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. Not applicable

#### LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format? Not applicable

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product /Service	Description of the risk /concern	Action Taken
Fly Ash	Contamination of landfill	HDPE Lining of ash pond has been done. Endeavor is to utilize 100% fly ash by supplying to brick manufactures, RMCs, quarry filling etc.

## Annexure 'F' to Board's Report (contd.)

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry): Not Applicable

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
	Not Applicable	

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format: Not Applicable

	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastic (Including Packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.: Not Applicable

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable

### PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

#### ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	458	458	100	427	91.82	0	0	0	0	0	0
Female	7	7	100	8	1.72	0	0	0	0	0	0
Total	465	465		435		0		0		0	
<b>Other than permanent Employees</b>											
Male	30	13	34.21	30	100	0	0	0	0	0	0
Female	8	4	10.52	8	100	0	0	0	0	0	0
Total	38	17		38		0		0		0	



## Annexure 'F' to Board's Report (contd.)

### b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	39	1	2.56	39	100	0	0	0	0	0	0
Female	12	0	0	12	100	0	0	0	0	0	0
Total	51	1		51		0		0		0	
<b>Other than permanent Employees</b>											
Male	16	7	36.84	16	100	0	0	0	0	0	0
Female	3	1	5.23	3	100	0	0	0	0	0	0
Total	19	8		19		0		0		0	

### 2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	284/ 41%	49/9%	Y	172/31%	0/0%	Y
Gratuity	100%	100%	N.A	100%	100%	NA
ESI	51/9%	50/9%	Y	104/20%	92/17%	Y
Others - please specify						

### 3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.: Yes

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.: Yes, It is governed by Central government rule of equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.: NIL

Gender	Permanent Employee		Permanent Worker	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
<b>Total</b>				

## Annexure 'F' to Board's Report (contd.)

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.: Yes, Employee can directly write/ meet CHRO about their grievances which is further taken up by CHRO is HOD Meeting every Week.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Employee can directly write/ meet CHRO about their grievances which is further taken up by CHRO is HOD Meeting every Week.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity: Not Applicable

Benefits	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>						
Male	NA	NA		NA	NA	
Female	NA	NA		NA	NA	
Total						
<b>Permanent Workers</b>						
Male	NA	NA		NA	NA	
Female	NA	NA		NA	NA	

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male										
Female	366	285	77.86	280	76.50	298	258	86.57	242	81.20
Total	7	4	57.14	5	71.42	4	2	50	3	75
<b>Workers</b>	373	289		285		302	260		245	
Male	45	36	80	35	77.77	38	28	73.68	30	78.94
Female	16	11	68.75	9	56.25	11	8	72.72	6	75
Total	61	47		44		49	88			0

## Annexure 'F' to Board's Report (contd.)

### 9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (B)	% (D/C)
<b>Employees</b>						
Male	366	366	100	298	298	100
Female	7	7	100	4	4	100
Total	373	373		302	302	
<b>Workers</b>						
Male	45	45	100	38	38	100
Female	16	16	100	11	11	100
Total	61	61		49	49	

### 10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system? No**
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?** We identify and assess hazards, employees, and workers, Collect and review information about the hazards present or likely to be present in the workplace. Conduct initial and periodic workplace inspections of the workplace to identify new or recurring hazards.
- Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)** Yes, we have a system for identification of hazards from the routine as well as non-routine activity. HIRA, JSA/JHA tools are being used to identify the hazards.
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)** Yes, the site has access to non-occupational medical & healthcare services. In addition, personnel are being trained to respond appropriately to medical emergencies.

### 11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

## Annexure 'F' to Board's Report (contd.)

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.: The following measures undertaken by the entity:**

- Ensure Horizontal deployment of all corrective preventive actions.
- Review of all Corrective preventive actions of the unsafe conditions and the incidences.
- Studies like Hazard identification and risk assessment, Job safety analysis is being carried out.
- Safety committees are being conducted to review the resources and requirement of any support.
- Through regular safety audits/ inspection the deployment of safe and healthy environment is checked.
- Encourage good Housekeeping.

**13. Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NA	NA	NIL	NA	NA
Health & Safety	NIL	NA	NA	NIL	NA	NA

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.:**

- Corrective action preventive action ( CAPA) identified from the incident of previous year and horizontally allocated to all the divisions. Deployment track monthly. Behavior based safety training and competency assessment done.
- All safety related accidents are being investigated and learning from investigation reports are shared across organizations for deployment of corrective action to stop recurrence of such incidents. Effectiveness of corrective action deployment being checked during safety audit.
- Significant risk arising from assessment of health and safety practice are addressed through elimination of manual job by use of technology/ digitalization, safety capabilities building, monitoring and supervision, etc.

**LEADERSHIP INDICATORS**

- 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N). N**
- 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.:** Yes, Statutory Dues has been directly deposited by the entity which is quarterly and annually audited

## Annexure 'F' to Board's Report (contd.)

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Employees	2	NA	2	NA
Workers	NA	NA	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No): No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.:

- Ensure 100% education and training program of service provider by competent agencies.
- Periodic safety and health performance evaluation of service provider

### PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

#### ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity. We have identify our stakeholders, which include customer, various suppliers, communities, government regulators, shareholders and employees on regular basis. However, this process is ongoing and we continuously strive to identify additional stakeholders We take a proactive approach to engage with our stakeholders regularly, seeking to understand their perspectives, receive feedback and address any issues that are important to them. Our stakeholder engagement is based on seamless dialogue, empathy and a focus on value creation.
2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group(Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement

## LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

We believe that consultation with our stakeholders is an ongoing process, and our leadership takes the lead by engaging with them regularly across various platforms. We provide shareholders with the opportunity to interact with all board members on an annual basis during Annual General Meeting. This enables us to keep a constant pulse on the needs and concerns of our stakeholders and ensures that we remain accountable to them.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes the company receives various input from its stakeholders. The Board of Directors analyze the same and wherever finds suitable incorporates the same into the policies and activities of the entity.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Board of Directors on voluntary basis through RattanIndia Foundation has had been giving back to the society by addressing the grass root social and development issues. Since, its inception, the Foundation has been empowering rural communities to enrich their lives.

The Foundation's focus areas are Education, Health & Nutrition, Skill Development, Environment, Infrastructure and Drinking Water facility. Through a strong field presence, it operates across different rural locations near Maharashtra with priority to develop communities at grass root level in various parts of the country.

The Foundation also reaches out to communities to contribute towards India's social development in a meaningful way

## PRINCIPLE 5 Businesses should respect and promote human rights

### ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (A)	No. of employees/ workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	296	245	82.77	258	222	86.04
Other than permanent	77	58	75.32	60	45	75
Total Employees	373	303		318	267	
<b>Workers</b>						
Permanent	45	34	75.55	36	22	61.11
Other than permanent	16	10	62.5	8	4	50
Total Workers	61	44		44	26	

## Annexure 'F' to Board's Report (contd.)

### 2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	450	0	0	450	100	398	0	0	398	100
Female	8	0	0	8	100	6	0	0	6	100
Other Permanent	33	0	0	33	100	43	0	0	43	100
Male	8	0	0	8	100	2	0	0	2	100
Female	450	0	0	450	100	398	0	0	398	100
<b>Workers</b>										
<b>Permanent</b>										
Male	38	0	0	38	100	80	0	0	80	100
Female	13	0	0	13	100	12	0	0	12	100
Other Permanent	17	0	0	17	100	6	0	0	6	100
Male	3	0	0	3	100	1	0	0	1	100
Female	38	0	0	38	100	80	0	0	80	100

### 3. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	3	44,598,201	-	-
Key Managerial Personnel	2	12,863,700	-	-
Employees other than BoD and KMP	472	410,212,749	16	6,101,739
Workers	38	7,343,966	13	2,579,754

- Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No):** The CHRO and the Human Resource team is responsible for addressing human right impact & issues
- Describe the internal mechanisms in place to redress grievances related to human rights issues.:** In case of any query/ grievance the Employee can directly write/ meet CHRO about their grievances which is further taken up by CHRO is HOD Meeting every Week

## Annexure 'F' to Board's Report (contd.)

6. **Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NA	NIL	NIL	NA	NIL
Discrimination at workplace	NIL	NA	NIL	NIL	NA	NIL
Child Labour	NIL	NA	NIL	NIL	NA	NIL
Forced Labour/Involuntary Labour	NIL	NA	NIL	NIL	NA	NIL
Wages	NIL	NA	NIL	NIL	NA	NIL
Other human rights related issues	NIL	NA	NIL	NIL	NA	NIL

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.:** POSH Committee in place to address complainant related discrimination and harassment cases. On yearly basis POSH awareness training is provided to all the employees and workers

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No):** Yes

9. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others - please specify	

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. :** Nil

### LEADERSHIP INDICATORS

- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.:** There is no human right grievances/complaints raised howsoever the CHRO and the Human Resource team is on continuous basis evaluate, review and modify the policies and procedures of the company, if so required.
- Details of the scope and coverage of any Human rights due-diligence conducted.:** The company have internal control system to manage the process
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? Yes**



## Annexure 'F' to Board's Report (contd.)

### 4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100
Discrimination at workplace	100
Child Labour	100
Forced Labour/Involuntary Labour	100
Wages	100
Others - please specify	

### 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.: Nil

## PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

### ESSENTIAL INDICATORS

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Total electricity consumption in Giga Joules (A)	25,39,012	26,06,753
Total fuel consumption in Giga Joules (B)	8,98,00,355	8,76,53,545
Energy consumption through other sources (C)	-	-
<b>Total energy consumption in Giga Joules (A+B+C)</b>	<b>9,23,39,367</b>	<b>9,02,60,298</b>
Energy intensity per rupee of turnover		
(Total energy consumption/ turnover in rupees)	28,578	27,691

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Not Applicable

#### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

RPL was part of PAT Cycle III. The target heat rate was 2,539.34 kcal/kwh. The achieved heat rate (with normalization) was 2,533.7 kcal/kwh. Total energy saving achieved is 3,321 MTOE (equivalent to 3,321 Nos. Escerts)

## 3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	2,23,40,746	2,43,45,104
(ii) Groundwater	NIL	NIL
(iii) Third party water	NIL	NIL
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	2,23,40,746	2,43,45,104
Total volume of water consumption (in kilolitres)	2,22,96,698	2,17,58,146
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	0.6901	0.6675

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Not Applicable

## 4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Amravati Thermal Power Plant is a Zero Liquid Discharge Plant. All effluents are treated and reused for horticulture, dust suppression,

## 5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
NOx	mg/Nm <sup>3</sup>	288	274
SOx	mg/Nm <sup>3</sup>	522	592
Particulate matter (PM)	mg/Nm <sup>3</sup>	32	33
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others - please specify		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Not Applicable

## 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) &amp; its intensity, in the following format:

Parameter	Unit	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> Equivalent	75,42,079	75,80,381
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> Equivalent	Not Applicable	Not Applicable
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>		0.0002334	0.0002326

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Not applicable

## Annexure 'F' to Board's Report (contd.)

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	NA	NA
E-waste (B)	NA	NA
Bio-medical waste (C)		
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (Glass wool) (G)	0.300	0.520
Other Non-hazardous waste generated (H). Please specify, if any. (Fly ash & bottom ash) (Break-up by composition i.e. by materials relevant to the sector)	29,39,598	19,42,113
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>29,39,598.3</b>	<b>19,42,113.52</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	NIL	NIL
(ii) Re-used	NIL	NIL
(iii) Other recovery operations	29,39,598.3	19,42,113.52
<b>Total</b>	<b>29,39,598.3</b>	<b>19,42,113.52</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	NIL	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations	29,39,598.3	19,42,113.52
<b>Total</b>	<b>29,39,598.3</b>	<b>19,42,113.52</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Not applicable

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

RPL has vigorous waste management practices and aims to be Zero Waste plant. The major waste at RPL includes ash (fly ash + bottom ash). 100% of the hazardous and toxic waste is treated/discarded as per the statutory rules and requirements.

## Annexure 'F' to Board's Report (contd.)

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes

S. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
RPL is 100% compliant with the applicable environmental law/ regulations/ guidelines in India.				

### LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
<b>Total energy consumed from renewable sources (A+B+C)</b>	Nil	Nil
<b>From non-renewable sources</b>		
Total electricity consumption (D) (GJ)	25,39,012	26,06,753
Total fuel consumption (E)	8,98,00,355	8,76,53,545
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	9,23,39,367	9,02,60,298

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Not Applicable

## Annexure 'F' to Board's Report (contd.)

### 2. Provide the following details related to water discharged:

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	Nil	Nil
- With treatment-please specify level of Treatment	Nil	Nil
(ii) To Groundwater		
- No treatment	Nil	Nil
- With treatment-please specify level of Treatment	Nil	Nil
(iii) To Seawater		
- No treatment	Nil	Nil
- With treatment-please specify level of Treatment	Nil	Nil
(iv) Sent to third-parties		
- No treatment	Nil	Nil
- With treatment-please specify level of Treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment-please specify level of Treatment	Nil	Nil
Total water discharged (in kilolitres)	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Not applicable

### 3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: Not Applicable

(ii) Nature of operations: Not Applicable

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	2,23,40,746	2,43,45,104
(ii) Groundwater	NIL	NIL
(iii) Third party water	NIL	NIL
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
<b>Total volume of water withdrawal (in kilolitres)</b>	2,23,40,746	2,43,45,104
<b>Total volume of water consumption (in kilolitres)</b>	2,22,96,698	2,17,58,146
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	0.6901	0.6675

## Annexure 'F' to Board's Report (contd.)

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water		
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Nil	Nil
(ii) Into Groundwater		
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Nil	Nil
(iii) Into Seawater		
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Nil	Nil
(iv) Sent to third-parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Nil	Nil
<b>Total water discharged (in kilolitres)</b>	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Not Applicable

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not Applicable	Not Applicable
Total Scope 3 emissions per rupee of turnover equivalent	Metric tonnes of CO2	Not Applicable	Not Applicable
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity		Not Applicable	Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Not applicable

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities: Not applicable

## Annexure 'F' to Board's Report (contd.)

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Under Implementation - FGD and De-NOx systems	Reduction in flue emissions, specifically SO2 and NOx from the stack emissions	

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

RPL has a robust disaster management plan in place. Regarding dangers, including health hazards and the measures to overcome such Hazards arising from the exposure to or handling of the material or substances in the manufacture, transportation, storage and other process, workers engaged in the factory and to the general public living in the vicinity of the factory the safety measures required To be taken in the event of an accident taking place. RPL prepared the ON-SITE EMERGENCY PLAN on properly studying through the process of manufacturing, types of Raw materials. The key elements of the plan are - a) Safeguard the personnel located in the premises, b) Minimize damage to property and environment, c) Organize rescue and treatment of affected persons, d) Initially contain and ultimately bring the incident under control, e) Identify the causalities, f) Provide required help to the relatives, g) Provide authoritative information to the news media/ concerned officials, h) Secure the Safe rehabilitation of affected persons, i) Preserve relevant records and equipment for the subsequent enquiry into the cause and circumstances of emergency. The main objective of involving the Emergency and Disaster Control Plan is, to create a procedure and infrastructure based on the combined resources of the factory as well as the external services, with a view to minimize damage and losses arising out of emergency and disastrous situations in the plant premises, which may directly or indirectly affect the employees, the property of the company and the local community.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard. There has been no adverse impact to the environment arising from the value chain of the entity.
9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. Nil

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

### ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations.: One
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Association of Power Producers (AAP)	National

## Annexure 'F' to Board's Report (contd.)

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.: Nil

Name of authority	Brief of the case	Corrective action taken

### LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity: Nil

S. No.	Public Policy Advocate	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annualy/Half yearly/ Quaterly/Others - Please specify)	Web Link, if available

### PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

#### ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.: Not Applicable

Name and brief detail of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results Communicated in Public Domain (Yes/No)	Relevant Web Link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: Not Applicable

S. No.	Name of Project for which R&R is ongoing	State	District	No. of project affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (in INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The company regularly engages with local community representatives in the vicinity of plant area for hearing out any grievances/feedback/suggestions and implement the same.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	Nil	Nil
Sourced directly from within the district and neighbouring districts	Our ERP system does not differentiate between local procurement, based district. 100% of Non-fuel procurement at RPL was sourced locally in FY23.	Our ERP system does not differentiate between local procurement, based district. 100% of Non-fuel procurement at RPL was sourced locally in FY22.



## Annexure 'F' to Board's Report (contd.)

### LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): Not Applicable

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: Not Applicable

S. No.	State	Aspirational District	Amount spent (In INR)
Not Applicable			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No): No  
 (b) From which marginalized /vulnerable groups do you procure?: Not applicable  
 (c) What percentage of total procurement (by value) does it constitute?: Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: Not Applicable

S. No.	Intellectual Property based on traditional knowledge	Owned/Aquired (Yes/No)	Benefit shared (Yes/No)	Basis of Calculating benefit share
Nil				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

S. No.	Name of authority	Brief of the Case	Corrective action taken
Nil			

6. Details of beneficiaries of CSR Projects: NIL

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Not Applicable			

### PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

#### ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback. - Our only consumer is Maharashtra State Electricity Distribution Company Limited (MSEDCL). Any queries/complaints are directly received on the company e mail IDs.
2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product Safe and responsible usage Recycling and/or safe disposal	Not Applicable

## Annexure 'F' to Board's Report (contd.)

### 3. Number of consumer complaints in respect of the following:

	FY 2022-2023 (Current Financial Year)		Remarks	FY 2021-2022 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy						Not Applicable
Not applicable						
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

### 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls		
Forced recalls		Not applicable

### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has Cyber Security framework and policy and the same is available at the company's intranet portal.

### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There are no issues underway or in past as of now related to cyber security. The company ensures timely compliance of any queries raised by the regulatory authorities.

#### LEADERSHIP INDICATORS

### 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Website - RattanIndia Power Limited (RPL) | RattanIndia

### 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services. Not applicable, entire power supplied to DISCOM at Plant Periphery. Further distribution and supply to consumer done by DISCOM/MSEDCL.

### 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services. Planned outages are informed in advance to DISCOM.

### 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) Not Applicable

If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) No

### 5. Provide the following information relating to data breaches:

- Number of instances of data breaches along-with impact - NIL
- Percentage of data breaches involving personally identifiable information of customers - NIL

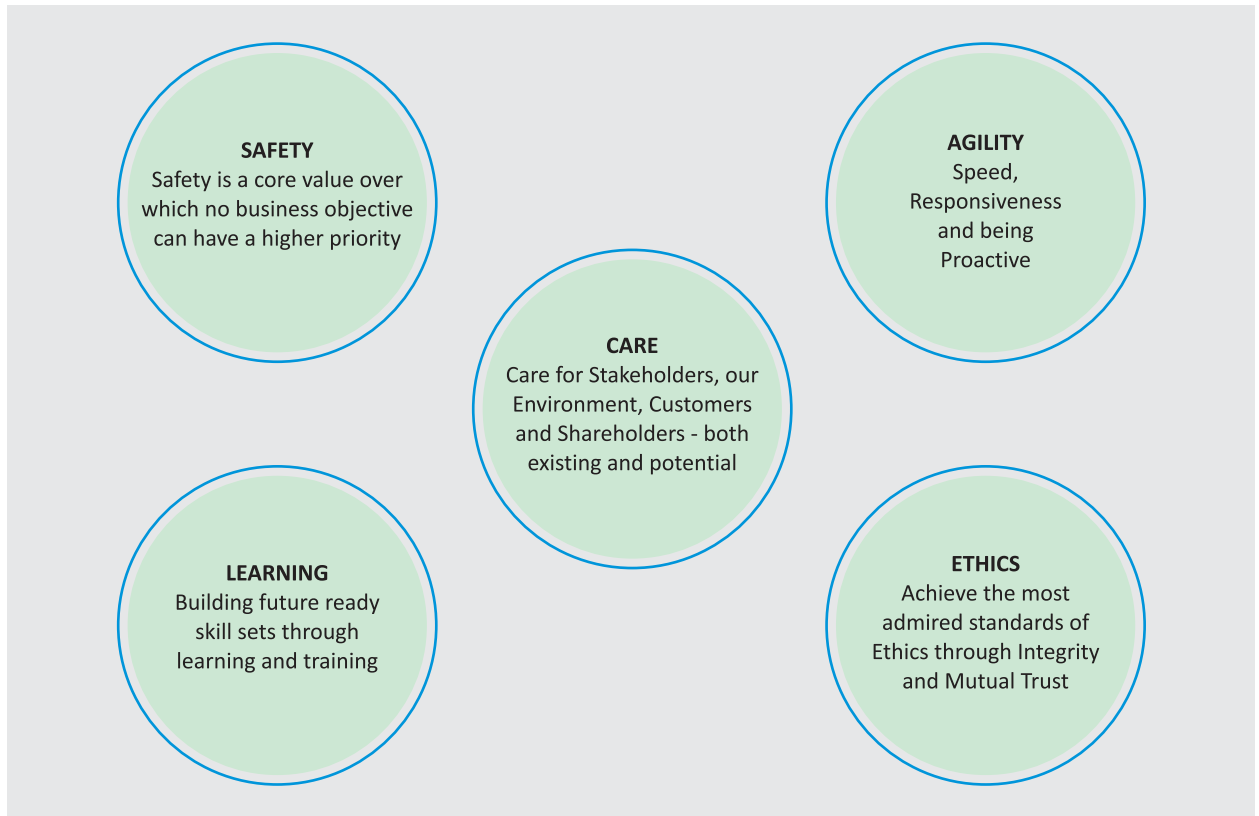
# Annexure 'G' to Board's Report

## Report on Corporate Governance

### 1. Company's philosophy on Corporate Governance

Company's Corporate Governance philosophy is based on transparency, professionalism, accountability, integrity, efficient conduct of its operations and in meeting its obligations towards various stakeholders such as Customers, Vendors, Employees, Shareholders and the Society as a whole. Your Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with laws coupled with adherence to the highest standards of professionalism and business ethics; great emphasis is placed on values such as empowerment and integrity of its employees, transparency in decision making process, fairness, honesty, accountability in dealings with its dealers, customers, business associates, government and all its stakeholders.

We have always adhered to principles and values that align with the our guiding philosophy. The key values of the Company's culture are Safety, Care, Agility, Learning and Ethics. The Company is committed to driving these values and strives to set the highest standards in governance and business ethics.



### 2. Board of Directors

All statutory and other significant and material information is placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of stakeholders. Your Company has well-informed Board with qualifications and experience in diverse areas.

#### (A) Composition and size of the Board

The composition of the Board of Directors ("Board") is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 and the Rules made thereunder. The Board is the custodian of corporate governance and the Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage.

## Annexure 'G' to Board's Report (contd.)

The Company's Board had an optimum combination of Executive and Non-Executive Directors including an Independent Woman Director. As on March 31, 2023, the Board comprised of eight directors, out of which three were executive directors and five were non-executive directors, including four Independent Directors. The Chairman of the Company and of the Board is an Executive director, related to promoter.

The details of Directors, number of directorships held by them in other companies including listed companies as also the number of their memberships and chairpersonships on various board committees, as on March 31, 2023, are depicted in the table given below:

S. No.	Name of Director	Category of Directorship	Number of shares held in the Company	Directorships in other companies	Category of Directorship and name of the other listed Company(s) as on 31-03-2023	No. of Memberships/ Chairpersonship in Board Committees of various companies including the Company	
						Memberships	Chairpersonships
1	Mr. Rajiv Rattan (DIN: 00010849)	Chairman & Executive Director related to promoter	Nil	1	RattanIndia Enterprises Limited – Non Executive Chairman and Promoter Director	4	Nil
2	Mr. Brijesh Narendra Gupta (DIN : 08469815)	Managing Director	Nil	Nil	Nil	Nil	Nil
3	Mrs. Namita (DIN: 08058824)	Non – Executive Woman Director	Nil	0	Nil	Nil	Nil
4	Mr. Jeevagan Narayana Swami Nadar (DIN: 02393291)	Independent Director	Nil	6	RattanIndia Enterprises Limited – Independent Director	5	3
5	Mr. Sharad Behal (DIN: 02774398)	Independent Director	Nil	Nil	Nil	Nil	Nil
6	Mr. Sanjiv Chhikara (DIN: 06966429)	Independent Director	Nil	1	RattanIndia Enterprises Limited – Independent Director	4	1
7	Mr. Pritika Poonia (DIN : 06715564)	Independent Woman Director	Nil	1	RattanIndia Enterprises Limited - Independent Woman Director	2	Nil
8	Mr. Asim Kumar De (DIN: 03619507)	Executive Director- Whole Time Director	NIL	1	Nil	Nil	Nil

### During the Financial Year 2022-2023 :

1. Mr. Vibhav Agarwal (DIN:03174271), ceased to be the Director & Managing Director of the Company on June 03, 2022.
2. Mr. Brijesh Narendra Gupta (DIN: 08469815) was appointed as Director & Managing Director of the Company on July 16, 2022.
3. Mrs. Neha Poonia (DIN: 07965751), ceased to be the Directors & Independent Woman Director of the Company on November 10, 2022.
4. Mrs. Pritika Poonia (DIN: 06715564), was appointed as Director & Independent Woman Director of the Company on November 10, 2022.

Post Closure of Financial Year 2022-2023, (i) Mrs. Namita (DIN: 08058824), ceased to be director of the Company on April 14, 2023, (ii) Mr. Ajay Kumar Tandon (DIN: 07087682) was appointed as an Independent Director of the Company w.e.f September 02, 2023 (iii) Mr. Baliram Ratna Jadhav (DIN: 10295412) was appointed as Whole Time Director of the

## Annexure 'G' to Board's Report (contd.)

Company, liable to retire by rotation, on such terms and conditions including remuneration as approved by the Board of Directors w.e.f. September 02, 2023 and (iv) Mr. Himanshu Mathur (DIN: 03077198) was appointed as Whole Time Director of the Company liable to retire by rotation, on such terms and conditions including remuneration as approved by the Board of Directors w.e.f. September 05, 2023.

### Notes

- In the above table, directorships held in private limited companies and the companies registered under Section 8 of the Companies Act, 2013, are not included.
- In the above table, memberships/Chairpersonship of the Audit Committee and Stakeholders' Relationship Committee in various Indian public limited companies only, have been considered.
- None of the Directors held directorship in more than 7 listed companies.
- None of the Independent Directors of the Company served as an Independent Directors in more than 7 listed companies.
- None of the IDs serving as a whole-time director/managing director in any listed entity, serves as an ID of more than 3 listed entities.
- None of the Directors held directorship in more than 20 Indian companies, with not more than 10 public limited companies.
- None of the directors on the Board is a member of more than ten committees or chairperson of more than five committees across all Indian Public Limited companies in which he/she is a director. In computing the said number only Audit Committee and Stakeholders Committee, have been considered.
- No directors including Non-Executive director holds shares or any instruments convertible into shares, in the Company.
- No Non-executive Director had any pecuniary relationship or entered any pecuniary transactions with the Company, during the financial year 2022-23, other than payment of sitting fees of an aggregate amount of ₹ 11,40,000/- to Independent Directors for attending Board and Committee Meetings.
- There are no inter-se relationships between the Board members.
- The Chairman of the Company is an Executive Director and is not related to the Managing Director and Whole time Director of the Company.

### Independent Woman Director:

In compliance with the provisions of Section 149(1)(b) read with Rule 3 of the Companies (Appointment and Qualifications of Directors), 2014 and Regulation 17(1)(a) of Listing Regulations, 2015, Company has on the Board, Mrs. Pritika Poonia as an Independent Woman Director. During the financial year 2022-23, Mrs. Neha Poonia ceased to be the Director & Independent Woman Director of the Company on November 10, 2022 and in her place Mrs. Pritika Poonia was appointed as an additional Director and Independent Woman Director of the Company for a period of five years. Her appointment as such was subsequently approved by the shareholders in their Extraordinary General Meeting held on February 07, 2023.

### Independent Directors

All the Independent Directors (IDs) of the Company have been appointed in terms of the requirements of the Companies Act, 2013 and the Listing Regulations.

The IDs are given a formal letter of appointment *inter alia* containing term of appointment, role, duty, responsibilities etc. The terms and conditions of their appointment are disclosed on the Company's website i.e. <https://www.rattanindiapower.com/rpl/regulation-46/>

The Company has received declaration from the IDs confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the IDs have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Board is of the opinion that the IDs fulfil the conditions specified in the Act and the Listing Regulations and that they are independent of the management. In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification

of Directors) Rules, 2014, the Independent Directors have confirmed that they are registered in the data bank of Independent Director's maintained with the Indian Institute of Corporate Affairs.

During the Financial Year 2022-23, Mrs. Neha Poonia, ceased to be the Independent Woman Director of the Company w.e.f. November 10, 2022, due to her personal reasons. She had confirmed that there was no material reasons for her resignation and the same was intimated to the stock exchange. Mrs. Pritika Poonia, was appointed as an Independent Woman Director of the Company on November 10, 2022. Post Closure of Financial year 2022-2023: (i) Mr. Ajay Kumar Tandon (DIN: 07087682) was appointed as an Independent Director of the Company w.e.f. September 02, 2023 and (ii) Mr. Baliram Ratna Jadhav (DIN: 10295412) was appointed as Whole Time Director of the Company, liable to retire by rotation, on such terms and conditions including remuneration as approved by the Board of Directors w.e.f. September 02, 2023.

#### Separate meeting of Independent Directors

In compliance with the requirements set out in Schedule IV to the Companies Act, 2013 read with the SEBI (LODR) Regulations, 2015 and Secretarial Standards on Board Meetings, a separate meeting of IDs of the Company was held on August 31, 2022, without the presence of Non- Independent Directors, *inter-alia*, to review the performance of Non-Independent Directors, including the Chairman of the Board and performance of the Board as a whole.

#### (B) Details of Board meetings and the last Annual General Meeting (AGM) and attendance record of Directors thereat

The principles of corporate governance, the applicable requirements of the Companies Act, 2013, the Listing Regulations and the requirements of the Secretarial Standards and other applicable statutes if any, were duly followed in conductance of Board and committee meetings. Information as mentioned in Para A of Schedule II of the Listing Regulation had been placed before the Board for its consideration. The agenda was circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board members to take informed decisions.

During the financial year 2022-2023, the Board met 8 (Eight) times. The dates of the Board meetings were May 12, 2022, June 25, 2022, July 16, 2022, July 25, 2022, August 31, 2022, October 21, 2022, December 27, 2022 and January 23, 2023. The gap between any two consecutive meetings held during the FY 2022-2023 did not exceed 120 days.

The last Annual General Meeting of the Company was held on September 30, 2022.

A table depicting the attendance of directors at various board meetings and annual general meeting held during the financial year 2022-2023, is set out below:

S. No.	Name of Director	No. of Board Meeting held during the tenure covered in the FY 2022-23	No. of Board Meetings attended during the FY 2022-23	Attendance at the last AGM
1	Mr. Rajiv Rattan	8	8	Yes
2	Mr. Vibhav Agarwal*	1	1	N/A
3	Mr. Jeevagan Narayana Swami Nadar	8	8	Yes
4	Mr. Sharad Behal	8	1	No
5	Mr. Sanjiv Chhikara	8	4	No
6	Mrs. Namita	8	8	Yes
7	Mrs. Neha Poonia***	6	5	Yes
8	Mr. Asim Kumar De	8	7	Yes
9	Mr. Brijesh Narendra Gupta**	5	3	Yes
10	Mrs. Pritika Poonia****	2	2	N/A

\*ceased with effect from June 03, 2022

\*\* appointed with effect from July 16, 2022.

\*\*\* ceased with effect from November 10, 2022

\*\*\*\* appointed with effect from November 10, 2022.

## Annexure 'G' to Board's Report (contd.)

### CONFIRMATION REGARDING INDEPENDENT DIRECTORS

The Board of Directors of the Company do hereby confirm that all the Independent Directors of the Company fulfill the conditions specified in the Listing regulations and are independent of the management of the Company.

#### (C) Code of Conduct

##### (i) Code of Conduct and ethics

The Company has laid down a Code of Conduct for all Board members and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company:

<https://www.rattanindiapower.com/wp-content/uploads/2022/08/CODE-OF-CONDUCT-FOR-BOARD-MEMBERS-AND-SENIOR-MANAGEMENT.pdf>

All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them, for the Financial Year 2022-2023. A declaration signed by the Mr. Brijesh Narendra Gupta, Managing Director, to this effect, appears at the end of this Report.

##### (ii) Code of Conduct for Prevention of Insider Trading

The Company has laid down a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013, with a view to regulate trading in Securities of the Company by its directors, designated persons and employees.

#### (D) Chart / Matrix of Skills / Expertise / Competence of the Board of Directors:

The current composition of the Board reflects a mix of knowledge, skills, experience, diversity and independence. The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adhere to high standards of ethics, transparency and disclosure.

The Company requires skills/expertise/competencies in the areas of strategy, finance, leadership, accounting, economic, legal and regulatory matters and human resources, etc. to efficiently carry on its core businesses such as generation, distribution and transmission of thermal power.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

S.No	Name of the Director	Area of Expertise						
		Strategy	Finance	Leadership	Accounting	Economic	Legal and Regulatory Matters	Human Resources
1	Mr. Rajiv Rattan	✓	-	✓	-	✓	✓	-
2	Mr. Brijesh Narendra Gupta	✓	✓	✓	-	✓	✓	-
3	Mr. Jeevagan Narayana Swami Nadar	✓	✓	-	✓	✓	✓	-
4	Mr. Sharad Behal	-	✓	-	-	✓	-	-
5	Mr. Sanjiv Chhikara	✓	✓	-	✓	-	✓	-
6	Ms. Pritika Poonia	✓	✓	✓	-	-	-	-
7	Mr. Asim Kumar De	✓	-	✓	-	✓	-	-
8	Mr. Ajay Kumar Tandon	✓	-	✓	-	✓	-	-
9.	Mr. Baliram Ratna Jadhav	✓	-	✓	-	✓	-	-
10.	Mr. Himanshu Mathur	✓	-	✓	-	✓	-	-

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report

## BOARD MEETINGS - FUNCTIONING AND PROCEDURE



### 3. Particulars of Senior Management including the changes therein since close of financial year 2021-2022

As on March 31, 2023 Mr. Rajiv Rattan, Mr. Brijesh Narendra Gupta, Mr Asim Kumar De, Mr. Jeevagan Narayana Swami Nadar, Mr. Sharad Behal, Mr. Sanjiv Chhikara, Mrs Namita and Mrs. Pritika Poonia were on the Board of Directors. During the FY 2022-2023 following changes were made:

1. Mr. Vibhav Agarwal (DIN:03174271), ceased to be the Director & Managing Director of the Company on June 03, 2022.
2. Mr. Brijesh Narendra Gupta (DIN: 08469815) was appointed as Director & Managing Director of the Company on July 16, 2022.



## Annexure 'G' to Board's Report (contd.)

3. Mrs. Neha Poonia (DIN: 07965751), ceased to be the Directors & Independent Woman Director of the Company on November 10, 2022.
4. Mrs. Pritika Poonia (DIN: 06715564), was appointed as Director & Independent Woman Director of the Company on November 10, 2022.

#### 4. Familiarization Programmes for directors including Independent Directors

Board members are provided every opportunity to familiarize themselves with the Company, its management, its operation to understand its business in depth and contribute significantly.

In compliance with the requirements of Regulation 25(7) of the Listing Regulations, the Independent Directors of the Company are made aware of their role, responsibilities, and liabilities at the time of their appointment/reappointment through a formal letter of appointment which stipulates various terms and conditions of their engagement apart from clarifying their roles and responsibilities.

Various familiarization programs were carried out for the directors including Independent Directors during the financial year 2022 – 23, details of which are available on the website of the Company and can be viewed at the weblink:

<https://www.rattanindiapower.com/wpcontent/uploads/2022/08/FAMILIARIZATION-PROGRAMME-FOR-INDEPENDENT-DIRECTORS-1.pdf>

#### 5. Committees of the Board

Committees constituted by the Board focus on the specific areas and take informed decisions within the framework designed by the Board and give specific recommendations to the Board on matters in their areas or purview. The Chairman of the respective committees informs the board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all the Committees are placed before the Board for review. The role, the composition, terms of reference of the Board constituted statutory committees namely, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee (CSR) including the number of meetings held during the financial year and the related attendance details are provided hereunder:

##### (A) Audit Committee:

**Composition:** - Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulation and Section 177 of the Companies Act, 2013 and as on March 31, 2023, consisted of four members namely Mr. Jeevagan Narayana Swami Nadar, as the Chairman and member and Mr. Rajiv Rattan, Mr. Sanjiv Chhikara and Mrs. Pritika Poonia as the other three members. Post closure of Financial year the committee was reconstituted on September 02, 2023 and Mr. Ajay Kumar Tandon was appointed as its new member. While Mr. Jeevagan Narayana Swami Nadar, Mr. Sanjiv Chhikara, Mr. Ajay Kumar Tandon and Mrs. Pritika Poonia are Independent Directors, Mr. Rajiv Rattan is the Director related to Promoter. Secretary of the Company also acts as Secretary to the Audit Committee.

All the members are financially literate and having expertise in the fields of finance, accounting, development, strategy and management. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and the other areas as mentioned in the Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II to the SEBI Regulations. The Board has approved the Charter of the Audit Committee defining *inter – alia* its composition, role & responsibility, power and process. The charter of the Audit Committee is available on the Company's website at [https://www.rattanindiapower.com/wp-content/uploads/2023/08/Audit\\_Committee\\_Charter\\_RPL.pdf](https://www.rattanindiapower.com/wp-content/uploads/2023/08/Audit_Committee_Charter_RPL.pdf). The role of Audit Committee, *inter-alia* includes the following:

- to review (a) the management discussion and analysis of financial condition and results of operations (b) statement of significant related party transactions submitted by management (c) the management letters / letters of internal control weaknesses, if any issued by the statutory auditors (d) the internal audit reports provided by the Internal Auditors of the Company and (e) statement of deviations (f) the appointment, removal and terms of remuneration of the Internal Auditor.
- recommendation for appointment, remuneration and terms of appointment of statutory auditors.
- approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
- reviewing, with the management, the quarterly financial statements and auditor report thereon before submission to Board for approval.

- reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of fund utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- approval or any subsequent modification of transactions of the Company with related parties.
- scrutiny of inter-corporate loans and investments.
- valuation of undertakings or assets of the Company, wherever it is necessary.
- evaluation of internal financial controls and risk management systems.
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- discussion with internal auditors of any significant findings and follow up there on.
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- to look into the reasons for substantial defaults in the payment the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) creditors, if any.
- to review the functioning of the whistle blower mechanism.
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments existing as on the date of coming into force of this provision
- consider and comment on the rationale, cost-benefits and impacts of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

### Meetings and Attendance during the year

During the financial year ended March 31, 2023 the Committee met five times. The dates of the meetings were May 12, 2022, July 16, 2022, July 25, 2022, October 21, 2022 and January 23, 2023 and the gap between two consecutive meetings did not exceed one hundred and twenty days.

The attendance of the members of the Committee at the meetings held during the FY 2022-2023 is depicted in the table given below:

SI No.	Name of members	No. of meetings held during their tenure	No. of meetings Attended
1	Mr. Rajiv Rattan	5	5
2	Mr. Jeevagan Narayana Swami Nadar	5	5
3	Mr. Sanjiv Chhikara	5	4
4	Mrs. Neha Poonia*	4	4
5	Mrs. Pritika Poonia**	1	1

\* Mrs. Neha Poonia ceased to be member of the committee w.e.f. 10.11.2022

\*\*Mrs. Pritika Poonia was appointed as a member the committee w.e.f. 10.11.2022

## Annexure 'G' to Board's Report (contd.)

The Audit Committee meeting were usually attended by the Chief Financial Officer and respective departmental heads, whenever required and Statutory Auditors of the Company also attended the meetings by invitation.

The Chairman of the Audit Committee was present at the 15<sup>th</sup> Annual General Meeting held on September 30, 2022.

The Board of Directors of the Company had accepted all recommendation of committees of the Board which are mandatorily required, during the financial year 2022-2023.

### (B) Nomination & Remuneration Committee:

The Nomination & Remuneration Committee has been constituted by the Board in compliance with the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations.

The Committee of the Board as on March 31, 2023 comprised of three Non-Executive Directors as its members, namely Mr. Jeevagan Narayana Swami Nadar as the Chairman and member and Mr. Sanjiv Chhikara and Mrs. Namita as the other two members. Post closure of the financial year, (i) the Committee has been reconstituted and Mrs. Namita ceased to be its members and Mrs. Pritika Poonia was appointed as its new member on April 14, 2023 and (ii) The committee was further reconstituted on September 02, 2023 and Mr. Ajay Kumar Tandon was appointed as its new member.

#### Terms of reference

The terms of reference of the Nomination & Remuneration Committee, inter-alia, include:

- to recommend to the Board, compensation terms of the Executive Directors.
- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- for appointment of Independent Director(s), evaluate the balance of skills, knowledge and experience on the board and on basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.
- devising a policy on diversity of board of directors.
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- deciding as whether to extend or continue the term of appointment of the independent directors, on the basis of their performance evaluation reports and other pertinent factors.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- recommend to the board, all remuneration, in whatever form, payable to senior management

#### Meetings and Attendance during the year

During the financial year 2022-2023, Committee met four times. The dates of the meetings were July 16, 2022, August 31, 2022, November 10, 2022 and December 27, 2022.

The attendance of the members of the Committee at the meetings held during the FY 2022-2023 is depicted in the table given below:

Sl No.	Name of members	No. of meetings held during their tenure	No. of meetings Attended
1	Mr. Jeevagan Narayana Swami Nadar	4	4
2	Mrs. Namita	4	4
3	Mr. Sanjiv Chhikara	4	0

The Chairman of the Nomination & Remuneration Committee was present at the 15<sup>th</sup> Annual General Meeting held on September 30, 2022.

#### Performance Evaluation

The Board had carried out an annual evaluation of its own performance and of its committees as well as the performance of each individual directors. Board Evaluation Criteria Feedback was sought based on the evaluation criteria approved by the NRC for evaluating the performance of the Board, its committees and individual directors. Evaluation was done on the following parameters.

## Annexure ‘G’ to Board’s Report (contd.)

1. The Board – Board Administration, Overall Board Effectiveness, Governance and Compliance, Member Effectiveness, Ethics, Chairman, Board Committees, Meeting through Video Conferencing, Miscellaneous.
2. Board committees – Committee Effectiveness Component including the frequency of the meetings, the chairperson of the Committee, the time allotted for agenda items, proper agenda papers and other required documents, healthy debates and discussions, action taken points from the previous committee meetings, information flow, recommendations to the Board, etc.
3. Executive Directors – Attendance at the meetings, engagement with fellow Board members, employees, strategy making, risk management, management of the Company.
4. The Chairman – Leadership of the Board, promoting effective participation of all Board members in the decision making process, encouraging deliberations on important matters etc.
5. Independent Directors – Independence from the Company, exercising independent judgement in decision-making, contributing strongly to the objectivity of the Board’s deliberations based on their external expertise, attendance at meetings etc.

**Succession Planning :** The NRC had reviewed the succession planning of top leadership positions in the Company. While undertaking said review the leadership competencies required for orderly succession planning was considered by the NRC.

**Remuneration Policy :** Company’s Remuneration Policy aims at attracting and retaining high caliber talent. The Remuneration Policy, therefore, is marketled and takes into account the competitive circumstance of business so as to attract and retain quality talent and leverage performance significantly. The Company adopts a comprehensive approach to remuneration in order to support a superior quality of personal and work life, combining both cash and non-cash components/benefits in a manner which judiciously balances short term and long term priorities. The policy can be accessed at the following Link: [https://www.rattanindiapower.com/wp-content/uploads/2023/08/Section\\_178\(4\)\\_Policy\\_for\\_Selection-and-appointment-of-director-and-KMP-&-their-Remuneration.pdf](https://www.rattanindiapower.com/wp-content/uploads/2023/08/Section_178(4)_Policy_for_Selection-and-appointment-of-director-and-KMP-&-their-Remuneration.pdf). The elements of remuneration package of Executive Directors includes fixed and variable salary, contribution to provident fund, perquisites and allowances, reimbursement of expenses etc.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the Listing Regulations, the Committee is responsible for inter alia formulating the criteria for determining qualification, positive attributes and independence of a Director. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has adopted the Policy on Board Diversity & Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and other senior employees of the Company

### Remuneration of directors

#### (i) Remuneration of Executive Directors

Details of the remuneration drawn by the Managing/executive director during the financial year 2022-2023 areas mentioned below:

(INR in Rupees)

Name of Director	Relationship With other Director	Salary, allowances and perquisites per annum (fixed)	Performance linked incentive (₹) (variable)	Post Employment Benefits
Mr. Vibhav Agarwal (Upto June 03, 2022)	None	23,16,207	-	2,44,004
Mr. Brijesh Narendra Gupta (With effect from July 16, 2022)	None	1,25,13,089	14,19,358	
Mr Asim Kumar De	None	79,99,320	26,66,436	
Mr Rajiv Rattan (Executive Director w.e.f. October 01, 2022)	None	1,99,99,998	-	

#### Notes:

1. Aforesaid components of remuneration include the Basic Salary, House Rent Allowance and other allowances.

## Annexure 'G' to Board's Report (contd.)

2. Employee Benefits represents Gratuity, Superannuation and Compensated Absences, as applicable as per the terms of service, based on actuarial valuation.
3. Provision for PLI is calculated on an accrued basis.
4. The terms and conditions of service of the said Managing/Executive Directors are contractual in nature and are additionally governed by rules and policy of the Company to the extent applicable. The notice period is three months and no severance fee is payable upon cessation of services in the Company
5. No stock options were granted to the above directors during the Financial Year 2022-2023

### (ii) Payment of Sitting Fees to

During the year under review, no Non-Executive Directors (NEDs) of the Company had any pecuniary relationship or transactions with the Company, other than payment of an aggregate amount of sitting fees of ₹ 11,40,000/- to Independent Directors for attending Board and Committee Meetings.

### (C) Stakeholders Relationship Committee.

The Stakeholders Relationship Committee constituted in line with the requirement of Section 178 of the Companies Act, 2013 read with regulation 20 read with Part D (B) of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders, comprised, as on March 31, 2023, of two Non- Executive Independent Directors and one Executive promoter director as its members namely Mr. Jeevagan Narayana Swami Nadar as the Chairman and member, Mr. Sanjiv Chhikara and Mr. Rajiv Rattan as the other two members. The Committee specifically discharges duties of serving and protecting the various aspects of interest of shareholders, debenture holders and other security holders.

#### Terms of reference

The terms of reference of the Stakeholders Relationship Committee (SRC) covers the areas mentioned in Section 178 of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations. The terms of reference of the SRC, inter-alia are as follows;

- (a) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- (b) Review of measures taken for effective exercise of voting rights by shareholders.
- (c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (d) Review of the various measures and initiatives taken by the Company for annual reports/ statutory notices by the shareholders of the company.
- (e) Oversee the statutory compliance relating to all securities.

The Committee in order to meaningfully serve the purpose of its creation and effectively discharge its responsibility works in close coordination with the Company Secretarial Department of the Company and the Registrar and Transfer Agent appointed by the Company. The emphasis is always on working closely with each other so that not only the investor grievances are resolved meaningfully and in time, to their utmost satisfaction, but also that suitable measures are taken to prevent the possibility of recurrence of such grievances.

#### Meetings and Attendance during the year

During the financial year ended March 31, 2023 the Committee met Four times. The dates of the meetings were April 16, 2022, July 13, 2022, October 15, 2022, and January 11, 2023.

The attendance of the members of the Committee at the meetings held during the FY 2022-2023 is depicted in the table given below:

SI No.	Name of members	No. of meetings held during their tenure	No. of meetings Attended
1	Mr. Sanjiv Chhikara	4	4
2	Mr. Rajiv Rattan	4	1
3	Mr. Jeevagan Narayana Swami Nadar	4	4

The Chairman of the Stakeholders Relationship Committee, Mr. Jeevagan Narayana Swami Nadar was present at the 15<sup>th</sup> Annual General Meeting held on September 30, 2022.

#### Name and designation of compliance officer

Mr. Lalit Narayan Mathpati, Company Secretary is the Compliance Officer pursuant to Regulation 6 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Details of queries / complaints received and resolved during the FY 2022-23:

SI. No.	PARTICULARS	OPENING	RECEIVED	DISPOSED	PENDING
1	Non-receipt of annual report	Nil	0	0	Nil
2	Non-receipt of dividend	Nil	0	0	Nil
3	Non-credit / receipt of shares in demat account	Nil	0	0	Nil
4	Letter from SEBI/stock Exchanges	Nil	1	1	Nil
	<b>Total</b>	<b>Nil</b>			<b>Nil</b>

All the complaints were resolved to the satisfaction of shareholders and stock exchanges.

#### (D) Risk Management Committee

The Risk Management committee has been constituted by the Board in compliance with the requirements of Regulation 21 of Listing Regulations and as on March 31, 2023 comprised of Mr. Rajiv Rattan, Non-Executive Director as its Chairman, Mr. Brijesh Narendra Gupta, Managing Director, Mrs. Pritika Poonia, Independent Director and Mr. Ankur Mitra, Chief Financial Officer, as its members. Post closure of Financial year the risk management committee was reconstituted on September 02, 2023 and Mr. Ajay Kumar Tandon was appointed as its new member.

#### Terms of reference

##### The terms of reference of Risk Management Committee are:

- a. To formulate a detailed risk Management Policy which include:
  1. framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee
  2. Measures for risk mitigation including systems and processes for internal control of identified risks.
  3. Business continuity plan.
- b. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- e. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

## Annexure 'G' to Board's Report (contd.)

### Meetings and Attendance during the year

During the financial year ended March 31, 2023 the Committee met two times. The dates of the meetings were August 31, 2022 and January 23, 2023.

The attendance of the members of the Committee at the meetings held during the FY 2022-2023 is depicted in the table given below:

Sl No.	Name of members	No. of meetings held during their tenure	No. of meetings Attended
1	Mr. Rajiv Rattan	2	2
2	Mr. Vibhav Agarwal#	-	-
3	Mr. Brijesh Narendra Gupta #	2	2
4	Ms. Neha Poonia*	1	1
5	Mr. Ankur Mitra	2	2
6	Mr. Pritika Poonia*	1	1

During the Financial Year 2022-2023:

# Mr. Vibhav Agarwal ceased to be the member of the Committee on June 03, 2022 and Mr. Brijesh Narendra Gupta joined the committee on July 16, 2022.

\*Mrs. Neha Poonia ceased to be the member of the committee on November 10, 2022

\*Mrs. Pritika Poonia became member of the committee on November 10, 2022

### (E) Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act. During the Financial Year ended March 31, 2023, the committee comprised of Mr. Sanjiv Chhikara, Independent Director, Chairperson and member of the Committee and Mr. Asim Kumar De, Executive Director and Mrs. Namita, Non-Executive Non- Independent Director, as other two members of the Committee.

Post closure of financial year, Mrs. Namita ceased to be member of the committee w.e.f. April 14, 2023 and Mr. Brijesh Narendra Gupta was appointed as the member of the committee from the said date.

#### Terms of reference

The terms of reference of the CSR Committee are:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act.
- Recommend the amount to be spent on CSR activities.
- Monitor implementation and adherence to the CSR Policy of the Company from time to time.
- Such other activities as the Board of Directors determine as they may deem fit in line with CSR Policy.

The Board has adopted the CSR Policy as formulated and recommended by the Committee.

The CSR Policy is available on the website of the Company at the web link:

[https://www.rattanindiapower.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy\\_RPL.pdf](https://www.rattanindiapower.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy_RPL.pdf)

The Annual Report on CSR activities for the Financial Year 2022-2023 forms part of the Board's Report. During the Financial Year 2022-2023, no meetings of the CSR Committee were held.

## 6. General Body Meetings

### A. Location and time of Annual General Meetings (AGMs)

The location and time of last three AGMs are as follows:

Annual General Meeting (AGM)	Year	Location	Date	Time
13 <sup>th</sup> AGM	2019-20	Meeting held through Video Conferencing ("VC")/ other Audio-Visual Means ("OAVM")	September 30, 2020	04.00 P.M.
14 <sup>th</sup> AGM	2020-21	Meeting held through Video Conferencing ("VC")/ other Audio-Visual Means ("OAVM")	September 21, 2021	04.00 P.M.
15 <sup>th</sup> AGM	2021-22	Meeting held through Video Conferencing ("VC")/ other Audio-Visual Means ("OAVM")	September 30, 2022	09.00 A.M.

### B. Details of special resolutions passed in the previous three AGMs:

- (I) In the AGM of the Company for the FY 2019 - 2020 held on September 30, 2020, No Special Resolution were passed.
- (II) In the AGM of the Company for the FY 2020-2021 held on September 21, 2021, three Special Resolutions were passed.
  - a. Special resolution approving the appointment of Mr. Vibhav Agarwal (DIN: 03174271) as a director of the Company liable to retire by rotation and according approval to his appointment by the Board of Directors of the Company as the Managing Director of the Company at the remuneration and other terms and conditions as approved by the Board of Directors.
  - b. Special resolution, according approval to the renewal of the appointment of Mr. Himanshu Mathur by the Board of Directors of the Company as the Whole-time Director of the Company at the remuneration and other the terms and conditions as approved by the Board of Directors.
  - c. Special resolution for taking approval of members pursuant to Sections 185 & 186 of the Companies Act, 2013
- (III) In the AGM of the Company for the FY 2021-2022 held on September 30, 2022, three Special Resolutions were passed :
  - a. Special resolution approving the appointment of Mr. Rajiv Rattan (DIN: 00010849) as an Executive Chairman.
  - b. Special resolution approving the appointment of Mr. Brijesh Narendra Gupta (DIN: 08469815) as Managing Director of the Company.
  - c. Special resolution approving the appointment of Mr. Asim Kumar De (DIN: 03619507) as Whole Time Director of the Company.

### C. During the FY 2022-23, no resolution through postal ballot was passed.

### D. During the year 2022-23, an extra ordinary general meeting was held on February 07, 2023 to appoint Mrs. Pritika Poonia as an Independent Woman Director of the Company, through special resolution.

## 7. Subsidiary Companies:

The Company had 2 Indian Unlisted and 3 Foreign Subsidiary Companies as on March 31, 2023 and the Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries. The Minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company, as applicable, are placed before the Board of Directors of the Company.

During the Financial Year 2022-2023, there was no material subsidiary(ies) of the Company



## Annexure 'G' to Board's Report (contd.)

### 8. Disclosures

#### (i) Details on materially significant related party transactions:

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a well formulated policy on materiality of related party transactions and dealing with related party transactions, as approved by the Board of Directors of the Company. The same is uploaded on the website of the Company at the weblink:

<https://www.rattanindiapower.com/wp-content/uploads/2022/08/POLICY-ON-MATERIALITY-OF-RELATED-PARTY-TRANSACTIONS-AND-DEALING-WITH-RELATED-PARTY-TRANSACTIONS.pdf>

The Company has also a policy for determining 'material subsidiaries' which is disclosed on its website at the following link <https://www.rattanindiapower.com/wp-content/uploads/2022/08/Policy-on-Material-Subsidiaries.pdf>

During the financial year 2022-2023 no materially significant transactions, whether with any subsidiaries or any other related party, as would have any potential conflict with the interests of the Company, were entered into.

The Related Party transactions entered into, were in the ordinary course of business and at an arm's length basis.

#### (ii) Details of non-compliance, penalties etc. imposed by Stock Exchange, SEBI etc. on any matter related to capital markets, during the last three years:

Company, pursuant to regulation 17 of SEBI (LODR) Regulation, 2015 was required to appoint an Independent Woman Director by April 1, 2020, since the Company appeared in the list of top 1000 companies in terms of market capitalisation, as on March 31, 2020. The outbreak of COVID-19 and the subsequent announcement of a nationwide lock down by the Hon'ble Prime Minister, brought the entire Country to a virtual standstill and thus the business sector of the Country as well, the Company could not appoint an Independent Woman Director within the specified time for the reasons stated above.

The Company appointed Ms. Neha Poonia with effect from July 30, 2020 as an Independent Woman Director and made the said non-compliance good with the said date. However for the short period of non-compliance on part of the Company, from April 1, 2020 to July 29, 2020, penalties were imposed on the Company by NSE and BSE, Which later was waived off by both the stock exchanges upon request of the Company.

There has been no other instance of any non-compliance on any matter related to capital markets and hence no penalties have ever been imposed or strictures passed against the Company by SEBI or the Stock Exchanges or any other statutory / regulatory authority since its establishment as a listed entity i.e. October 30, 2009 except the one stated above.

#### (iii) Whistle Blower policy/Vigil Mechanism and affirmation that no personnel have been denied access to the Audit Committee:

The Company has in place a highly effective Whistle blower policy which sets out the process and mechanism where by employees at various levels in the organization can bring to the notice of the management any violations of the applicable laws, regulations as also any unethical or unprofessional conduct. All such reports are taken up for consideration at appropriate intervals depending upon the gravity of the matter reported so that adequate rectifying measures can be initiated in the right earnest, at the appropriate levels.

Further, in order to encourage the employees to freely air their views and voice their concerns on various matters and to prevent any victimization of the employees, identity of the employees is kept strictly confidential. It would be pertinent to mention here that the Audit Committee formed by the Board, constitutes an essentially important component of the whistle blower mechanism and in particular focuses on instances of financial misconduct and instance of deviations from the laid down standards of internal controls if any, which are thereupon reported to the Audit committee. No employee was denied access to the Audit Committee.

It would be pertinent to mention here that the policy also serves as the Vigil Mechanism of the Company thereby satisfying the requirements laid to such effect in the Companies Act, 2013.

The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website <https://www.rattanindiapower.com/wp-content/uploads/2022/08/VIGIL-MECHANISM-WHISTLE-BLOWER-POLICY-1.pdf>

## Annexure 'G' to Board's Report (contd.)

### (iv) Dividend Distribution Policy

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Dividend Distribution Policy duly approved by the Board is available on the website of the Company and can be accessed at

<https://www.rattanindiapower.com/wp-content/uploads/2022/08/dividend-distribution-policy.pdf>

### (v) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Schedule V:

The Company has complied with all the mandatory requirements of the Schedule V of the SEBI (LODR) Regulation, 2015 in letter as well as spirit. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the Non mandatory requirements is given at the end of the Report.

### (vi) Disclosures in relation to the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year 2022-23	Number of complaints disposed of during the financial year 2022-23	Number of complaints pending as on end of the financial year 2022-23
Nil	Nil	Nil

### (vii) Fees paid to the Statutory Auditors

Total fees for all services, paid by the Company and its subsidiary namely Sinnar Thermal Power Limited, on a consolidated basis, to statutory auditors of the Company and other firms in the network entity of which the statutory auditors are a part, during the year ended March 31, 2023, is as under:

Particulars	By the Company	By the Subsidiary	Total Amount
Statutory audit	63,00,000	12,00,000	75,00,000
<b>Total</b>	<b>63,00,000</b>	<b>12,00,000</b>	<b>75,00,000</b>

(viii) The Company has adopted the policy on Archival and Preservation of Documents, drawn in terms of the Regulation 9 and Regulation 30 of the SEBI LODR Regulations 2015.

## 7. Means of Communication

- (i) **Publication of Results:** The quarterly / annual results of the Company are published in the leading newspapers viz. The Financial Express and Jansatta.
- (ii) **News, Release, etc:** The Company has its own website <https://www.rattanindiapower.com/rpl/regulation-46/> where all vital information pertaining to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations etc. are regularly posted.
- (iii) **Management's Discussion and Analysis Report;** same has been included in the Annual Report, which forms a part of the Annual Report.
- (iv) **Investor Relation:** The Company's website contains a separate dedicated section "Investors" where information pertinent to the shareholders of the Company and to the investing public in general, is available.
- (v) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, etc. are filed electronically on NEAPS.
- (vi) **BSE Corporate Compliance & Listing Centre (the Listing Centre):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, etc. are also filed electronically on the Listing Centre.
- (vii) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redressal system.

## Annexure 'G' to Board's Report (contd.)

### 8. General Shareholders' Information

#### A. Company Registration Details

The Company is registered in Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40102DL2007PLC169082.

#### B. Date, Time and Venue of Annual General Meeting (AGM)

The date and time of the AGM has been indicated in the Notice convening the AGM.

The Company is conducting meeting through VC / OAVM pursuant to the pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs ("MCA") followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2022 dated May 05, 2022 and Circular No. 10/2022 dated December 28, 2022 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars"), MCA has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

#### C. Profile of Directors seeking appointment/re-appointment.

In terms of the requirement of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking re-appointment at this AGM are given hereunder:

1. Mr. Rajiv Rattan, a first-generation entrepreneur is the Chairman of RattanIndia Group. He is an alumnus of the prestigious Indian Institute of Technology (IIT) Delhi and started his professional career with Schlumberger, one of the largest oilfield services companies in the world. Venturing into his own businesses he has co-founded many ventures and in diverse business sectors over twenty-four years.

RattanIndia Group was founded by Mr. Rajiv Rattan and Mrs. Anjali Rattan Nashier in 2014. Over the period it has flourished into a business conglomerate with business interests in power generation, electric mobility, fintech, drones and e-commerce.

Prior to RattanIndia Group, Mr. Rattan co-founded one of the large conglomerates in India which included businesses in Consumer Finance, Securities and Real Estate.

Mr. Rajiv Rattan is also on the Board of RattanIndia Enterprises Limited, Revolt Intellicorp Private Limited, RattanIndia Finance Private Limited and RattanIndia Investment Manager Private Limited.

Mr. Rajiv Rattan is not related to any Director on the Board and hold no shares directly in the Company.

Mr. Rajiv Rattan is also not debarred from being appointed as Director of the Company, pursuant to any order of SEBI or any competent authority. Mr. Rajiv Rattan has not resigned from any listed company in the past three years.

He is also designated partner in Arbutus Consultancy LLP. Membership/Chairpersonship of Mr. Rajiv Rattan in Public Limited Companies in various committees are as under:

Name of the Company	Name of Committee	Chairperson/Member
RattanIndia Power Limited	Audit Committee/Stakeholders Relationship Committee	Member
RattanIndia Power Limited	Risk Management Committee	Chairperson
RattanIndia Enterprises Limited	Audit Committee/Stakeholders Relationship Committee	Member
RattanIndia Enterprises Limited	Risk Management Committee	Chairperson

2. Mr. Ajay Kumar Tandon is a B. Tech. (Mechanical) from Delhi College of Engineering and has more than three decades of extensive experience in the field of Engineering, Project Management & Planning and Site execution. He has experience in Industrial sector having worked in top organizations in Power sector, Renewables and Manufacturing sector in India. In his earlier stints, Mr. Tandon has held responsible positions in BHEL, Punj Lloyd, BGR Energy Systems, and Multitex Filtration Engineers Pvt. Ltd.

Mr. Ajay Kumar Tandon is not related to any Director on the Board and holds no shares in the Company.

Mr. Ajay Kumar Tandon is member of Audit Committee, Nomination and Remuneration Committee and Risk Management Committee of RattanIndia Power Limited and he does not holds chairpersonships in any committee.

Mr. Ajay Kumar Tandon is also not debarred from being appointed as Director of the Company, pursuant to any order of SEBI or any competent authority. He meets the criteria of independence as provided under Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

Mr. Ajay Kumar Tandon has not resigned from any listed company in the past three years.

3. Mr. Baliram Ratna Jadhav Holds B. E. Degree (Production) from Mumbai University and PGDC in Power from NPTI, Nagpur. He is a strategic professional having more than 30 years of enriched and extensive experience in the field of Thermal Power Plant, commissioning, operation & maintenance, planning of commissioning and O&M stage activities, particularly in sub-critical and supercritical power plants of 250 MW, 270 MW, 300 MW and 660 MW unit capacities. In his previous stints he was associated with Reliance Power Limited for a period of 28 years - Dahanu Thermal Power Station & VIPL- Butibori Nagpur, and more than 2 years with other thermal power plants like SKS Power Generation and NTPC-GE Power Service.

He had extended his expertise towards commissioning and operation of BHEL and SEC Machines and had developed excellent operation process for plant performance improvement and various cost saving initiatives across the entire domain of Power Plant. He has been associated with the Company since December 2022 and presently heading the thermal power station of the Amravati Plant of the Company.

Mr. Baliram Ratna Jadhav is not related to any Director on the Board and holds no shares in the Company.

Mr. Baliram Ratna Jadhav does not holds chairpersonships/membership in any committee.

Mr. Baliram Ratna Jadhav is also not debarred from being appointed as Director of the Company, pursuant to any order of SEBI or any competent authority.

Mr. Baliram Ratna Jadhav has not resigned from any listed company in the past three years.

4. Mr. Himanshu Mathur is a 1988 batch Mining Engineering graduate from MBM Engineering College, Jodhpur Rajasthan with around 34 years of diversified experience in a range of fields from Mining to Power. Post graduation, his initial years, were spent in Hindustan Copper Ltd (A Government of India Enterprise) in the field of material handling and mining at middle level managerial position. Subsequently Mr. Mathur worked for nearly twelve years in Siemens –AG since 1998, as Project Manager in the field of Design & Engineering of thermal and combined cycle power plants and Renovation & Modernization of coal based power plants in India and abroad.

He was also associated with RattanIndia Power Limited from 2010 to 2021 and thereafter with Azure Power.

Mr. Himanshu Mathur is not related to any Director on the Board and holds no shares in the Company.

Mr. Himanshu Mathur does not holds chairpersonships/membership in any committee.

Mr. Himanshu Mathur is also not debarred from being appointed as Director of the Company, pursuant to any order of SEBI or any competent authority. Mr. Himanshu Mathur has resigned from RattanIndia Power Limited w.e.f November 03, 2021

**D. Financial year:** The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March the following calendar year.

**E. Dividend:** No dividend has been recommended for financial year 2022-2023.

**F. Date of Book Closure**

Information pertaining to the Book Closure dates has been provided in the Notice convening the AGM.

## Annexure 'G' to Board's Report (contd.)

### G. (i) Distribution of shareholding as on 31st March, 2023

RATTANINDIA POWER LIMITED					
Distribution Schedule As On 31/03/2023					
S.No.	Category	No. of Cases	% of Cases	Amount	% of Amount
1	1-5000	4,41,975	63.91	61,33,00,400.00	1.14
2	5001- 10000	87,179	12.61	74,05,71,600.00	1.38
3	10001- 20000	60,402	8.73	94,24,88,100.00	1.76
4	20001- 30000	28,133	4.07	71,76,20,900.00	1.34
5	30001- 40000	12,886	1.86	46,67,67,190.00	0.87
6	40001- 50000	14,475	2.09	69,42,11,220.00	1.29
7	50001- 100000	22,441	3.25	1,72,17,59,570.00	3.21
8	100001 & Above	24,022	3.47	47,80,43,39,620.00	89.02
	<b>Total:</b>	<b>6,91,513</b>	<b>100.00</b>	<b>53,70,10,58,600.00</b>	<b>100.00</b>

### (ii) Shareholding pattern as on 31st March, 2023

S. No.	Description	No of Cases	Total Shares	% Equity
1	PROMOTERS	3	2,36,61,03,603	44.06
2	FOREIGN PORTFOLIO INVESTOR	12	1,61,42,369	0.30
3	FINANCIAL INSTITUTIONS	1	23,98,883	0.04
4	INSURANCE COMPANIES	1	26,67,224	0.05
5	RESIDENT INDIVIDUALS	6,82,574	1,65,50,32,629	30.82
6	NBFC	1	1,20,891	0.0
7	FOREIGN NATIONALS	1	1,055	000
8	NON RESIDENT INDIANS	2,181	4,29,82,551	0.80
9	HUF/TRUST	5,910	6,63,01,405	1.23
10	BODIES CORPORATE	793	1,16,08,31,279	0.04
11	BANKS	4	5,64,18,326	1.05
12	OTHERS	33	11,05,645	0.02
	<b>Total:</b>	<b>6,91,513</b>	<b>5,37,01,05,860</b>	<b>100</b>

The paid up capital share capital of the Company is ₹ 5997,02,58,600 /- (Five Thousand Nine Hundred Ninety Seven Crore Two Lakh Fifty Eight Thousand Six Hundred and only) divided into 537,01,05,860 (Five Hundred Thirty Seven Crore One Lakh Five Thousand Eight Hundred and Sixty One) equity shares of face value ₹ 10/- each and 62,69,20,000 (Sixty Two Crore Sixty Nine Lakh Twenty Thousand) Preference Shares of face value ₹ 10/- each, comprising of (i) 0.001% 37,69,20,000 (Thirty Seven Crore Sixty Nine Lakh Twenty Thousand) optionally convertible cumulative redeemable preference shares of face value ₹ 10/- each (aggregate value INR 376,92,00,000/-) and (ii) 0.001% 25,00,00,000 (Twenty Five Crore) redeemable preference shares of face value ₹ 10/- each (aggregate value ₹ 250,00,00,000/-) of the Company.

### H. Dematerialization of shares and liquidity

Equity Shares of the Company are traded in dematerialized mode and are available for trading under both the depositories i.e. NSDL and CDSL. As on March 31, 2023, nearly 100 % Equity shares of the Company representing 537,00,90,250 out of a total of 537,01,05,860 Equity shares, were held in dematerialized form with a miniscule balance of 15,610 Equity shares constituting approximate 0.00 % of the total outstanding Equity shares, being held in the physical segment.

Equity ISIN for Dematerialization: INE399K01017

Optionally Cumulative Convertible Redeemable Preference Shares ISIN for Dematerialization: INE399K03013

Redeemable Preference Shares ISIN for Dematerialization : INE399K04011

Non-Convertible Debentures (NCD) ISIN for Dematerialization : INE399K07014 and INE399K07048\*

Note:\* Post closure of Financial Year, both the ISINs INE399K07014 and INE399K07048 were extinguished and presently there are three ISINs namely INE399K07097, INE399K07105 and INE399K07113 covering 1,02,500 NCDs issued by the Company.

## (I) Convertible Instruments

As on March 31, 2023, the Company had 0.001% 37,69,20,000 (Thirty Seven Crore Sixty Nine Lakh Twenty Thousand) optionally convertible cumulative redeemable preference shares of face value Rs 10/- each (aggregate value INR 376,92,00,000/-)

## (J) Listing on Stock Exchanges

The Company's shares are listed on the following stock exchanges:

National Stock Exchange of India Limited (NSE)

"Exchange Plaza", Bandra-Kurla Complex,

Bandra (E), Mumbai – 400 051

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai – 400 001

## K. Stock Code

BSE Limited - 533122

National Stock Exchange of India Ltd - RTNPOWER/EQ

### PAYMENT OF LISTING FEE

Annual listing fee for the Financial Year 2023-2024 has been paid by the Company to BSE and NSE.

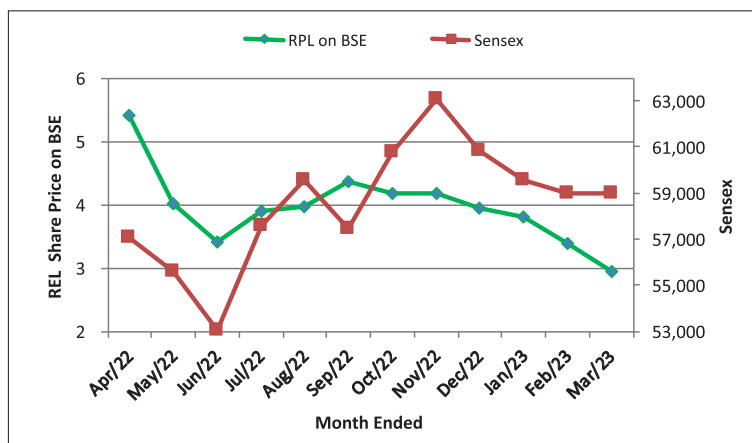
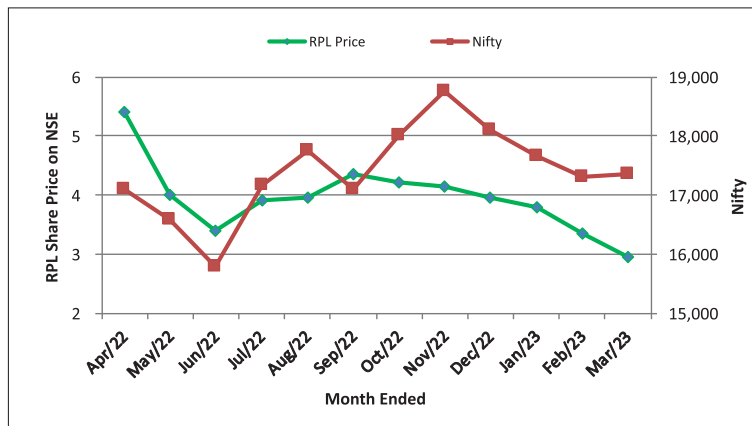
## L. Market price data

The monthly high and low market prices of equity shares at the National Stock Exchange of India Limited (NSE) and BSE Limited

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2022	6.65	5.15	6.65	5.16
May 2022	5.50	3.65	5.51	3.65
June 2022	4.60	3.20	4.60	3.21
July 2022	4.20	3.25	4.23	3.23
August 2022	4.20	3.70	4.16	3.71
September 2022	5.65	3.90	5.65	3.93
October 2022	5.00	4.05	5.00	4.05
November 2022	4.35	4.00	4.37	4.00
December 2022	4.50	3.75	4.50	3.71
January 2023	4.10	3.60	4.10	3.60
February 2023	3.95	3.20	3.97	3.20
March 2023	3.70	2.80	3.71	2.82

## Annexure 'G' to Board's Report (contd.)

### M. Performance of the Company in comparison to broad-based indices



### (N) Registrar and Transfer Agents

M/s Kfin Technologies Limited are acting as the Registrar and Transfer Agents of the Company for handling the share related matters, both in physical and dematerialized mode.

#### The contact details are as under:

Kfin Technologies Limited Unit :  
 RattanIndia Power Limited  
 Karvy Selenium Tower – B, Plot No. 31 & 32 Gachibowli,  
 Financial District, Nanakramguda Serilingampally, Hyderabad – 500 032  
 Contact Person : Ms. Shobha Anand, DGM, Corporate Registry  
 Tel : 040-67162222, Fax: 040-23001153  
 E-mail: einward.ris@kfintech.com Website: <https://www.kfintech.com/>

### (O) Share Transfer System

In terms of amended SEBI (LODR) Regulations, 2015, effective from April 1, 2019, transfer of shares of the Company, can only happen in the demat form, which does not ordinarily require and approvals from the board of directors or any committee thereof and takes place through the depository mechanism.

**(P) Address for Correspondence**

Registered office:  
RattanIndia Power Limited  
A-49, Ground Floor, Road No. 4,  
Mahipalpur New Delhi 110037,  
Tel : 011-46611666, Fax: 011-46611777  
Website: <https://www.rattanindiapower.com/>

**(Q) Plant Locations :**

Amravati Thermal Power Project of the Company is located at village Nandgaonpeth, Amravati district, Maharashtra.

**(R) Equity shares in the suspense account:** In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialised form pursuant to the public issue of the Company:

1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	97 shareholders holding 31,650 equity shares
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Nil
3	Number of shareholders to whom shares were transferred from suspense account during the year	Nil
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	97 shareholders holding 31,650 equity shares.

**(S) Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund ("IEPF") :**

The Company has not declared any dividends since the date of its incorporation.

**(T) Commodity price risk or foreign exchange risk and hedging activities:** The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. The Company has no exposure to the commodity price & foreign exchange risk.

**(U) Disclosure of certain types of agreements binding on the listed entity:**

As per clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations, there was no such agreements entered by the Company during the Financial Year 2022-2023

**(V) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested**

There is no such loans and advances granted by the Company during the financial year

**9. No Disqualification Certificate from Company Secretary in Practice**

Certificate from S. Khandelwal & Co., Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

**10. Compliance Certificate from the Practicing Company Secretary**

A certificate from a Practicing Company Secretary certifying the Company's compliance with the provisions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to and forms a part of the Annual Report.

**11. Managing Director (MD) & Chief Financial Officer (CFO) Certification**

The certificate in compliance with Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, signed by the Managing Director and Chief Financial Officer, was placed before the Board of Directors.



## Annexure 'G' to Board's Report (contd.)

MD and CFO have issued certificate pursuant to the Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015, certifying that the financial statements do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

### 12. Discretionary Requirements

Status of Compliance of Discretionary requirement in compliance with Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

#### (A) Non –Executive Chairman

w.e.f October 01, 2022, Mr. Rajiv Rattan is an Executive Chairman of the Company

#### (B) Separate posts of Chairman and Managing Director.

During the Financial year, Mr. Vibhav Agarwal, ceased to be the Managing Director w.e.f. June 03, 2022 and Mr. Brijesh Narendra Gupta was appointed as the Managing Director of the Company w.e.f. July 16, 2022. None of them is related to Mr. Rajiv Rattan.

#### (C) Shareholders Rights

The Company is getting its quarterly/half yearly and annual financial results published in leading newspapers with wide circulation across the country and regularly updates the same on its public domain website. In view of the same individual communication of quarterly/ half yearly and annual financial results to the shareholders is not being made at present.

Further, information pertaining to important developments in the Company is brought to the knowledge of the public at large and to the shareholders of the Company in particular, through communications sent to the stock exchanges where the shares of the Company are listed and which then get updated on the websites of these exchanges, through press releases in leading newspapers and through regular uploads made on the Company website.

#### (D) Modified financial statements

In view of acute power shortage faced by the country during the recent past, the Ministry of Power had identified certain power plants, including that of STPL, that are commissioned and preserved in a condition that they can be brought into operation within few months' notices. In this context, STPL had been directed to make plant operational and endeavour to start power generation from 2 out of its 5 units at the earliest possible. STPL had been in active discussions with the lenders and other stake holders to ensure plant can be started in time and to ensure steps are taken for the long- term resolution and accordingly, the management had assessed that the STPL's status as going concern for the purpose of accounting is appropriate. The Management had undertaken assessment of recoverability of the financial assets and had created provision, wherever deemed necessary.

The management based upon inputs from legal experts has assessed that NCLAT order dated 26 September 2022 has directed the IRP to abstain from taking any steps; thereby, staying CIRP proceedings initiated by NCLT. Thus, the Company continues to control the composition of the Board of STPL and the current Board of Directors of STPL continue to perform STPL's affairs and discharge day to day activities / transactions in the normal course of business and STPL continues to qualify as a wholly- owned subsidiary under Ind AS, as on the date of approval of these standalone financial results and that no adjustment is currently required. Further, the STPL management is confident that the PPA would soon be restored in its favor, allowing STPL to commence its business operations.

#### (E) Reporting of Internal Auditor

The Company has an Internal Auditor, who was appointed by the Audit Committee, with such appointment being subsequently ratified by the Board of Directors. The Internal Auditor reports directly to the Audit Committee with his reports being subsequently forwarded to the Board of Directors by the Audit Committee.

#### (F) Disclosure with respect to the Compliance with the Corporate Governance.

The Company hereby affirm and confirms that all the requirements specified in the Regulation 17 to 27 and Clause (b) to (i) of the Sub-regulation (2) of the Regulation 46 of the SEBI LODR Regulations has been complied with and all the details pertain to that has also been disclosed in the Corporate Governance section of this Annual Report.

## (G) Credit Rating

The list of credit ratings obtained by the Company during the year under review, for fund based and non-fund based facilities are given hereunder:

Name of Agency	Bank Facilities	
	Short Term	Long Term
Acuite Rating and Research	-	BB Stable

For RattanIndia Power Limited

Sd/-  
**Rajiv Rattan**  
Chairman

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### DECLARATION PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE-V OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

All Directors and senior management of the Company have affirmed compliance with the RattanIndia Power Limited Code of Conduct for the financial year ended 31st March, 2023.

Sd/-  
**Brijesh Narendra Gupta**  
Managing Director

## Annexure 'G' to Board's Report (contd.)

### CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To  
The Members,  
RATTANINDIA POWER LIMITED  
A-49, Ground Floor Road No. 4,  
Mahipalpur, New Delhi-110037

I have examined the compliance of conditions of Corporate Governance by RattanIndia Power Limited ("the Company"), for the year ended March 31, 2023, as stipulated under Regulations 17 to 27, 46 (2) (b) to (i) and (t) and para C, D and E of Schedule V of Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) for the Financial Year ended March 31, 2023.

I state that the compliance of conditions of Corporate Governance is the responsibility of the Company's management, and my examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion, and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned LODR for the Financial Year ended March 31, 2023.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **S. Khandelwal & Co.**  
Company Secretaries

**Sd/-**  
**Sanjay Khandelwal**  
Proprietor

Membership No.: FCS-5945  
CP No.: 6128  
UDIN: F005945E000708064

Date: 31.07.2023  
Place: New Delhi

## Annexure 'G' to Board's Report (contd.)

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members of  
RATTANINDIA POWER LIMITED  
A-49, Ground Floor Road No. 4, Mahipalpur,  
New Delhi- 110037

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of RattanIndia Power Limited having CIN L40102DL2007PLC169082 and having registered office at A-49, Ground Floor Road No. 4, Mahipalpur, New Delhi-110037 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as on 31<sup>st</sup> March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S. Khandelwal & Co.**  
Company Secretaries

Sd/-  
**Sanjay Khandelwal**  
Proprietor  
FCS No. 5945  
CP No: 6128  
UDIN: F005945E000708064

Date: 31.07.2023  
Place: New Delhi

# Independent Auditor's Report

To the Members of RattanIndia Power Limited

Report on the Audit of the Consolidated Financial Statements

## Qualified Opinion

1. We have audited the accompanying consolidated financial statements of RattanIndia Power Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group' and its associate, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the 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 and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiary, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate, as at 31 March 2023, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

## Basis for Qualified Opinion

3. As explained in Note 57 to the accompanying Consolidated Financial Statements, Sinnar Thermal Power Limited (STPL), is yet to commence operations and has incurred net loss amounting to ₹ 220,837.07 lakhs during the year ended 31 March 2023. As further explained in the aforementioned note, the management has assessed that the STPL's status as going concern for the purpose of accounting is appropriate basis the steps being undertaken. Further, STPL's accumulated losses as at 31 March 2023 amount to ₹ 1,180,387.72 lakhs and its current liabilities exceed its current assets by ₹ 1,643,210.87 lakhs.

Also, STPL has defaulted in repayment of borrowings from banks and financial institutions, including interest, aggregating to ₹ 1,170,031 lakhs upto 31 March 2023. As described in the said note, the Company's other current financial liabilities as at 31 March 2023 include balances amounting to ₹ 558,160.14 lakhs, in respect of which confirmations from the respective lenders have not been received while in case of certain lenders, the balance of borrowings and accrued interest confirmed as compared to balance as per books is higher by ₹ 33,391.43 lakhs and ₹ 28,652.86 lakhs respectively. In management's view, the subsidiary company has accrued for all the dues payable to the lenders in accordance with the terms of the respective loan agreements/ sanction letters and carrying value of assets is recoverable as on 31 March 2023.

The Hon'ble National Company Law Tribunal, New Delhi (the 'NCLT') vide order dated 19 September 2022, admitted an application for insolvency filed by an operational creditor against STPL and initiated Corporate Insolvency Resolution Process ('CIRP') under the Insolvency and Bankruptcy Code, 2016 ('IBC'). However, subsequently, in response to the appeal filed against the NCLT order, the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 26 September 2022 had directed the Interim Resolution Professional ('the IRP') to abstain from taking any steps and has allowed STPL to participate further with the Ministry of Power in continuation of the earlier meetings/ discussions for making the plant operational, as detailed in the aforesaid note.

In view of significant uncertainties associated with the outcome of CIRP proceedings and the outcome of ongoing discussions with the lenders for settlement of dues and to secure firm and unconditional commitment for providing working capital loans /bank guarantees required for executing the power purchase agreement ('PPA') required to commence operations and the non- receipt of balance confirmations from the lenders or sufficient and appropriate alternate audit evidence to support the management's assessment as mentioned above, we are unable to obtain sufficient appropriate evidence to comment on the appropriateness of going concern assessment of STPL by the management and/ or adjustments, if any, that may further be required to be made to the carrying value of assets including property, plant and equipment of STPL aggregating to ₹ 768,567.07 lakhs and the liabilities aggregating to ₹ 620,204.43 lakhs as at 31 March 2023, included in the Group's consolidated financial statements and the consequential impact thereof on the accompanying consolidated financial statements for the year ended 31 March 2023.

Our audit report on the consolidated financial statements for the year ended 31 March 2022 was also qualified with respect to this matter.

# Independent Auditor’s Report (contd.)

4. We conducted our audit in accordance with the Standards on Auditing 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 and its associate, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (‘ICAI’) together with the ethical requirements that are relevant to our audit of the consolidated 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 17 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

### Emphasis of Matter – Control assessment of subsidiary

5. We draw attention to Note 57(a) to the accompanying consolidated financial statements which states that the Hon’ble NCLT vide order dated 19 September 2022, admitted an application for insolvency filed by an operational creditor against STPL and initiated CIRP under the IBC. However, subsequently, the NCLAT vide its order dated 26 September 2022 (‘NCLAT order’) had directed the IRP to abstain from taking any steps, as detailed in the aforesaid note.

The management based on their internal assessment and legal opinion obtained from their counsel, is of the view that owing to NCLAT order setting aside the CIRP proceedings initiated by NCLT, owing to which the Holding Company continues to retain control of the composition of Board of STPL and accordingly, STPL continues to meet the criteria to be considered a wholly-owned subsidiary under the provisions of Ind AS 110, Consolidated Financial Statements and under Section 2(87) of the Companies Act, 2013, as on the date of approval of these consolidated financial statements. Our opinion is not modified in respect of this matter.

### Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, 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.
7. In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<b>Recoverability of amounts due from Maharashtra State Electricity Distribution Company Limited (MSEDCL)</b>	
<p>The Holding Company has dues from MSEDCL amounting to ₹ 214,369.30 lakhs (excluding unbilled) as at 31 March 2023.</p> <p>As detailed in Note 33(C) to the consolidated financial statements, the Holding Company’s trade receivables include compensation claims against various Change in Law events, alongwith Late Payment Surcharge (LPS) thereon, in accordance with the terms of Power Purchase Agreement (PPA) entered with MSEDCL, that are subject to final acceptance by the Discom due to ongoing proceedings at various levels of regulatory authorities.</p> <p>The Holding Company has obtained a legal opinion from an independent counsel with respect to recoverability of compensation claims and LPS thereon.</p> <p>Considering the materiality of the balances to the Group’s consolidated financial statements and the judgements involved in the estimation of recoverability, this matter is considered to be a key audit matter for the current year audit.</p>	<p>Our audit work in relation to assessment of recoverability of amounts due from MSEDCL included, but was not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the nature of claims and key developments during the year from the management.</li> <li>• Tested the design, implementation and operating effectiveness of the controls that the Company has established to monitor change in law events and related claims, status of various pending claims including under appeal and orders passed by various regulatory authorities.</li> <li>• Evaluated the reasonableness of the key assumptions used by the management of Holding Company in determination of recoverable amount based on our knowledge of the business and industry.</li> <li>• Obtained legal opinion from the Holding Company’s external legal counsels and analysed the same. Also, considered the current industry practice.</li> </ul>

## Independent Auditor's Report (contd.)

	<ul style="list-style-type: none"> <li>• Obtained and reviewed the necessary evidence which includes correspondence with the internal legal counsels and where necessary, inspected minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of receivables in respect of each such claim selected for testing.</li> <li>• Ensured appropriateness and adequacy of disclosures made in the consolidated financial statements with respect to the receivables are in accordance with the applicable accounting standards.</li> </ul>
<p><b>Litigation and contingent liabilities</b> (Refer note 33)</p> <p>The Group operates in an industry which is heavily regulated which increases inherent risk of litigations. There are number of legal and regulatory cases, of which the most significant ones are claims by the Holding Company on MSEDCL as explained in the KAM on recoverability from MSEDCL and claims by the vendors / suppliers on the Holding Company and other subsidiary companies.</p> <p>The eventual outcome of these legal proceedings is dependent on the outcome of future events and unexpected adverse outcomes could significantly impact the Group's reported profits and balance sheet position.</p> <p>The amounts involved are material and the application of accounting principles as given under Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, in order to determine the amount to be recorded as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the Holding Company's management.</p> <p>Key judgments are also made by the Holding Company's management in estimating the amount of liabilities, provisions and/or contingent liabilities related to aforementioned litigations.</p> <p>Considering the degree of judgment, significance of the amounts involved, inherent high estimation uncertainty and reliance on external legal and tax experts, this matter has been identified as a key audit matter for the current year audit.</p>	<p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for: <ul style="list-style-type: none"> <li>- identification of legal and tax matters initiated against the Holding Company;</li> <li>- assessment of accounting treatment for each such litigation identified under Ind AS 37 accounting principles; and</li> <li>- for measurement of amounts involved.</li> </ul> </li> <li>• Evaluated the design and tested the operating effectiveness of key controls around above process.</li> <li>• Obtained an understanding of the nature of litigations pending against the Holding Company and subsidiary companies and discussed the key developments during the year for key litigations with the management and respective legal counsels handling such cases on behalf of the Holding Company and subsidiary companies.</li> <li>• Obtained and reviewed the necessary evidence which includes correspondence with the external and internal legal counsels, wherever applicable and inspected minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of contingent liabilities in respect of each such litigation selected for testing. We focused on the developments in the existing litigations and new litigations, which could have materially impacted the amounts recorded as provisions or disclosed as contingent liability in the consolidated financial statements.</li> <li>• Assessed Holding Company's management's conclusions through discussions held with the in-house legal counsel and understood precedents set in similar cases.</li> <li>• Obtained and read the correspondence with the regulatory authorities, including past judgements on the subject matter of specific significant litigations.</li> </ul>

## Independent Auditor’s Report (contd.)

	<ul style="list-style-type: none"> <li>Assessed the appropriateness of methods used, and the reliability of underlying data for the underlying calculations made for quantifying the amounts involved. Tested the arithmetical accuracy of such calculations.</li> <li>Evaluated the adequacy of disclosures made by the Management of the Holding Company in the consolidated financial statements in view of the requirements as specified in the Indian Accounting Standards.</li> </ul>
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### Information other than the Consolidated Financial Statements and Auditor’s Report thereon

8. The Holding Company’s Board of Directors are 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 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 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.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

9. The accompanying consolidated financial statements have been approved by the Holding Company’s Board of Directors. The Holding Company’s Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company’s Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate, covered under the Act 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.
10. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
11. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate.



# Independent Auditor's Report (contd.)

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

12. 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
13. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act 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 whether the Holding 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 made by management;
  - Conclude on the appropriateness of 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 and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease and its associate to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
  - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, and of its associate, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the 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.
14. 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.
15. 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.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

## Independent Auditor's Report (contd.)

### Other Matters

17. We did not audit the financial statements of 1 subsidiary, whose financial statements / financial information reflects total assets of ₹ 24,031.31 lakhs and net assets of (₹ 985.03 lakhs) as at 31 March 2023, total revenues of ₹ Nil and net cash outflows amounting to ₹ 0.45 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

18. We did not audit the financial statements of 3 subsidiaries, whose financial statements / financial information reflect total assets of ₹ Nil and net assets of (₹ 14,846.87 lakhs) as at 31 March 2023, total revenues of ₹ Nil and net cash outflows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also includes the Group's share of net loss (including other comprehensive income) of ₹ Nil for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of 1 associate, whose interim financial statements/ financial information have not been audited by us. 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 it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries, 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 above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

### Report on Other Legal and Regulatory Requirements

19. As required by section 197(16) of the Act based on our audit and on the consideration of the report of the other auditor, referred to in paragraph 17, on separate financial statements of the subsidiary, , we report that the Holding Company, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 1 subsidiary company, incorporated in India whose financial statements have been audited under the Act has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary company.

20. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date {by us and by the respective other auditors as mentioned in paragraph 17 above, of companies included in the consolidated financial statements for the year ended 31 March 2023 and covered under the Act we report that:

A) Following are the qualifications/adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2023 for which such Order reports have been issued till date and made available to us:

S No.	Name	CIN	Holding Company/ subsidiary/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1	RattanIndia Power Limited	L40102DL2007PLC169082	Holding	(i)(c), (vii)(b), (xi)(c)
2	Sinnar Thermal Power Limited	U70109DL2007PLC157316	Subsidiary	(vii), (ix), (xvii), (xix)
3	Poena Power Development Limited	U45207DL2008PLC180508	Subsidiary	(xvii)

21. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiaries, incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

## Independent Auditor's Report (contd.)

- a) We have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, except for the possible effects of the matter described in paragraph 3 of the Basis for Qualified Opinion section with respect to the financial statements of the subsidiary, Sinnar Thermal Power Limited;
- c) The consolidated financial statements 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) Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) The matters described in paragraph 3 of the Basis for Qualified Opinion and 5 of the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Holding Company and Sinnar Thermal Power Limited, a subsidiary of the Holding Company;
- f) On the basis of the written representations received from the directors of the Holding Company, its subsidiary company, and taken on record by the Board of Directors of the Holding Company, its subsidiary company, and the reports of the statutory auditors of its subsidiary company, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3, of the Basis for Qualified Opinion section with respect to the Sinnar Thermal Power Limited, a subsidiary of the Holding Company;
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed a modified opinion; and
- i) 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 and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiary company incorporated in India whose financial statements have been audited under the Act:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 33, 57 and 60 to the consolidated financial statements;
  - ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
  - iii. 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 covered under the Act, during the year ended 31 March 2023;
  - iv.
    - a. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in note 58 (v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, to or in any person(s) or entity(ies), including foreign entities ('the 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 Holding Company, or any such subsidiary company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 58

- (vi) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiary, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year ended 31 March 2023
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

**Place:** New Delhi  
**Date:** 4 May 2023

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Deepak Mittal**  
Partner  
Membership No.: 503843  
**UDIN:** 23503843BGUTBA4685

# Independent Auditor's Report (contd.)

## Annexure - 1

### List of entities included in the Statement

#### Subsidiaries

- 1) Sinnar Thermal Power Limited (India)
- 2) Poena Power Development Limited (India)
- 3) Bracond Limited (Cyprus)
- 4) Geneformous Limited (Cyprus)
- 5) Renemark Limited (Cyprus)
- 6) Sinnar Power Transmission Limited (India) (upto 11 May 2022)

#### Associate

- 1) Sinnar Power Transmission Limited (India) (from 12 May 2022 to 27 July 2022)

## Annexure A to the Independent Auditor's Report of even date to the members of RattanIndia Power Limited on the consolidated financial statements for the year ended 31 March 2023

### Annexure A

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

- 1) In conjunction with our audit of the consolidated financial statements of RattanIndia Power Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

#### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

- 2) The respective Board of Directors of the Holding Company and its subsidiary companies which are companies covered under the Act, 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 on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('the 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 the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

- 3) Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes 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 financial statements, whether due to fraud or error.
- 5) We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

#### 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 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

- 7) Because of the inherent limitations of internal financial controls with reference to financial statements, including the

# Annexure A to the Independent Auditor's Report

(contd.)

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.

## Qualified Opinion

- 8) According to the information and explanation given to us, the following matter has been identified as at 31 March 2023 with respect to a subsidiary company of the holding company. The possible effects have been assessed as material but not pervasive to these consolidated financial statements:

Because of the following matter, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as at 31 March 2023, on the internal financial controls with reference to financial statements of Sinner Thermal Power Limited (formerly RattanIndia Nasik Power Limited), a subsidiary of the Holding Company, issued by us vide our audit report dated 4 May 2023, reproduced by us as under:

We are unable to determine whether the Company's internal control system with respect to a) financial statements closure process towards assessing the Company's ability to continue as going concern, as explained in Note 45(a) to the financial statements, were operating effectively, due to uncertainties in the judgements and assumptions made by the Company; and b) ensuring completeness and accuracy of outstanding borrowings and interest accrued thereon, as explained in Note 45(b) to the financial statements, were operating effectively. These material weaknesses could potentially result in material misstatements in the carrying value and classification of assets including property, plant and equipment and liabilities, including borrowings and interest accrued thereon and its consequential impact on the accompanying financial statements as at 31 March 2023.

- 9) A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
- 10) In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Holding Company and subsidiary companies have, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

## Other Matter

- 11) We did not audit the internal financial controls with reference to financial statements insofar as it relates to 1 subsidiary company, which are companies covered under the Act, whose financial statements / financial information reflect total assets of ₹ 24,031.30 lakhs and net assets of (₹ 985.03 lakhs) as at 31 March 2023, total revenues of ₹ Nil lakhs and net cash outflows amounting to ₹ 0.45 lakhs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company have been audited by other auditors whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company, is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Deepak Mittal**

Partner

Membership No.: 503843

UDIN: 23503843BGUTBA4685

Place: New Delhi

Date: 4 May 2023

# Consolidated Balance Sheet

of RattanIndia Power Limited as at 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	1,281,550.63	1,314,029.33
(b) Capital work-in-progress	4A	111,003.42	114,220.32
(c) Right of use assets	4B	23,480.05	24,046.57
(d) Other intangible assets	5	27.26	24.14
(e) Financial assets			
Other financial assets	6	8,469.21	3,588.48
(f) Non-current tax assets (net)	7	647.55	946.69
(g) Other non-current assets	8	940.32	578.39
(h) Assets held for sale	9	-	0.00
		<b>1,426,118.44</b>	<b>1,457,433.92</b>
<b>Current assets</b>			
(a) Inventories	10	13,603.87	13,664.03
(b) Financial assets			
(i) Investments	11	799.13	378.81
(ii) Trade receivables	12	249,195.03	250,896.42
(iii) Cash and cash equivalents	13	17,901.83	15,022.20
(iv) Bank balances other than cash and cash equivalents	14	5,451.86	11,992.20
(v) Loans	15	0.63	0.32
(vi) Other financial assets	6	474.16	447.51
(c) Other current assets	8	23,640.66	16,002.59
		<b>311,067.17</b>	<b>308,404.08</b>
<b>TOTAL ASSETS</b>		<b>1,737,185.61</b>	<b>1,765,838.00</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	16	537,010.59	537,010.59
(b) Other equity	17	(990,303.48)	(803,190.53)
		<b>(453,292.89)</b>	<b>(266,179.94)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	255,390.64	712,990.80
(ii) Lease liabilities	19	2,352.17	3,037.64
(iii) Other financial liabilities	20	115.75	5,597.49
(b) Provisions	21	932.82	808.02
(c) Deferred tax liabilities (net)	22	2,036.54	-
(d) Other non-current liabilities	23	87,623.83	92,751.37
		<b>348,451.75</b>	<b>815,185.32</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	24	843,065.43	437,816.15
(ii) Lease liabilities	19	970.13	862.27
(iii) Trade payables	25	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		28,273.67	21,314.92
(iv) Other financial liabilities	20	959,940.70	747,152.55
(b) Other current liabilities	23	5,694.59	5,706.39
(c) Provisions	21	4,082.23	3,980.34
		<b>1,842,026.75</b>	<b>1,216,832.62</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,737,185.61</b>	<b>1,765,838.00</b>

Significant accounting policies and accompanying notes are integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

Deepak Mittal  
Partner  
Membership No. : 503843

Place: New Delhi  
Date: 04 May 2023

For and on behalf of the Board of Directors

Rajiv Rattan  
Executive Chairman  
DIN: 00010849

Place: New Delhi  
Date: 04 May 2023

Ankur Mitra  
Chief Financial Officer  
PAN: AFZPM2346H

Place: Mumbai  
Date: 04 May 2023

Brijesh Narendra Gupta  
Managing Director  
DIN: 08469815

Place: Mumbai  
Date: 04 May 2023

Lalit Narayan Mathpati  
Company Secretary  
FCS- 7943

Place: New Delhi  
Date: 04 May 2023



# Consolidated Statement of Profit and Loss

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Revenue</b>			
Revenue from operations	26	323,116.35	325,951.86
Other income	27	32,819.84	40,964.09
		<b>355,936.19</b>	<b>366,915.95</b>
<b>Expenses</b>			
Cost of fuel, power and water consumed	28	223,904.93	225,098.68
Employee benefits expense	29	5,589.18	5,003.62
Finance costs	30	251,123.18	234,178.67
Depreciation and amortisation expense	31	40,437.48	41,445.32
Other expenses	32	19,830.24	15,560.66
		<b>540,885.01</b>	<b>521,286.95</b>
<b>Loss before share of profit/ (loss) in associate</b>		<b>(184,948.82)</b>	<b>(154,371.00)</b>
Share of profit/ (loss) in associate		-	-
<b>Loss before tax and exceptional items</b>		<b>(184,948.82)</b>	<b>(154,371.00)</b>
Less: Exceptional item	54	-	43,773.00
<b>Loss before tax</b>		<b>(184,948.82)</b>	<b>(198,144.00)</b>
<b>Tax expense:</b>	45		
Current tax expense		-	-
Deferred tax expense		2,036.54	-
<b>Total tax expenses</b>		<b>2,036.54</b>	<b>-</b>
<b>Loss for the year</b>		<b>(186,985.36)</b>	<b>(198,144.00)</b>
<b>Other comprehensive income</b>			
A. Items that will not be reclassified to profit or loss			
Re-measurement of post-employment benefit obligations (net of tax)		(116.25)	(51.72)
B. Items that will be reclassified to profit or loss			
Exchange differences in translating the foreign operations (net of tax)		(11.34)	(3.93)
<b>Other comprehensive income for the year</b>		<b>(127.59)</b>	<b>(55.65)</b>
<b>Total comprehensive loss for the year</b>		<b>(187,112.95)</b>	<b>(198,199.65)</b>
<b>Loss for the year attributable to:</b>			
Owner		(186,985.36)	(198,144.00)
Non-controlling interest		-	-
		<b>(186,985.36)</b>	<b>(198,144.00)</b>
<b>Other comprehensive income for the year attributable to:</b>			
Owner		(127.59)	(55.65)
Non-controlling interest		-	-
		<b>(127.59)</b>	<b>(55.65)</b>
<b>Total comprehensive loss for the year attributable to:</b>			
Owner		(187,112.95)	(198,199.65)
Non-controlling interest		-	-
		<b>(187,112.95)</b>	<b>(198,199.65)</b>
<b>Earnings/ (loss) per equity share (face value of 10 each)</b>	38		
Basic (₹)		(3.48)	(3.69)
Diluted (₹)		(3.48)	(3.69)

Significant accounting policies and accompanying notes are 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 Walker Chandio & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

Deepak Mittal  
Partner  
Membership No. : 503843

Place: New Delhi  
Date: 04 May 2023

For and on behalf of the Board of Directors

Rajiv Rattan  
Executive Chairman  
DIN: 00010849

Place: New Delhi  
Date: 04 May 2023

Ankur Mitra  
Chief Financial Officer  
PAN: AFZPM2346H

Place: Mumbai  
Date: 04 May 2023

Brijesh Narendra Gupta  
Managing Director  
DIN: 08469815

Place: Mumbai  
Date: 04 May 2023

Lalit Narayan Mathpati  
Company Secretary  
FCS- 7943

Place: New Delhi  
Date: 04 May 2023

# Consolidated Statement of Changes in Equity



of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

## A Equity share capital (refer note 16)

As at 31 March 2023

Particulars	Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
Equity share capital	537,010.59	-	537,010.59	-	537,010.59

As at 31 March 2022

Particulars	Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
Equity share capital	537,010.59	-	537,010.59	-	537,010.59

## B Other equity (refer note 17)

Particulars	Attributable to owners						Non-Controlling interests	Total
	Reserves and surplus					Total other equity		
	Capital reserve	Securities premium	Foreign currency translation reserve	Employee stock options reserve	Retained earnings			
Balance as at 1 April 2021	24,186.21	187,124.56	30,941.70	38.99	(841,812.72)	(599,521.26)	(385.66)	(599,906.92)
Loss for the year	-	-	-	-	(198,144.00)	(198,144.00)	-	(198,144.00)
Other comprehensive income (net of tax)	-	-	(3.93)	-	(51.72)	(55.65)	-	(55.65)
Other adjustments (refer note 51)	-	-	-	-	(5,469.62)	(5,469.62)	385.66	(5,083.96)
Balance as at 31 March 2022	24,186.21	187,124.56	30,937.77	38.99	(1,045,478.06)	(803,190.53)	-	(803,190.53)
Loss for the year	-	-	-	-	(186,985.36)	(186,985.36)	-	(186,985.36)
Other comprehensive income (net of tax)	-	-	(11.34)	-	(116.25)	(127.59)	-	(127.59)
Amount transferred on account of options not exercised / lapsed	-	-	-	(38.99)	38.99	-	-	-
Balance as at 31 March 2023	24,186.21	187,124.56	30,926.43	-	(1,232,540.68)	(990,303.48)	-	(990,303.48)

Significant accounting policies and accompanying notes are 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 Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Deepak Mittal**

Partner

Membership No. : 503843

Place: New Delhi

Date: 04 May 2023

For and on behalf of the Board of Directors

**Rajiv Rattan**

Executive Chairman

DIN: 00010849

Place: New Delhi

Date: 04 May 2023

**Ankur Mitra**

Chief Financial Officer

PAN: AFZPM2346H

Place: Mumbai

Date: 04 May 2023

**Brijesh Narendra Gupta**

Managing Director

DIN: 08469815

Place: Mumbai

Date: 04 May 2023

**Lalit Narayan Mathpati**

Company Secretary

FCS- 7943

Place: New Delhi

Date: 04 May 2023

# Consolidated Cash Flow Statement

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(184,948.82)	(198,144.00)
<b>Adjustments for:</b>		
Depreciation/ amortisation expense	40,437.48	41,445.32
Gain on modification of financial liability	-	(5,360.31)
Interest income	(1,340.66)	(1,348.74)
Profit on sale of Investment	(37.47)	(5.31)
Loss/ (profit) on foreign currency transaction (net)	1,036.77	(100.35)
Finance costs	251,123.18	234,178.67
Investment/ receivables written off	317.62	767.52
Unclaimed balances and excess provisions written back	(142.37)	(494.31)
Profit on sale/strike off of subsidiaries	(348.00)	(7,558.04)
Exceptional Items (CWIP written off)	-	43,773.00
Miscellaneous Income	(2.93)	-
<b>Operating profit before working capital changes</b>	<b>106,094.80</b>	<b>107,153.45</b>
<b>Movement in working capital</b>		
(Increase)/ decrease in inventories	(1,452.25)	14,076.06
(Increase)/ decrease in other financial assets	(287.79)	176.49
(Increase)/ decrease in other assets	(7,681.23)	1,015.85
Decrease/ (increase) in trade and other receivables	1,701.39	(26,106.61)
Increase in other financial liabilities	958.34	2,253.49
Decrease in other liabilities	(5,033.64)	(6,905.63)
Increase in trade and other payables	6,958.75	1,901.11
<b>Cash flow generated from operating activities post working capital changes</b>	<b>101,258.37</b>	<b>93,564.21</b>
Income tax refund received/ (paid) (net)	286.52	(155.45)
<b>Net cash flow generated from operating activities (A)</b>	<b>101,544.89</b>	<b>93,408.76</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)	(3,075.74)	(1,131.45)
Movement in current investments (net)	(382.85)	(339.58)
Movement in fixed deposits (net)	1,743.71	6,121.66
Interest received	1,185.84	1,207.88
<b>Net cash flows (used in)/ generated from investing activities (B)</b>	<b>(529.04)</b>	<b>5,858.51</b>

# Consolidated Cash Flow Statement *(Contd.)*

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term borrowings (net)	(79,473.00)	(73,471.00)
Proceeds from short-term borrowings (net)	325.44	779.84
Finance cost paid	(17,774.38)	(22,535.08)
Payment of lease liabilities	(775.29)	(349.50)
<b>Net cash flows used in financing activities (C)</b>	<b>(97,697.23)</b>	<b>(95,575.74)</b>
<b>Increase in cash and cash equivalents (A+B+C)</b>	<b>3,318.62</b>	<b>3,691.53</b>
Cash and cash equivalents at the beginning of the year	14,544.66	10,853.13
<b>Cash and cash equivalents at the end of the year</b>	<b>17,863.28</b>	<b>14,544.66</b>
<b>Notes:</b>		
<b>1 Refer note 49 for reconciliation of liabilities arising from financing activities.</b>		
<b>2 Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents (refer note 13)	17,901.83	15,022.20
Less: Bank overdraft (refer note 20)	(38.55)	(477.54)
	<b>17,863.28</b>	<b>14,544.66</b>

**3** The Statement of Consolidated Cash Flow has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

Significant accounting policies and accompanying notes are integral part of the consolidated financial statements.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

**Deepak Mittal**  
Partner  
Membership No. : 503843  
Place: New Delhi  
Date: 04 May 2023

For and on behalf of the Board of Directors

**Rajiv Rattan**  
Executive Chairman  
DIN: 00010849  
Place: New Delhi  
Date: 04 May 2023

**Brijesh Narendra Gupta**  
Managing Director  
DIN: 08469815  
Place: Mumbai  
Date: 04 May 2023

**Ankur Mitra**  
Chief Financial Officer  
PAN: AFZPM2346H  
Place: Mumbai  
Date: 04 May 2023

**Lalit Narayan Mathpati**  
Company Secretary  
FCS- 7943  
Place: New Delhi  
Date: 04 May 2023

# Notes to the Consolidated Financial Statements

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

## Significant accounting policies and notes to the consolidated financial statements for the year ended 31 March 2023

### 1. Corporate Information

#### Nature of Operations

RattanIndia Power Limited (the 'Holding Group' or 'RPL') along with its subsidiaries (together referred to as the 'Group') is principally engaged in the business of dealing in power generation, distribution, trading and transmission and other ancillary and incidental activities.

RPL is a public company domiciled and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is situated at A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi-110037.

The shares of RPL are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) of India.

RPL has installed capacity of five units of 270 MW each at Amravati, Maharashtra to augment the power supply in the state of Maharashtra. The Company sells the power generated from 1350 MW power project under long term Power Purchase Agreement with Maharashtra State Electricity Distribution Company Limited (MSEDCL)

The consolidated financial statements for the year ended 31 March 2023 were approved by the Board of Directors on 4 May 2023.

### 2. General information and statement of compliance with Ind AS

a. The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ("MCA")), as amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI). The Group has uniformly applied the accounting policies during the periods presented.

#### b. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

### 3. Summary of significant accounting policies

#### a) Basis of preparation

The Group's consolidated financial statements have been prepared using the significant accounting policies and measurement basis as summarised below. These were used throughout all periods presented in the financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

The Group's consolidated financial statements have been prepared on going concern basis under the historical cost basis except for the following:

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans – liability of which is recognised as per actuarial valuation; and
- Share based payments which are measured at fair value of the options

#### b) Current and non-current classification

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

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle. - it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- 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.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

- it is due to be settled within 12 months after the reporting date; or
- 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 assets/liabilities include current portion of noncurrent financial assets/liabilities respectively. All other assets/liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as noncurrent assets and liabilities.

## Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

## c) Principles of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Following entities have been considered in the preparation of the consolidated financial statements:

Name of the entity	Nature	Country of incorporation	Ownership interest held by the group as at 31 March 2023	Ownership interest held by the group as at 31 March 2022
Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited) (STPL)	Subsidiary	India	100%	100%
Poena Power Development Limited	Subsidiary	India	100%	100%
Sinnar Power Transmission Company Limited <sup>#</sup>	Subsidiary/ Associate	India	0.00%	54.44%
Bracond Limited	Subsidiary	Cyprus	100%	100%
Genoformus Limited*	Subsidiary	Cyprus	100%	100%
Renemark Limited*	Subsidiary	Cyprus	100%	100%

\* These companies are step down subsidiaries of Bracond Limited.

<sup>#</sup> STPL investment in Sinnar Power Transmission Company Limited, incorporated in India, qualified as subsidiary upto 11 May 2022 and as an associate from 12 May 2022 to 27 July 2022.

## d) Revenue recognition

Revenue arises from the supply of power. Revenue is recognised when it is probable that the economic benefits will flow to the Group and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Group applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

### Revenue from operation of Power plant

Revenue from operation of plant is recognised on transfer of significant risks and rewards of ownership to the buyer

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

which is when delivered, and measured on an accrual basis based on the rates in accordance with the provisions of the Power Purchase Agreements (PPAs) entered into by the Group with the procurer/s of power. Claims for delayed payment charges and other claims are accounted by the Group on accrual basis in accordance with the provisions of the PPAs only when it is reasonable to expect ultimate collection. Goods and service tax is not applicable on generation and sale of power. Revenue also excludes taxes or other amounts collected from customers.

Refer policy on leased assets for accounting policy of customer contracts that contain a lease.

### *Interest Income*

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

### *Dividend income*

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

## **e) Borrowing costs**

Borrowing costs include interest and amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. 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 are added to the cost of the assets. Any income earned on the temporary deployment/ investment of those borrowings is deducted from the borrowing costs so incurred. 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. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

## **f) Assets held for sale**

Assets held for sale are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition and the sale is highly probable. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as asset held for sale. Assets classified as held for sale are presented separately from other items in the balance sheet. Non-current assets classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell

## **g) Property, plant and equipment**

### *Recognition and initial measurement*

Property plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Any expenditure directly/ indirectly related and attributable to the construction of power projects and incidental to setting up power project facilities, incurred prior to the Commercial Operation Date (COD) of the Power Project, are accumulated under "Capital work-in-progress", to be capitalised on completion of construction of the respective power projects and facilities/ COD.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013. Land is not subject to depreciation.

Property plant and equipment acquired and put to use for the purpose of the Project are capitalised and depreciation thereon is included in capital work-in-progress till the Project is ready for its intended use.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### *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 or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

## **h) Intangible assets**

#### *Recognition and initial measurement*

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

#### *Subsequent measurement (amortisation)*

The intangible assets are amortised over a period in the range of three to five years on a straight-line basis, commencing from the date the asset is available to the Group for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

#### *Derecognition of intangible assets*

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the consolidated statement of profit and loss when the asset is derecognised.

## **i) Leases**

#### *Determining whether an arrangement contains a lease*

The Group has certain long term arrangements for sale of power. Such arrangements are evaluated to consider whether it contains a lease. It is considered to contain a lease if based on the substance of the arrangement:

- (i) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and
- (ii) the arrangement conveys a right to use the asset.

An arrangement is considered to contain a lease if facts and circumstances indicate that it is remote that one or more parties other than the purchaser will take more than an insignificant amount of the output or other utility that will be produced or generated by the asset during the term of the arrangement, and the price that the purchaser will pay for the output is neither contractually fixed per unit of output nor equal to the current market price per unit of output as of the time of delivery of the output.

#### **Group as a lessee**

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:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group,
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Group has the right to direct the use of the identified asset throughout the period of use.



## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Determining the lease term of contracts with renewal and termination options where Group is lessee - The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

**Classification of leases** – The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

### **Group as a lessor**

The Group as a lessor Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

#### *Finance leases*

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

#### *Operating leases*

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straightline basis over the lease term except where scheduled increase in rent compensates the Group with expected inflationary costs.

Such lease is classified as operating lease, and as such the revenue is recognized on straight line basis. Considering that the capacity charges per unit is higher in the initial years, there is a negative charge to Statement of Profit and loss account of straightlining.

## j) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

## k) Financial instruments

### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, unless the financial instrument is designated to be measured at fair value through profit or loss (FVPL) or fair value through other comprehensive income (FVOCI).

### **Financial assets**

#### *Subsequent measurement*

Financial assets at amortised cost – the financial assets are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at FVOCI or FVTPL based on Group's business model. All investments in mutual funds in scope of Ind-AS 109 are measured at FVTPL.

#### *De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

### **Financial liabilities and equity instruments**

#### *Classification as debt or equity*

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### *Financial liabilities subsequent measurement*

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

#### *De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **Derivative contracts**

A derivative contract is recognised as an asset or a liability on the commitment date. Outstanding derivative contracts as at reporting date are fair valued and recognised as financial asset/ financial liability, with the resultant gain/ (loss) being recognised in statement of profit and loss.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### Offsetting of financial instruments

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

### l) Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group considers –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### Trade receivables

The Group applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

#### Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, life time impairment loss is provided, otherwise provides for 12 month expected credit losses.

### m) Inventories

Inventories are valued at the lower of cost derived on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of consumption, including octroi and other levies, transit insurance and receiving charges.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated necessary costs to make the sale.

### n) Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income (“OCI”) or directly in equity.

#### Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable income tax laws of India. Taxable profit differs from ‘profit before tax’ as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and liability simultaneously.

#### Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

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

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

## **o) Cash and cash equivalents**

Cash and cash equivalents comprise Cash on hand, demand deposits with banks/ corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

## **p) Foreign currency translations**

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit and loss in the period in which they arise.

## **q) Post-employment, long-term and short-term employee benefits**

### *Defined contribution plans*

The Group makes contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

### *Defined benefit plans*

Gratuity is in the nature of a defined benefit plan. The liability recognised in the consolidated financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### *Other employee benefits*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

### *Short-term employee benefits*

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

### **r) Share based payments**

The Holding Company has formulated Employee Stock Option Schemes (ESOS) and Employee Stock Purchase Schemes (ESOP) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and are in compliance with the said guidelines and SEBI (Share Based Employee Benefits) Regulation, 2014. The Schemes provide for grant of options to employees of the Holding Company and its subsidiaries to acquire equity shares of the Holding Company that vest in a graded manner and that are to be exercised within a specified period.

#### *Employee stock Purchase plan (ESOP)*

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

### **s) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group, or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

### **t) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

### **u) Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an

ongoing basis and any revisions thereto are recognized in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### **Estimates and assumptions**

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

**Classification of leases** – The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

### **Defined benefit plans**

The cost of the defined benefit gratuity plan, post-retirement medical benefits and other defined benefit plan and the present value of the obligation of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, expected rate of return on assets, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on mortality rates from Indian Assures Lives Mortality 2012-14. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about the defined benefit plans are given in note 37.

**Fair value measurements** – The Group measures financial instruments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The Principal or the most advantageous market must be accessible by the Group.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

level input that is significant to the fair value measurement as a whole) at the end of each reporting period. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

**Provisions** – At each balance sheet date on the basis of the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions. However the actual future outcome may be different from this judgement.

### Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset.

### 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

### Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits under the Income Tax Act, 1961.

### Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

**Income:** Revenue from sale of power is recognised upon judgement by the management for recoverability of the claims based on the relevant contractual terms / provisional rates as provided by the regulator / governing tariff regulations, to the extent applicable. having regard to mechanism provided in applicable tariff regulations and the bilateral arrangement with the customers. which may be subject to adjustments in future years, on receipt of final orders of the respective Regulatory Authorities or final closure of the matter with the customers.

In certain cases, the Group has claimed compensation from the Discoms based on management's interpretation of the regulatory orders and various technical parameters, which are subject to final verification and confirmation by the respective Discoms and hence, in these cases, the revenues have been recognised during various financial years / periods on a prudent basis with conservative parameters in the books in accordance with the terms of Power Purchase Agreement. The necessary true-up adjustments for revenue Claims (including delayed payment surcharge) are made in the books on final acknowledgement / regulatory orders / settlement of matters with respective Discoms or eventual recovery of the claims, whichever is earlier.

**Classification of Trade Receivables:** In view of pending litigations on regulatory matters, the classification of disputed / undisputed trade receivables is a matter of judgement based on facts and circumstances. The Group evaluates the fact pattern and circumstances, including ongoing discussions with the state-owned power distribution Companies (Discom), for each such regulatory matter pending to be adjudicated by the relevant authority. In cases, where discussions with Discom have not made reasonable progress and matters are subjudice, the related receivables are classified as disputed, even though the management is reasonably confident of recovering the dues in full, backed by the regulatory orders in favour of the Group. The management will continue to monitor the developments on regulatory matters.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
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v) Certain prior year amounts have been reclassified for consistency with the current year presentation. Such reclassification does not have any impact on the current year consolidated financial statements.

w) **Recent accounting pronouncements:**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

- a) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies and include corresponding amendments to Ind AS 107 and Ind AS 34. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.
- b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.
- c) Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. Also there is corresponding amendment to Ind AS 101. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

The Group has evaluated the above amendments and the impact thereof is not expected to be material on these consolidated financial statements.



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## 4 Property, plant and equipment

Particulars	Freehold land <sup>(ii)</sup>	Buildings- Plant	Buildings- Other	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Tools & tackles	Ships	Railways	Total
<b>Gross carrying amount</b>												
Balance as on 1 April 2021	21,703.68	45,385.69	11.73	1,487,035.92	548.02	1,172.95	579.76	494.91	69.93	41.04	56,658.11	1,613,701.73
Additions	-	-	-	143.48	0.75	44.19	18.76	5.90	9.39	-	-	222.47
Disposals/ adjustments	7.75	-	-	23,182.68	1.03	-	17.38	2.96	-	-	-	23,211.80
<b>Balance as on 31 March 2022</b>	<b>21,695.93</b>	<b>45,385.69</b>	<b>11.73</b>	<b>1,463,996.72</b>	<b>547.74</b>	<b>1,217.14</b>	<b>581.14</b>	<b>497.85</b>	<b>79.32</b>	<b>41.04</b>	<b>56,658.11</b>	<b>1,590,712.40</b>
Additions	-	1,931.32	-	4,840.21	5.87	196.27	52.95	43.39	43.68	-	-	7,113.69
Disposals/ adjustments	-	-	-	-	-	234.91	-	-	-	-	-	234.91
<b>Balance as on 31 March 2023</b>	<b>21,695.93</b>	<b>47,317.01</b>	<b>11.73</b>	<b>1,468,836.93</b>	<b>553.61</b>	<b>1,178.50</b>	<b>634.09</b>	<b>541.24</b>	<b>123.00</b>	<b>41.04</b>	<b>56,658.11</b>	<b>1,597,591.18</b>
<b>Accumulated Depreciation</b>												
Balance as on 1 April 2021	-	11,601.14	2.88	200,858.67	507.05	1,135.88	542.02	491.82	55.33	41.04	21,886.23	237,122.06
Depreciation for the year	-	1,772.68	0.19	35,208.55	12.67	17.86	16.25	2.36	7.28	-	4,001.19	41,039.03
Disposals/ adjustments	-	-	-	1,456.65	1.03	-	17.38	2.96	-	-	-	1,478.02
<b>Balance as on 31 March 2022</b>	<b>-</b>	<b>13,373.82</b>	<b>3.07</b>	<b>234,610.57</b>	<b>518.69</b>	<b>1,153.74</b>	<b>540.89</b>	<b>491.22</b>	<b>62.61</b>	<b>41.04</b>	<b>25,887.42</b>	<b>276,683.07</b>
Depreciation for the year	-	1,248.22	0.19	34,342.66	9.61	20.18	17.25	7.81	8.75	-	4,001.19	39,655.86
Disposals/ adjustments	-	-	-	63.47	-	234.91	-	-	-	-	-	298.38
<b>Balance as on 31 March 2023</b>	<b>-</b>	<b>14,622.04</b>	<b>3.26</b>	<b>268,889.76</b>	<b>528.30</b>	<b>939.01</b>	<b>558.14</b>	<b>499.03</b>	<b>71.36</b>	<b>41.04</b>	<b>29,888.61</b>	<b>316,040.55</b>
<b>Net carrying amount</b>												
Balance as on 31 March 2022	21,695.93	32,011.87	8.66	1,229,386.15	29.05	63.40	40.25	6.63	16.71	-	30,770.69	1,314,029.33
Balance as on 31 March 2023	21,695.93	32,694.97	8.47	1,199,947.17	25.31	239.49	75.95	42.21	51.64	-	26,769.50	1,281,550.63

(i) Non current and current secured borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project and Nashik project phase-I. (refer note 18 and 44)

(ii) Including Rs 337.35 lakhs, registration for which is in process with the Registration Authority as follows:-

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of RPL
Land	337.35	The land parcels are in the name of past land owners	No	Since 2019	Maharashtra Industrial Development Corporation (MIDC) is in process of transferring land title in name of the Holding Company

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

## 4A Capital work in progress

Particulars	CWIP	Total
<b>Balance as at 1 April 2021</b>	157,430.91	157,430.91
Additions	1,162.58	1,162.58
Disposals/ adjustments	600.17	600.17
Provision for impairment (refer note 54)	43,773.00	43,773.00
<b>Balance as at 31 March 2022 <sup>(1)</sup></b>	<b>114,220.32</b>	<b>114,220.32</b>
Addition	1,930.94	1,930.94
Capitalised in Property, plant and equipment	5,147.84	5,147.84
<b>Balance as at 31 March 2023 <sup>(1)</sup></b>	<b>111,003.42</b>	<b>111,003.42</b>

1) Includes STPL capital work in progress and phase wise details are as follows:

Particulars	Amount as on 31 March 2023	Amount as on 31 March 2022
CWIP Phase I*	100,913.39	100,913.39
CWIP Phase II**	-	-

\* Considering the recent developments enumerated in note 57, the Group management has assessed the CWIP to be active and is hopeful of the project getting completed along with other activities in near future.

\*\* As enumerated in note 54, the activities related to CWIP Phase-II have been suspended and accordingly, during the previous year, the Company had accounted for impairment loss against CWIP Phase-II.

- The Group does not have any capital-work-in progress whose cost has significantly exceeded its cost compared to its original plan, excluding the impact of matter enumerated in note 57.
- Non current and current secured borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project and Nashik project phase-I. (refer note 18 and 44)

### Capital work in progress ageing schedule :-

Particulars	Less than 1 year	1-2 year	2-3 Years	More than 3 years	Total
March 2023	493.50	16.96	-	110,492.96	111,003.42
March 2022	1,004.93	15.68	1,598.10	111,601.61	114,220.32

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### 4B Right of use assets (also refer note no 39)

Particulars	Right of use	Total
<b>Gross carrying amount</b>		
Balance as at 1 April 2021	26,017.53	26,017.53
Additions	1,536.80	1,536.80
<b>Balance as at 31 March 2022</b>	<b>27,554.33</b>	<b>27,554.33</b>
Addition	116.46	116.46
Adjustments	89.26	89.26
<b>Balance as at 31 March 2023</b>	<b>27,760.05</b>	<b>27,760.05</b>
<b>Accumulated amortisation</b>		
Balance as at 1 April 2021	3,109.31	3,109.31
Amortisation for the year	398.45	398.45
<b>Balance as at 31 March 2022</b>	<b>3,507.76</b>	<b>3,507.76</b>
Amortisation for the year	772.24	772.24
<b>Balance as at 31 March 2023</b>	<b>4,280.00</b>	<b>4,280.00</b>
<b>Net carrying amount</b>		
Balance as at 31 March 2022	24,046.57	24,046.57
Balance as at 31 March 2023	23,480.05	23,480.05

- (i) Non current and current secured borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project and Nashik project phase-I. (refer note 18 and 44)

### 5 Intangible assets

Particulars	Software	Total
<b>Gross carrying amount</b>		
Balance as on 1 April 2021	769.04	769.04
Additions	26.70	26.70
<b>Balance as on 31 March 2022</b>	<b>795.74</b>	<b>795.74</b>
Additions	12.50	12.50
<b>Balance as on 31 March 2023</b>	<b>808.24</b>	<b>808.24</b>
<b>Accumulated amortisation</b>		
Balance as on 1 April 2021	763.76	763.76
Amortisation for the year	7.84	7.84
<b>Balance as on 31 March 2022</b>	<b>771.60</b>	<b>771.60</b>
Amortisation for the year	9.38	9.38
<b>Balance as on 31 March 2023</b>	<b>780.98</b>	<b>780.98</b>
<b>Net carrying amount</b>		
Balance as on 31 March 2022	24.14	24.14
Balance as on 31 March 2023	27.26	27.26

- (i) Non current and current borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project and and Nashik project phase-I. (refer note 18 and 44).

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

## 6 Other financial assets

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Non-current		Current	
Bank deposits with remaining maturity of more than 12 months (i)	6,630.87	1,796.71	-	-
Lease recoverables	233.35	486.23	252.88	225.44
Security deposits	1,339.42	1,305.54	174.40	168.17
Accrued interest	-	-	21.93	21.93
Other receivables	265.57	-	-	-
Advances recoverable from employees	-	-	24.95	8.45
<b>Advances recoverable - Others</b>				
Credit Impaired	-	-	23.50	23.52
Less: Provision for credit impaired	-	-	(23.50)	-
			-	23.52
	<b>8,469.21</b>	<b>3,588.48</b>	<b>474.16</b>	<b>447.51</b>

(i) Includes deposits under lien/ pledged against bank guarantees, refer note 33 E

## 7 Non-current tax assets (net)

	As at 31 March 2023	As at 31 March 2022
	Non-current	
Advance income tax (net of provision)	647.55	946.69
	<b>647.55</b>	<b>946.69</b>

## 8 Other assets

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Non-current		Current	
<b>Capital advances</b>				
Unsecured, considered good	921.66	409.85	-	-
Credit impaired	212.55	-	-	-
Less: Provision for credit impaired	(212.55)	-	-	-
	921.66	409.85	-	-
<b>Advances for goods and services</b>				
Unsecured, considered good	-	-	21,437.53	14,709.46
Credit impaired	-	-	81.57	-
Less: Provision for credit impaired	-	-	(81.57)	-
	-	-	21,437.53	14,709.46
Prepaid expenses	18.66	168.54	2,202.70	1,292.72
Advance Rent	-	-	0.43	0.41
	<b>940.32</b>	<b>578.39</b>	<b>23,640.66</b>	<b>16,002.59</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### 9 Assets held for sale

	As at 31 March 2023	As at 31 March 2022
	<b>Non-current</b>	
<b>Investment in equity shares</b>		
90,906 (31 March 2022: 500,858) equity shares of Sinnar Power Transmission Company Limited (face value of ₹ 10 each) (net of provision)	-	0.00
	<u>-</u>	<u>0.00</u>
	<u><u>-</u></u>	<u><u>0.00</u></u>

Pursuant to share purchase agreement between Nettle Constructions Private Limited ('Buyer') and STPL, during the previous year, STPL had transferred 45.56% stake in its wholly-owned subsidiary, Sinnar Power Transmission Company Limited ("SPTCL") as per the terms agreed. During the current year, STPL has transferred additional 44.56% stake to the buyer. Accordingly, assets and liabilities pertaining to SPTCL had been presented at net realisable value of Re. 1/- in the previous year consolidated financial statements (refer note 51).

### 10 Inventories

	As at 31 March 2023	As at 31 March 2022
<b>(Valued at cost, unless otherwise stated)</b>		
Coal - Stores <sup>(i)</sup>	8,592.88	9,144.77
Light diesel oil - stores	370.72	482.44
Stores and spares	3,247.99	3,004.90
Other consumables <sup>(ii)</sup>	1,392.28	1,031.92
	<u>13,603.87</u>	<u>13,664.03</u>
	<u><u>13,603.87</u></u>	<u><u>13,664.03</u></u>

(i) Includes in transit ₹ 1,228.55 lakhs (31 March 2022: ₹ 1,124.73 lakhs)

(ii) Includes in transit ₹ Nil (31 March 2022: ₹ 96.76 lakhs)

### 11 Current investments (Unquoted, non-trade, FVTPL)

	As at 31 March 2023	As at 31 March 2022
Investments in mutual funds		
239,844.68 (31 March 2022 : 120,159.11 ) units in ICICI Liquid Prudential Fund-Direct Plan Growth	799.13	378.81
	<u>799.13</u>	<u>378.81</u>
	<u><u>799.13</u></u>	<u><u>378.81</u></u>
Aggregate amount of book value and market value of quoted investments	-	-
Aggregate amount of unquoted investments	799.13	378.81
Aggregate amount of impairment in value of investments	-	-

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 12 Trade receivables (Unsecured unless otherwise stated, at amortised cost)

- (i) Considered good - Secured
- (ii) Considered good - Unsecured\*
- (iii) Receivables having significant increase in credit risk
- (iv) Credit impaired

	As at 31 March 2023	As at 31 March 2022
(i) Considered good - Secured	-	-
(ii) Considered good - Unsecured*	249,195.03	250,896.42
(iii) Receivables having significant increase in credit risk	-	-
(iv) Credit impaired	-	-
	<u>249,195.03</u>	<u>250,896.42</u>

\*The Holding Company has received Irrevocable Revolving Standby Letter of credit amounting to ₹ 27,194.38 lakhs (31 March 2022 : ₹ 18,206.00 lakhs) from Maharashtra State Electricity Distribution Co Limited (MSEDCL) as per term of Power Purchase Agreement.

A receivable represents the Holding Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due and the amount is billable.

Trade receivable ageing schedule for 31 March 2023 and 31 March 2022 is as follows:

Particulars	Year	Outstanding for following periods from due date of payment							Total
		Unbilled	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable-considered good	2022-23	34,825.73	3,772.77	33,584.51	-	-	-	-	72,183.01
	2021-22	29,655.65	3,613.20	34,001.56	21.49	-	-	-	67,291.90
Undisputed Trade receivable-credit impaired	2022-23	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-
Disputed Trade receivable-considered good	2022-23	-	-	16,431.33	19,003.75	16,509.81	25,144.97	99,922.16	177,012.02
	2021-22	-	-	19,230.72	5,912.86	22,579.56	24,403.37	111,478.01	183,604.52
Disputed Trade receivable-credit impaired	2022-23	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-
<b>Total Gross</b>	2022-23	<b>34,825.73</b>	<b>3,772.77</b>	<b>50,015.84</b>	<b>19,003.75</b>	<b>16,509.81</b>	<b>25,144.97</b>	<b>99,922.16</b>	<b>249,195.03</b>
	2021-22	<b>29,655.65</b>	<b>3,613.20</b>	<b>53,232.28</b>	<b>5,934.35</b>	<b>22,579.56</b>	<b>24,403.37</b>	<b>111,478.01</b>	<b>250,896.42</b>
<b>Less : Allowance for credit loss</b>	2022-23	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-
<b>Net receivables</b>	2022-23	<b>34,825.73</b>	<b>3,772.77</b>	<b>50,015.84</b>	<b>19,003.75</b>	<b>16,509.81</b>	<b>25,144.97</b>	<b>99,922.16</b>	<b>249,195.03</b>
	2021-22	<b>29,655.65</b>	<b>3,613.20</b>	<b>53,232.28</b>	<b>5,934.35</b>	<b>22,579.56</b>	<b>24,403.37</b>	<b>111,478.01</b>	<b>250,896.42</b>

i) The above ageing has been calculated based on due date as per terms of agreement with customers

#### ii) Credit concentration:

As at 31 March 2023, out of total trade receivables, 99.82% (31 March 2022 : 99.75%) pertains to dues from Maharashtra State Electricity Distribution Company Limited under Long Term Power Purchase Agreement.

#### iii) Expected Credit Loss (ECL)

The Holding Company is having majority of receivables against power supply from Maharashtra State Electricity Distribution Company Limited, which is a Government Undertaking. The Holding Company is generally regular in realising its normal power sale and further is entitled to receive interest as per the terms of agreement on delayed payment, hence, the Holding Company is secured from credit losses in the future.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

<b>13 Cash and cash equivalents</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Cash on hand	22.60	15.20
Balances with banks		
Current accounts	2,551.53	7,875.86
Deposits with original maturity of less than 3 months <sup>(i)</sup>	15,327.70	7,131.14
	<b>17,901.83</b>	<b>15,022.20</b>

(i) Includes deposits aggregating to ₹ 12,908.43 lakhs (31 March 2022: ₹ 6,977.00 lakhs), that are under lien with the security trustee, as per terms of contractual arrangement, but are readily accessible by the Holding Company, on demand.

<b>14 Bank balances other than cash and cash equivalents</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Deposits with original maturity for more than 3 months but less than 12 months (i)	5,451.86	11,992.20
	<b>5,451.86</b>	<b>11,992.20</b>

(i) Includes deposits under lien/ pledged against bank guarantees, refer note 33 E

<b>15 Loans (Unsecured, considered good)</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
	<b>Current</b>	
Loans to:		
Employees	0.63	0.32
	<b>0.63</b>	<b>0.32</b>

<b>16 Equity share capital</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
<b>Authorised capital</b>		
8,500,000,000 (31 March 2022: 8,500,000,000) equity shares of ₹ 10 each	850,000.00	850,000.00
2,500,000,000 (31 March 2022: 2,500,000,000) redeemable preference shares of ₹ 10 each	250,000.00	250,000.00
	<b>1,100,000.00</b>	<b>1,100,000.00</b>
<b>Issued, subscribed and fully paid up capital</b>		
5,370,105,860 (31 March 2022: 5,370,105,860) equity shares of ₹ 10 each fully paid up	537,010.59	537,010.59
	<b>537,010.59</b>	<b>537,010.59</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

## a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount in ₹ lakhs	No. of Shares	Amount in ₹ lakhs
Equity shares at the beginning of the year	5,370,105,860	537,010.59	5,370,105,860	537,010.59
Add : Issued during the year	-	-	-	-
<b>Equity shares at the end of the year</b>	<b>5,370,105,860</b>	<b>537,010.59</b>	<b>5,370,105,860</b>	<b>537,010.59</b>

## b) Rights/restrictions attached to equity shares

The Holding Company has only one class of equity shares with voting rights, having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

## c) Details of shareholders holding more than 5% shares in the Holding Company

	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity shares of ₹ 10 each fully paid up</b>				
RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited)	1,063,960,011	19.81%	1,063,960,011	19.81%
Aditya Birla ARC Limited	556,821,950	10.37%	556,821,950	10.37%
RR Infralands Private Limited	1,302,143,592	24.25%	1,302,143,592	24.25%

The above information has been furnished as per the shareholders' register as at the year end.

## d) Aggregate number of shares reserved for issuance under stock option plans of the Holding Company

	As at 31 March 2023	As at 31 March 2022
RPL ESOP- 2008 (Formerly known as SPCL – IPSL ESOP, 2008)	-	300,600
RPL ESOS 2009 (Formerly known as IPL ESOS 2009)	-	75,200
RPL ESOS 2011 (Formerly known as IPL ESOS - 2011)	-	75,000

e) No bonus shares or shares issued for consideration other than cash or shares bought back over the last five years immediately preceding the reporting date.

## f) Detail of share held by promoters :-

Promoter Name		No of shares	% of total shares	% change during the year
RR Infralands Private Limited	31 March 2023	1,302,143,592	24.25%	-
	31 March 2022	1,302,143,592	24.25%	2.12%
RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited)	31 March 2023	1,063,960,011	19.81%	-
	31 March 2022	1,063,960,011	19.81%	-2.25%



## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 17 Other equity

	As at 31 March 2023	As at 31 March 2022
Retained earnings	(1,232,540.68)	(1,045,478.06)
Capital reserve	24,186.21	24,186.21
Securities premium	187,124.56	187,124.56
Employee stock option reserve	-	38.99
Foreign currency translation reserve	30,926.43	30,937.77
	<u>(990,303.48)</u>	<u>(803,190.53)</u>

#### Nature and purpose of other reserves

##### Capital reserve

Capital reserve was created in earlier years in relation to specific transactions. Capital reserve is not available for distribution to the shareholders.

##### Securities premium

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

##### Employee's stock options reserve

The reserve account is used to recognize the grant date value of options issued to employees under Employee stock option plan.

##### Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

### 18 Borrowings

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Non-current		Current	
<b>Secured</b>				
<b>Term loans</b>				
From consortium of banks [refer footnote(b)]	-	60,504.30	141,866.35	81,362.05
From consortium of financial institutions [refer footnote (b)]	-	339,549.09	569,982.43	230,433.34
0.001% Redeemable Preference Shares [refer footnote (a) (v) (vi) (viii)]	-	20,286.82	22,858.62	-
0.001% Optionally Convertible Cumulative Redeemable Preference Shares [refer footnote (a) (vi)]	37,692.00	37,692.00	-	-
Facility A - Non-convertible debentures [refer footnote (a) (i) (ii) (iii) (vii) (ix)]	-	-	68,625.00	124,625.00
Facility B - Non-convertible debentures [refer footnote (a) (ii) (iv) (vi) (vii)]	-	57,404.29	38,011.83	-

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 18 Borrowings (Contd.)

	As at	As at	As at	As at
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Non-current		Current	
<b>Unsecured</b>				
Facility C [refer footnote (a)]	36,105.47	46,102.53	-	-
<b>Loans from related parties (refer note no 40)</b>				
Inter corporate deposits[refer footnote(a)(vi)]	3,135.00	3,135.00	-	-
Elevated inter corporate deposits [refer footnote (a) (vi)]	67,793.16	56,347.54	-	-
Sub ordinate inter corporate deposits [refer footnote (a) (vi)]	110,665.01	91,969.23	-	-
	<u>255,390.64</u>	<u>712,990.80</u>	<u>841,344.23</u>	<u>436,420.39</u>

#### (a) For RattanIndia Power Limited (RPL) (Amravati Project)

- i) During the year 2020-21, consequent to and upon conversion of the amount outstanding against the Facility A - non-convertible debentures ('Facility A NCDs'), after adjusting the repayments of the principal amounts made by the Company, 196,500 Facility A NCDs of face value ₹ 100,000/- each were issued at an issue price of ₹ 100,000/- per NCD to Aditya Birla ARC Limited (ABARC) – acting on behalf of and in its capacity as trustee of ABARC-AST-002-TRUST, in terms of the Framework Facilities Agreement dated 31 December 2019, up to the date of issuance and allotment of NCDs.
- ii) During the year, prepayment was made of ₹ 2,000 lakhs (31 March 2022 : ₹ 9,375 lakhs) against Facility A NCD, ₹ 18,002 lakhs (31 March 2022 : ₹ 15,625.34) against Facility B (including interest) and ₹ 8,248 lakhs (31 March 2022 : ₹ Nil ) against Facility C as per the terms of the Framework Facilities Agreement with ABARC.
- iii) Facility A NCD aggregating to ₹ 68,625 lakhs (31 March 2022: ₹ 124,625 lakhs) is secured by way of:
  - a) first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project subject to prior charge securing the bank guarantee / Letter of Credit facility (Non Fund based facility) up to ₹ 24,720 lakhs;
  - b) pledge of 2,104,649,446 (31 March 2022 : 2,104,649,446) equity shares of the Company held by RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited ("REL") and RR Infralands Private Limited through execution of a Deed of Pledge amongst REL, RR Infralands Private Limited (Pledgers), Company and Vistra (ITCL) India Limited (Formerly known as IL&FS Trust Company Limited); and
  - c) an exclusive first ranking charge over all the sponsors ICDs (RR Infralands Private Limited).
- iv) Facility B - Non-convertible debentures ('Facility B NCDs') amounting to ₹ 38,011.83 lakhs (31 March 2022: ₹ 57,404.29 lakhs) is secured by second ranking charge on all immovable and moveable assets, both present and future of Amravati project, subordinate to prior charge securing the continuing bank guarantee (Non Fund based facility), the Facility A NCDs. Further the Facility B NCD is secured by second ranking charge over all the sponsors ICDs (RR Infralands Private Limited) present and future and second raking charge over pledge of shares as stated in para above, subordinate only to the charge securing the Facility A NCD.
- v) 0.001% Redeemable Preference Shares (RPS) are secured by pledge of 50,000 equity share invested in and inter corporate deposit given to Poena Power Development Limited.
- vi) Repayment schedule of loan facilities are as follows:
  - a) Facility A- NCD - Repayable on May 15, 2023 (refer note ix below)
  - b) Facility B NCD - Repayable in bullet repayment of ₹ 37,229 lakhs in June 2023;
  - c) 0.001% RPS - Redeemable in bullet repayment of ₹ 25,000 lakhs in December 2023 (refer note viii below)
  - d) Loan Facility C - Repayable in bullet repayment of ₹ 36,752 lakhs in December 2025;
  - e) Elevated intercorporate deposit - Repayable in bullet repayment of ₹ 55,000 lakhs in December 2025.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

- f) Subordinate intercorporate deposit - Repayable in bullet repayment of ₹ 90,000 lakhs in December 2025.
- g) Intercorporate deposit - Repayable in bullet repayment of ₹ 3,135 lakhs in January 2026;
- h) 0.001% OCCRPS - Redeemable in bullet repayment of ₹ 37,692 lakhs upon completion of 7 years from the date of allotment and if OCCRPS are not redeemed, the same shall be convertible into Equity shares at the option of lenders.
- vii) The above mentioned loans from ABARC and Intercorporate deposits carry contractual rate of interest ranging from 0.001% p.a. to 20% p.a. over the life of the loan.
- viii) RPL, under the One Time Settlement scheme (OTS), had issued Redeemable Preference Shares (RPS) in December 2019 to the lenders of the Company, that had become redeemable on 27 December 2021. However, inspite of having sufficient cash and cash equivalent balance, the redemption of such RPS could not be done due to limitations as per the provisions of section 55(2) of the Act which state that such redemption is permissible only out of profits earned by the Company which are otherwise available for dividend, after adjusting the accumulated losses as read with section 123 of the Act, or out of the proceeds of a fresh issue of shares made for the purposes of such redemption. The Company has been in active discussions with the RPS holders to extend the time period for redemption of RPS and is confident that the tenure of such RPS shall get extended, following the defined process under the Act.
- ix) During current year, Aditya Birla ARC Limited ("ABARC") acting in its capacity as the trustee of ABARC-AST-002 Trust, the debenture holder, holding inter-alia 196,500 Non-Convertible Debentures of face value ₹ 100,000/- each (issued in December 2020), has amended certain terms and further, has granted further extension for redemption of the balance due (₹ 68,625 lakhs as on 31 March 2023), by a period of 45 days i.e. upto 15 May 2023. The Company is in process of availing a refinancing facility and is confident to repay the above mentioned debenture dues on or before due date.

### (b) For Sinnar Thermal Power Limited (STPL) (Nasik Project)

- (i) Loans from consortium of banks aggregating to ₹ 141,866.35 lakhs (31 March 2022: ₹ 141,866.35 lakhs) and from financial institutions aggregating to ₹ 569,982.43 lakhs (31 March 2022: ₹ 569,982.43 lakhs) alongwith non fund based facilities from banks are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Nashik project phase I. The aforesaid phase I loans are further secured by pledge of 31,977,246 (31 March 2022: 31,977,246) equity shares of STPL in favour of Security Trustee for the benefit of the consortium of banks and financial institutions towards term loan facility and bank guarantee facility of Axis Bank on a pari-passu basis vide share pledge agreement dated 18 January 2019, such that 100% of the equity share capital of STPL is pledged as security for the due repayment of the Secured Obligation.
- (ii) Term loan from consortium of banks and financial institutions are repayable in quarterly instalments.
- (iii) The above mentioned loans from consortium of banks and financial institutions carry floating rates of interest ranging from 12.85% p.a. to 17.30% p.a. (31 March 2022: 12.85% p.a. to 15.15% p.a.).
- (iv) STPL has defaulted in repayment of principal and interest in respect of loans from banks and financial institutions as mentioned below:

Particulars	0-3 Months	3-12 Months	More than 12 Months	Total
<b>Consortium financial institutions</b>				
Principal	12,157.62	36,472.85	181,802.87	<b>230,433.34</b>
Interest	6,544.58	68,850.00	620,309.84	<b>695,704.42</b>
<b>Total</b>	<b>18,702.20</b>	<b>105,322.85</b>	<b>802,112.71</b>	<b>926,137.76</b>
<b>Consortium banks</b>				
Principal	3,698.28	11,094.83	66,568.84	<b>81,361.95</b>
Interest	6,365.95	29,296.26	126,869.08	<b>162,531.29</b>
<b>Total</b>	<b>10,064.23</b>	<b>40,391.09</b>	<b>193,437.92</b>	<b>243,893.24</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

19 Lease liabilities	As at	As at	As at	As at
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Non-current		Current	
Lease liabilities (refer note no 39)	2,352.17	3,037.64	970.13	862.27
	<u>2,352.17</u>	<u>3,037.64</u>	<u>970.13</u>	<u>862.27</u>

20 Other financial liabilities	As at	As at	As at	As at
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Non-current		Current	
Retention money	-	5,474.29	47,500.14	41,076.88
Interest accrued but not due - term loans	-	-	49,047.38	22,180.77
Interest accrued and due - term loans	-	-	858,235.71	672,080.76
Interest on inter corporate deposits	-	-	-	7,178.26
Bank overdraft	-	-	38.55	477.54
Capital creditors	-	-	359.77	243.93
Security deposits received	115.75	123.20	69.04	67.04
Other financial liabilities	-	-	4,689.60	3,846.86
Other payables	-	-	0.51	0.51
	<u>115.75</u>	<u>5,597.49</u>	<u>959,940.70</u>	<u>747,152.55</u>

21 Provisions	As at	As at	As at	As at
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Non-current		Current	
<b>Provision for employee benefits (refer note 37)</b>				
Provision for compensated absences (unfunded)	182.45	203.77	40.01	32.32
Provision for gratuity (unfunded)	750.37	604.25	158.24	64.04
<b>Provision for others</b>				
Provision for compensation payable (i)	-	-	3,883.98	3,883.98
	<u>932.82</u>	<u>808.02</u>	<u>4,082.23</u>	<u>3,980.34</u>

(i) Provision for compensation due to availability below 80% of contracted capacity, as per term of Power Purchase Agreement.

### Movement in provision for others:

	As at	As at
	31 March 2023	31 March 2022
<b>Opening Balances</b>	3,883.98	3,883.98
Accrued during the year	-	-
Adjusted during the year	-	-
<b>Closing Balances</b>	<u>3,883.98</u>	<u>3,883.98</u>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

22 Deferred tax liabilities (net)	As at 31 March 2023	As at 31 March 2022
<b>Tax effect of items constituting deferred tax liabilities</b>		
Property, plant and equipment including right of use assets (ROU) and intangible assets	103,562.87	99,905.68
Lease assets	122.37	179.11
	<b>103,685.24</b>	<b>100,084.79</b>
<b>Tax effect of items constituting deferred tax assets</b>		
Fair value adjustments of borrowings	14,604.99	5,715.22
Employee benefit obligations	281.62	223.64
Provision for impairment of assets	14,027.93	13,977.09
Lease equalisation reserve	23,411.54	24,703.46
Financial assets carried at fair value	22.47	-
Unabsorbed depreciation and brought forward business losses	49,300.15	55,465.38
	<b>101,648.70</b>	<b>100,084.79</b>
<b>Deferred tax liabilities (net)</b>	<b>2,036.54</b>	<b>-</b>

Movement in deferred tax (liabilities)/ assets	As at 01 April 2022	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2023
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment including ROU and intangible assets	99,905.68	3,657.19	-	103,562.87
Lease assets	179.11	(56.74)	-	122.37
	<b>100,084.79</b>	<b>3,600.45</b>	-	<b>103,685.24</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Fair value adjustments of borrowings	5,715.22	8,889.77	-	14,604.99
Employee benefit obligations	223.64	27.42	30.56	281.62
Provision for impairment of assets	13,977.09	50.84	-	14,027.93
Lease equalisation reserve	24,703.46	(1,291.92)	-	23,411.54
Financial assets carried at fair value	-	22.47	-	22.47
Unabsorbed depreciation and brought forward business losses	55,465.38	(6,134.67)	(30.56)	49,300.15
	<b>100,084.79</b>	<b>1,563.91</b>	-	<b>101,648.70</b>
<b>Deferred tax (liabilities) (net)</b>	<b>-</b>	<b>2,036.54</b>	<b>-</b>	<b>2,036.54</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

Movement in deferred tax (liabilities)/ assets	As at 01 April 2021	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2022
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment including ROU and intangible assets	95,161.43	4,744.25	-	99,905.68
Lease assets	-	179.11	-	179.11
Fair value adjustments of borrowings	1,532.42	(1,532.42)	-	-
	<b>96,693.85</b>	<b>3,390.94</b>	-	<b>100,084.79</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Fair value adjustments of borrowings	-	5,715.22	-	5,715.22
Employee benefit obligations	208.02	0.67	14.95	223.64
Provision for impairment of assets	14,505.62	(528.53)	-	13,977.09
Lease equalization reserve	26,056.11	(1,352.65)	-	24,703.46
Unabsorbed depreciation and brought forward business losses*	55,924.10	(443.77)	(14.95)	55,465.38
	<b>96,693.85</b>	<b>3,390.94</b>	-	<b>100,084.79</b>
<b>Deferred tax liabilities (net)</b>	-	-	-	-

\*Upto the previous year in the absence of reasonable certainty of availability of sufficient taxable profits, the Holding Company had restricted the recognition of deferred tax asset on unabsorbed depreciation and brought forward business losses to the extent of the deferred tax liability.

In the absence of reasonable certainty of availability of surplus taxable profits, subsidiary Companies have restricted the recognition of deferred tax asset on unabsorbed depreciation and brought forward business losses to the extent of the corresponding deferred tax liability. The unabsorbed business losses of subsidiary companies aggregating to ₹ 569,560.34 lakhs (31 March 2022: ₹ 626,399.83 lakhs) are available for offset for a maximum period of eight years from the incurrence of loss.

## 23 Other liabilities

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Non-current		Current	
Lease equalisation reserve (also refer note 39)	87,612.12	92,737.77	-	-
Deferred revenue	11.71	13.60	5,383.21	5,395.47
Statutory dues	-	-	251.06	226.47
Other payables	-	-	60.32	84.45
	<b>87,623.83</b>	<b>92,751.37</b>	<b>5,694.59</b>	<b>5,706.39</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### 24 Borrowings (Short-term)

	As at 31 March 2023	As at 31 March 2022
<b>Secured</b>		
Current maturities of (refer note 18)		
Term loan from consortium of banks	141,866.35	81,362.05
Term loan from consortium of financial institutions	569,982.43	230,433.34
0.001% Redeemable Preference Shares	22,858.62	-
Facility A - Non-convertible debentures	68,625.00	124,625.00
NCD Facility B	38,011.83	-
<b>Unsecured</b>		
Loans from related parties inter corporate deposits*	1,721.20	1,395.76
	<b>843,065.43</b>	<b>437,816.15</b>

\*Inter corporate deposits include ₹ 1,709.90 lakhs (31 March 2022 : ₹ 1,384.46 lakhs) taken as interest free and ₹ 11.30 lakhs (31 March 2022 : ₹ 11.30 lakhs) taken at 13% p.a. rate of interest from related party and are repayable on demand.

### 25 Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises (refer note 48)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	28,273.67	21,314.92
	<b>28,273.67</b>	<b>21,314.92</b>

#### Trade payable ageing schedule :

Particulars	Year	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Due to MSME	2022-23	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-
Due to Others	2022-23	6,289.00	8,915.70	1,173.02	275.73	11,620.22	<b>28,273.67</b>
	2021-22	4,272.46	4,849.39	299.17	5,411.79	6,482.11	<b>21,314.92</b>
Disputed dues to MSME	2022-23	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-
Disputed dues to others	2022-23	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-
<b>Total</b>	<b>2022-23</b>	<b>6,289.00</b>	<b>8,915.70</b>	<b>1,173.02</b>	<b>275.73</b>	<b>11,620.22</b>	<b>28,273.67</b>
	<b>2021-22</b>	<b>4,272.46</b>	<b>4,849.39</b>	<b>299.17</b>	<b>5,411.79</b>	<b>6,482.11</b>	<b>21,314.92</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 26 Revenue from operations

	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operation of power plant	251,704.85	251,308.59
Income from embedded lease of power plant	71,411.50	74,643.27
	<u>323,116.35</u>	<u>325,951.86</u>

#### Revenue from contract with customers

##### Disaggregation of revenue

Set out below is the disaggregation of the Holding Company's revenue from contracts with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>(A) Revenue from contracts with customers</b>		
Based on nature of goods/services		
Sale of electricity units generated and allied services	323,116.35	325,951.86
	<u>323,116.35</u>	<u>325,951.86</u>

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Receivables</b>		
Trade receivables	214,369.30	221,240.77
Unbilled revenue for passage of time	34,825.73	29,655.65
Less : Allowances for doubtful debts	-	-
<b>Total receivables (a)</b>	<u>249,195.03</u>	<u>250,896.42</u>
<b>Contract assets</b>		
Billed during the year	-	-
<b>Total contract assets (b)</b>	<u>-</u>	<u>-</u>
<b>Contract liabilities</b>		
Recognized as revenue during the year	-	-
<b>Total contract liabilities (c)</b>	<u>-</u>	<u>-</u>
<b>Total (a+b-c)</b>	<u>249,195.03</u>	<u>250,896.42</u>

The Group contracts with customers for the sale of electricity generally include one performance obligation. Revenue from sale of power is recognized net of cash discount over time for each unit of electricity delivered at the contracted rate.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs 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. A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. Contract liabilities are recognised as revenue when the Group performs obligations under the contract.



## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Revenue as per contract</b>	251,704.85	251,308.59
Adjustments:		
Cash rebate	-	-
Other adjustments	-	-
<b>Revenue from contract with customers</b>	<b>251,704.85</b>	<b>251,308.59</b>

### Transaction price - remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize 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 till the reporting period.

### 27 Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Interest on :</b>		
Bank deposits at amortised cost	1,186.26	1,275.57
Security deposits	77.49	47.89
Overdue trade receivables	30,692.76	24,890.87
Income tax refund	123.44	27.72
Others	76.91	25.38
	<b>32,156.86</b>	<b>26,267.43</b>
<b>Other income</b>		
Profit on sale/ strike off of subsidiaries (refer note 51)	348.00	7,943.71
Liabilities and provisions written back	142.37	494.31
Profit on sale of investments measured at FVTPL	37.47	5.31
Gain on foreign currency transactions	-	100.35
Gain on modification of financial liability	-	5,360.31
Miscellaneous income	135.14	792.67
	<b>662.98</b>	<b>14,696.66</b>
	<b>32,819.84</b>	<b>40,964.09</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>28 Cost of fuel, power and water consumed</b>		
Coal consumed	218,309.66	221,067.23
Electricity consumed	556.71	145.29
Water consumed	3,023.48	2,216.38
Others	2,015.08	1,669.78
	<b>223,904.93</b>	<b>225,098.68</b>
<b>29 Employee benefit expense</b>		
Salaries, wages and bonus	5,252.37	4,707.73
Contribution to provident and other funds	92.25	85.04
Provision for gratuity and compensated absences	172.92	164.32
Staff welfare expenses	71.64	46.53
	<b>5,589.18</b>	<b>5,003.62</b>
<b>30 Finance costs</b>		
<b>Interest on</b>		
Term loans	197,644.12	175,555.51
Facility A - Non-convertible debentures	12,590.36	19,876.04
Facility B -Non-convertible debentures	5,434.32	8,240.16
Loan Facility C	7,128.70	6,218.57
Other financial instruments	2,572.05	2,877.56
Inter corporate deposits	22,964.60	20,009.82
Lease liability	434.21	285.62
Others	109.31	1.58
<b>Other finance costs</b>		
Loan processing fees	441.08	118.00
Bank guarantee charges	1,789.10	979.02
Other finance charges	15.33	16.79
	<b>251,123.18</b>	<b>234,178.67</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

31 Depreciation and amortisation	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Depreciation on</b>		
Property, plant and equipment	39,655.86	41,039.03
<b>Amortisation on</b>		
Right of use assets	772.24	398.45
Intangible assets	9.38	7.84
	<b>40,437.48</b>	<b>41,445.32</b>
	<b>40,437.48</b>	<b>41,445.32</b>
32 Other expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent (refer note no 39)	85.23	243.81
Rates and taxes	693.97	521.67
Legal and professional charges*	2,787.52	2,149.39
Communication	47.90	31.21
Printing and stationery	13.97	10.74
Travelling and conveyance	258.37	163.39
Operation and maintenance expenses	7,114.97	7,139.27
Plant preservation and maintenance	192.23	281.91
Insurance expenses	937.61	1,285.66
Repairs and maintenance :		
Office	257.51	145.08
Vehicles	29.88	30.74
Others	33.63	168.09
Security expenses	864.40	790.13
Bank charges	38.42	4.00
Director sitting fees	13.45	-
Fly ash disposal expenses	2,698.20	1,186.54
Loss on foreign currency transactions	1,036.77	-
Provision for impairment	317.62	-
Advances write off	-	1,125.67
Expected loss provision (refer note 60)	2,125.00	-
Miscellaneous expenses	283.59	283.36
	<b>19,830.24</b>	<b>15,560.66</b>
	<b>19,830.24</b>	<b>15,560.66</b>
*Includes remuneration to auditors as follows (excluding applicable taxes):		
As auditors - Statutory audit and limited reviews	75.20	65.76
	<b>75.20</b>	<b>65.76</b>
	<b>75.20</b>	<b>65.76</b>

### 33 Details of contingent liabilities, pending litigations and other matters:

#### A. Claims against the Group not acknowledged as debt:

##### RattanIndia Power Limited

- 1 The Water Resource Department of the Government of Maharashtra ('WRD' or 'Respondent') vide their letter dated 29 January 2013 had raised a demand of ₹ 23,218 lakhs on the Company for payment of irrigation restoration charges (IRC) at the rate of ₹ 1 lakh per hectare as per Government Resolution (GR) dated 6 March 2009, which was contrary to the Water Resources Department, Government of Maharashtra's circular dated 21 February 2004 that stated the rate to be ₹ 0.50 lakh per hectare. The Company had paid ₹ 11,657 lakh (calculated at ₹ 0.50 lakh per hectare) and had filed a Writ Petition before the Hon'ble Bombay High Court on 13 February 2013, challenging the validity of demand so raised by WRD. The Mumbai bench of Hon'ble Bombay High Court vide its order dated 3 August 2015 transferred the matter to Nagpur Bench. The Nagpur Bench vide its order dated 5 May 2016 had partly allowed the petition and held that demand at revised rate i.e. as per GR dated 6 March 2009 was illegal and unsustainable. As per Nagpur Bench order, the rate prescribed in the GR dated 6 March 2009 was applicable prospectively from 1 April 2009 and was not applicable in Company's case since the water allocation had already been finalized on 12 December 2007.

Pursuant to above order, Maharashtra State Government had filed a Special Leave Petition ("SLP") before the Hon'ble Supreme Court of India (SC). The Hon'ble SC vide its order dated 13 January 2023 held that the agreement executed between the Company and WRD stipulating irrigation restoration charge at the rate of ₹ One lakh per hectare was erroneously given credence over the erstwhile Government circular dated 21 February 2004 that prescribed the rate of ₹ 0.50 lakh per hectare for use of water for industrial purposes, which was otherwise reserved for irrigation of agricultural land. In the said order, the SC also erroneously held that the Company had protested for first time in 2011 which was contrary to the fact that the Company had been protesting the proposed IRC levy at the rate of ₹ One lakh per hectare since 2008 and further, erroneously relied on 2009 Notification, wherein IRC was notified at ₹ One lakh per hectare for the very first time. Aggrieved of the SC order, the Company has filed a Review petition before the SC bench on 12 February 2023, that is currently pending disposal.

The management basis inputs from internal and external legal experts believes that the Company has strong chances of favourable order in the pending Review Petition, on merits as there are errors on face of the record in the SC Judgment as narrated above and further, has assessed that likelihood of any liability devolving upon the Company in respect of the said matter is not probable and accordingly, no adjustment is currently required in these consolidated financial statements.

- 2 During the previous year, the Company had filed writ petition before Hon'ble Delhi High Court ('Delhi HC') and had sought relief and direction to Ministry of Power and Ministry of Coal as well as Western Coalfields Limited ('WCL') and Mahanadi Coalfields Limited ('MCL'), the subsidiaries of Coal India Limited, for returning of Bank Guarantees issued pursuant to Letter of Assurance (LoA), as the Fuel Supply Agreement (FSA) against this LoA was not materialized and Company has not utilized this for any coal supply to the plant. Subsequently during the quarter ended 30 June 2022, Company had received letters from WCL & MCL informing cancellation of LOA and invocation of bank guarantee amounting to ₹ 5,496.14 lakhs. The Company had filed an application of stay before Delhi HC and in response thereto, the Delhi HC had directed WCL & MCL not to take any coercive action pursuant to their letters. The Company based upon inputs from legal experts believes that it has a strong case and accordingly, no provision is considered necessary in these consolidated financial statements at this stage.
- 3 During the year ended 2010-11, the Company entered into a contract with Bharat Heavy Electrical Limited ('BHEL') for erection and supply of certain material for phase II of its power project at Amravati. Subsequent to this contract, BHEL supplied certain materials which were not warranted at that time and there were various communications made by the Company with BHEL to take out such materials from the site. Against this, BHEL initiated arbitration proceeding against the Company, alleging the payment outstanding against the Company in respect of the materials so supplied by them. The Hon'ble High Court also disposed off the petition upon the instruction to the parties that petition before Hon'ble High Court be treated as an application under Section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal. Subsequent to this, BHEL filed the following applications on 14 April 2016 with Arbitral Tribunal:
  - a. Application under Section 17 of the Arbitration and Conciliation Act, 1996 seeking an interim prayer of release of bank guarantees.
  - b. Application seeking amendment of the Claim petition.
  - c. Application under Section 31(6) of the Arbitration and Conciliation Act, 1996 seeking an interim award on the basis of admissions.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

On BHEL's application for seeking interim award based on admissions, the Tribunal had heard the arguments of both BHEL and the Company and the Tribunal had passed an interim award of ₹ 11,500 lakh against the Company vide its order dated 27 July 2017. Cross examination of Claimant's Witness is ongoing. The matter is now fixed for further examination of respondent's witness on 19 June 2023.

The Company had filed an appeal against the above interim award on 16 October 2017 before the Hon'ble High Court. The matter is now listed for arguments, the next date of hearing in the matter is 16 May 2023. The pecuniary risk involved in the present case cannot be quantified. The Company is confident that the matter will be disposed off in their favour.

A Petition has also been filed by BHEL praying the Hon'ble High Court to issue warrants of attachment/ or auction sale of immovable and movable assets of the Company for realizing the amount payable/due as per the Interim award dated 27 July 2017. The matter is now listed for Arguments. The next date of hearing in the matter is 16 May 2023.

- 4 Arbitration Proceedings had been initiated by Larsen and Toubro Ltd (L&T) against the Company in relation to the supply and service contracts for Electrical Balance of Plant (EBOP) with respect to 5X270 MW Thermal Power Plant, Amravati. Preliminary hearing in respect of the matter was held on 08 June 2020 whereby schedule of the arbitration proceedings has been fixed by the Arbitral Tribunal (AT). Pleadings are complete in the matter. Present proceedings are adjourned sine die with liberty to the parties to have the same revived as and when considered appropriate vide AT's order dated 16 October 2021. Application for reviving the present proceedings has been filed by L&T, reply has been filed by the Company. Arguments on the application have concluded and the Tribunal has permitted the Petitioner in reviving the petition qua RPL. A fresh discovery application was filed by the Petitioner and reply filed by the Company. The parties have been directed to file their Affidavit of Evidence. The next date of hearing in matter is 24 May 2023 to 31 May 2023.
- 5 Arbitration Proceedings had been initiated by Larsen and Toubro Ltd Ltd (L&T) against the Company in relation to supply and service contract with respect to the Coal Handling plant (CHP) of 2x1600 TPH capacity for 5x270 MW TPP, Amravati. Preliminary hearing in respect of the matter was held on 17 June 2020 whereby schedule of the arbitration proceeding has been fixed by the Arbitral Tribunal. An Application for inspection and production of documents had been filed by Larsen and Toubro Ltd (L&T). Reply has also been filed and arguments have been heard. the Arbitral Tribunal Vide order dated on 28 March 2022, has rejected all the contentions of Larsen and Toubro Ltd (L&T) except granting inspection of original invoices by Larsen and Toubro Ltd (L&T). Inspection of documents has been completed. Issues have been framed by the Tribunal and affidavit of evidence to be filed by the parties. The next date of hearing is to be notified.
- 6 Arbitration Proceedings had been initiated by M/s. Shapoorji Pallonji & Co. Pvt. Ltd (SPCL) against the Company in relation to the supply and service contracts for Civil Works) with respect to 5X270 MW Thermal Power Plant, Amravati. The next date of hearing in the matter is 05 May 2023 for arguments on the application for production of documents filed by SPCL and reply thereto by the Company.
- 7 An application under Section 9 of Insolvency and Bankruptcy Code was filed by M/s. Shapoorji Pallonji & Co. Pvt. Ltd. against the Company to initiate Corporate Insolvency Resolution process under the code before National Company Law Tribunal, New Delhi. The matter has been heard. Arguments are complete. The Hon'ble Tribunal has vide order dated 16 November 2022 dismissed the petition filed by Shapoorji . Shapoorji has filed an appeal against the said order before the Hon'ble National Company Law Appellate Tribunal. The Company is in the process of filing its reply. Next date of hearing is 16 May 2023.
- 8 The Company has preferred writ petition before Hon'ble Delhi High Court against UOI & South Eastern Coal Limited (SECL) for wrongfully charging and recovering GST on penalty amount under fuel supply agreement. Pleadings are yet to be completed in the matter. The next date of hearing in this matter is 26 May 2023.
- 9 Techno Industries invoked arbitration against the Company pertaining to a Letter of Award for construction of Lifts and Elevators at Thermal Power Project, Phase I, Amravati. Pursuant to a section 11 petition being allowed by the Hon'ble High Court of Delhi, Ramesh Singh, Advocate was appointed by the Sole Arbitrator. The Statement of Claim has been filed by Techno Industries and the Statement of Defence has also been filed. Rejoinder has also been filed. Issues framed, affidavit of evidence filed. The matter is listed for respondents' cross-examination and next date of hearing is 05 May 2023.
- 10 Ion Exchange India Limited was provided the contract for sewage water treatment plant. As a result of few disputed payments Ion Exchange India Limited invoked arbitration against the Company pertaining to a contract entered in June 2012 for supply, storage, handling, erection and commissioning services and for civil and structural works of Sewage

and waste Water management system of 1350 (5 x 270) MW Thermal Power Project, Phase I, Amravati, Maharashtra. Additionally, Ion Exchange India Limited also approached the Hon'ble High Court of Delhi for appointment of arbitrators (Section 11) through an application being Arbitration Petition 209/2021. The Hon'ble High Court of Delhi vide its order dated 10 November 2021 appointed Retd. ADJ Lal Singh to adjudicate the dispute between the parties. Preliminary hearing was conducted and the schedule for Arbitration was fixed. The Company had challenged the appointment of the arbitral tribunal (Section 16) by filing an application stating that the present arbitral tribunal has no jurisdiction to entertain the matter as there was no contract between Ion Exchange and the Company. Ion Exchange has been directed to file a reply to the Section 16 application filed by the Company. The next date of hearing in this matter is 12 May 2022. Reply has been filed by Ion Exchange. Cross examination of Claimant's Witness concluded. Respondent to file its evidence affidavit. Cross-examination of Respondent's Witness to commence on the next date of hearing i.e. 17 May 2023.

- 11 Directorate General of GST Intelligence, Mumbai issued show cause notice demanding Service-tax of ₹ 757.01 lakh on irrigation restoration charges paid to Water Resource Department of Maharashtra Government under reverse charge mechanism. Further the Principal Commissioner of Goods & Service Tax, Delhi had also confirmed above demand along with penalty vide its order dated 10 December 2020. Aggrieved off the above order, the Company had filed a writ petition before the Hon'ble Bombay High Court on 15 March 2021 and Court vide order dated 13 March 2023 has dismissed the petition and has allowed the Company to file appeal before Customs, Excise and Service Tax Appellate Tribunal. Subsequently, the Company has filed appeal before with Tribunal on 10 April 2023, that is pending disposal.
- 12 An application had been filed by Vintech under provisions of section 18(1) of (delayed payment) of the MSMED Act, 2006 seeking a claim against invoices raised on RPL pursuant to work order relating to annual maintenance work contract of lighting, cabling and 33kv transmission line at thermal power plant, Amravati. RPL has filed its reply as well as statement of accounts with documents. Next date of hearing is yet to be intimated.
- 13 Value Line invoked arbitration against the Company pertaining to a contract entered into in April, 2015 between the parties for interior fit-out works for the office. Pursuant to that Value Line filed section 11 petition before the High Court of Delhi vide Arb. Pet. 844 of 2019, In Arb. Pet. 844 of 2019, the Hon'ble High Court of Delhi vide order dated 17 December 2019 appointed Sole-arbitrator to adjudicate the dispute and defences between the parties. Preliminary Hearing was held on 06 February 2020, wherein schedule of the arbitration was decided. Cross examination of Claimant's witness has already commenced. The next date of hearing is 17 May 2023.
- 14 During the financial year 2015-16, Tahsildar of Amravati vide it's order dated 24 February 2016 had directed the Company to deposit the amount of ₹ 400 lakh towards payment of royalty for using the minor minerals excavated during the construction of the power plant of the Company and utilized in the embankment work of railway line on the plot of Maharashtra Industrial Development Corporation Limited ("MIDC") allotted to the Company. The Company filed a writ petition before the Nagpur bench of Hon'ble Bombay High Court against the order passed by Tahsildar. The Hon'ble Court vide its Order dated 15 December 2016 had issued a stay in the matter. The next date of hearing in the matter is to be intimated.
- 15 A vendor had under taken work for supply, plantation and maintenance of 100,000 trees at the Company's power plant pursuant to work order dated 25 May 2012. The Company terminated the contract vide letter dated 6 February 2014 due to unsatisfactory performance and also claimed liquidated damages from the vendor. On termination of contract by the Company, vendor alleged that the contract was wrongly terminated by the Company, only to avoid outstanding payment. The vendor had filed a Civil Suit on 03 December 2015 before Civil Judge Senior Division, Amravati claiming ₹ 116.25 Lakhs and court fees of ₹ 1.54 Lakh against the work done. The Company had filed an application under section 8 of the Arbitration and conciliation Act for the dismissal of the suit. The matter is now listed for framing of issues on 04 July 2023.
- 16 Becquerel Industries Private Limited had filed a suit for recovery of ₹ 20.73 lakh against M/s Preeti Engineering before Civil Court at Nagpur on 15 April 2015 alleging that their dues are pending against M/s Preeti Engineering to whom the Non-Distractive Testing work had been sublet by M/s Brothers Engineering. The work to M/s Brothers Engineering was subcontracted by BHEL to whom contract was awarded by the Company. The summons were serviced to M/s Preeti Engineering, M/s Bothers Engineering, BHEL and the Company. The Company had filed its reply. The matter is now listed for hearing on 21 June 2023.
- 17 A Suo Moto Public Interest Litigation ('PIL') has been registered before Hon'ble Bombay High Court on 27 August 2014 with regard to the occupation hazards of the employees working in various thermal power plant stations in the country. The Company (due to its plant at Amravati) had been made a party in the said PIL. The Company had filed its reply

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

before Bombay High Court. The Hon'ble High Court has appointed one committee for regular review of the situation in Thermal Power Plants in the state. The next date of hearing in the matter is to be intimated.

- 18 The Company had developed a railway line track and constructed a boundary wall around the railway yard and power plant at Amravati on the land allotted to the Company by Maharashtra Industrial Development Corporation Limited. In this respect, Mr. Keshav Puralal Bundele and others ('Plaintiffs') alleged that the approach road to their land has been obstructed and they are unable to access their land for cultivation and claimed damages to the tune of ₹ 5 lakhs. A suit for seeking declaration/ injunction for right of way was filed before the Civil Judge, Senior Division, Amravati by the Plaintiffs against the Company during the year 2015-16. The Company denied the allegations in its written statement and is contesting the suit and the Hon'ble Court also declined the prayer of the Plaintiffs for grant of temporary injunction.

The Plaintiffs then filed a civil appeal with regard to this matter against the Court's order of declining the prayer of the Plaintiffs for grant of temporary injunction. The matter is now listed for bringing on record the legal heirs of Keshav Puralal Bundele due to the demise of Keshav Puralal Bundele. The application for appointment of Court Commissioner was allowed by Hon'ble Court. The Court Commissioner has completed the spot inspection and matter is now fixed for Court Commissioner's Report on 17 June 2023.

### Sinnar Thermal Power Limited (STPL)

- 19 During the year 2010-2011, the Company entered into a contract with Bharat Heavy Electrical Limited ('BHEL') for erection and supply of certain materials for phase II of its power project at Nashik. Subsequent to this contract, BHEL supplied certain materials which were not warranted at that time and there were various communications made by the Company with BHEL to take off these materials from the site. Against this, BHEL initiated arbitration proceeding against the Company, alleging the payment outstanding against the Company in respect of the materials so supplied by them. The Hon'ble High Court also disposed off the petition upon the instruction to the parties that petition before Hon'ble High Court be treated as an application under Section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal. Subsequent to this, BHEL filed the following applications on 14 April 2016 with Arbitral Tribunal:

- (i) Application under Section 17 of the Arbitration and Conciliation Act, 1996 seeking an interim prayer of release of bank guarantees.
- (ii) Application seeking amendment of the claim petition.
- (iii) Application under Section 31(6) of the Arbitration and Conciliation Act, 1996 seeking an interim award on the basis of admissions.

On BHEL's application for seeking interim award based on admissions, the Tribunal heard the arguments of both BHEL and the Company and the Tribunal had passed an interim award of ₹ 6,300 lakh against the company vide its order dated 27 July 2017. The matter is now at the stage of recording of cross-examination of the witnesses whose affidavits have been filed. Cross examination of Claimant's witness is ongoing. In the meanwhile, NCLT vide its order dated 19 September 2022 admitted the application under section 9 and initiated corporate insolvency proceedings against STPL. Refer note 57(a) for further details on CIRP proceedings. The present proceedings have been stalled in light of the current status of STPL.

Petition was also filed by BHEL praying the Hon'ble High Court to issue warrants of attachment/ or auction sale of immovable and movable assets of the company for realizing the amount payable/due as per the Interim award dated 27 July 2017.

The Company filed an appeal against the said interim award on 16 October 2017 with the Hon'ble High Court and based on the legal appraisal of the case, Company is confident that the matter will be disposed off in their favour. The matter is now listed for arguments, the next date of hearing in the matter is 16 May 2023.

- 20 The Company had entered into a contract with BHEL for supply of Boiler, Turbine, Generator (BTG) items for Nashik project. The material was supplied by BHEL from its unit in Tamil Nadu during the period 2010-2011. BHEL availed input tax credit against this sale which was rejected by the assessing officer of BHEL and consequently, BHEL demanded the said tax amount of ₹ 1,100 lakhs from the Company. The Company rejected the claim by BHEL as the same was for input tax and not on the tax on invoice. Meanwhile during the year 2011-12, the Company filed writ petition before the Hon'ble High Court of Madras during the year 2012 against the recovery of VAT by BHEL. The matter was listed for hearing and the Hon'ble High Court issued a notice and had ordered for status quo. The notice for the same was accepted by the state counsel. The Hon'ble High Court had heard the matter and reserved the order.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)



- 21 Arbitration proceedings had been initiated by Bharat Heavy Electricals Limited against the Company alleging non-payment of outstanding in respect to the materials supplied by Bharat Heavy Electricals Limited for construction of portions of Sinnar Thermal Power Limited's Thermal Power Plant at Nashik (Phase-I). Affidavit of admission/denial of the additional documents and witnesses have been filed by both the Parties. Evidence has been recorded of all the Claimant's witnesses as well as Respondent's witness. Cross examination of witnesses has concluded. Final arguments are on-going. In the meanwhile, NCLT vide its order dated 19 September 2022 admitted the application under section 9 and initiated corporate insolvency proceedings against STPL. Refer note 57(a) for further details on CIRP proceedings. On the next date of hearing, it is to be decided whether the present proceedings can continue or not. The next date of hearing is to be intimated.
- 22 Arbitration proceedings have been initiated by Shapoorji Pallonji & Co. Pvt. Ltd. against the Company alleging the non-payment of outstanding dues in respect of BTG and OBTG work done for construction of portions of Thermal Power Plant at Nashik. Statement of claim and statement of defences and counter claim have been filed by the parties. Recording of claimant's and respondent's evidence has concluded. Cross examination of all witnesses stands completed. The final arguments have been concluded. The Hon'ble has allowed the claims filed by Shapoorji Pallonji Co. Pvt. Ltd amounting to ₹ 6,500.00 lakhs approximately. STPL has filed an appeal under section 34 of A&C Act before the Hon'ble High Court of Delhi for setting aside the arbitral award. Notice is yet to be issued. The next date of hearing in the matter is 19 May 2023. Shapoorji Pallonji Co. Pvt. has filed an execution petition under section 36 of the Arbitration Act before the Hon'ble High Court of Delhi for executing the arbitral award. The court was informed that a moratorium is operating against STPL due to CIRP proceedings therefore, no action can be taken against STPL. The next date of hearing is 19 May 2023.
- 23 Arbitration proceedings have been initiated by Paharpur Cooling Towers Pvt. Ltd. against the Company alleging non-payment of outstanding dues for construction of portions of Thermal Power Plant at Nashik. The Matter will be taken up for arguments on Section 17 application filed by Paharpur and for framing of issues. Pleadings and final arguments are completed in the matter. Arbitral award was passed on 12 November 2021. Section 34 petition has been filed by the Company against Arbitral award for setting aside the award, before the Delhi High Court (DHC) on 25 February 2022. Notice has been issued by the Hon'ble DHC. Written submissions have been filed by the parties. The next date of hearing in the matter is 19 July 2023.
- 24 Arbitration proceedings have been initiated by Larsen & Toubro Ltd. (L&T) against the Company and RattanIndia Power Limited (RPL) in respect of supply and service contracts with respect to the Coal Handling Plant of 2x1600 TPH Capacity for the 5x270 MW TPP, Nashik. Preliminary hearing was held on 17 June 2020 whereby schedule of arbitration proceedings has been fixed by the Arbitral Tribunal. The next date of hearing is to be intimated by the Arbitral Tribunal.
- 25 An application under section 19 of the Recovery of Debts and Bankruptcy Act, 1993 had been filed by Canara Bank against the Company & Others. before the Debt Recovery Tribunal, New Delhi. Reply to the application has been filed by the Company. Pleadings are yet to be completed. The next date of hearing is 01 July 2023.
- 26 An application under Section 7 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, New Delhi filed by Canara Bank (Syndicate bank) (being the Financial Creditor) to initiate a corporate insolvency resolution process against the Company (being Corporate Debtor) in view of the pending payments. Notice is yet to be issued. Application has been filed by Canara Bank to keep the present proceedings in abeyance till the NCLAT order under CIRP proceedings has been either disposed off or stay is vacated. The next date of hearing is 17 May 2023.
- 27 Ion Exchange has filed a section 11 petition before the Hon'ble High Court of Delhi against STPL & Others for appointment of an Arbitrator in relation to the disputes pertaining to Sewage Treatment Plant and Tertiary Treatment Plant for Nashik TPP. Notice has been issued. Pleadings are yet to be completed. The next date of hearing is 09 May 2023.
- 28 Arbitration proceedings have been initiated by Techno Industries against STPL & Ors with regard to construction of Lifts/ Elevators pertaining to Nashik TPP. Pleadings have been completed. Affidavit of evidence has been filed by the parties.. Listed for hearing on application to place on record additional documents filed by Claimant and its reply thereto. Next date of hearing is 05 May 2023.
- 29 Suyojit Infrastructure Pvt. Ltd initiated arbitration proceedings against STPL & Anr with respect to construction of Township near Nashik TPP. It was ordered by the Tribunal that the Company is merely a performa party. However, recently an application has been filed in the present arbitration for impleading the Company also. Reply to the same has been filed by the Company. The tribunal has directed the Claimant to file an amended memo of parties. The proceedings were in abeyance as the Claimant had not paid the fees of the Arbitral tribunal. The matter is now fixed for



## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

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hearing on application for continuance of the present arbitral proceedings against the Company. Next date of hearing is to be intimated.

- 30 Gammon Engineers and Contractors Pvt. Ltd. (GECPL) invoked arbitration against the Company in relation to contract for construction of Chimney at Nashik TPP. Section 11 petition filed by GECPL for appointment of an Arbitrator was allowed by the Hon'ble High Court of Delhi and it appointed (Retd.) Justice A.K Chawla as the Sole Arbitrator to adjudicate the disputes between the parties. GECPL had filed its Statement of Claim and thereafter, Amended Statement of Claim. STPL filed an application under section 16 of the Arbitration and Conciliation Act, 1996 with prayer that the Arbitral Tribunal doesn't have jurisdiction to entertain the present arbitration as there is no contract between GECPL and the Company. Thereafter, the Sole Arbitrator vide its order dated 4 March 2022 had held that section 16 application shall be heard after completion of pleadings and directed the Company to file its Statement of Defence. The Company had filed its Statement of Defence. Arguments on section 16 application to take place on the next date of hearing. Affidavit of Admission/Denial has been filed by the parties. Issues have been framed. Affidavit of evidence has been filed by GECPL. Cross examination of Claimant's witness is ongoing. The next date of hearing in the matter is 13 July 2023.
- 31 A petition hearing no. 43/2017 has been filled by Modern V.R. Security Force (I) Private Limited before Micro & Small Enterprises Facilitation Council, Nasik against the Company for recovery of amount which is alleged to be due from the Company. The matter has been reserved for orders.
- 32 A Case has been filed by Mr. Rajendera Yashwant Adhangale before Labour Court, Nashik against the Company that his employment termination is unlawful and illegal. The matter is fixed for applicant's evidence. The next date of hearing in the matter is 16 May 2023.

### Poena Power Development Limited (PPDL)

- 33 Suit for Mandatory and Permanent injunction has been filed by Balbir Singh ("Plaintiff") in the Court of Budhlada wherein its prayed that the Company along with SDM Budhlada ("Defendants") be directed to pay for the cost of construction of Plaintiff's house situated in village Gobindpura Tehsil Budhlada, Dist Mansa Punjab which was ordered to be acquired by State of Punjab for the Company and Defendants be restrained from evicting Plaintiff illegally without paying any compensation for the cost of construction of Plaintiff's house. The next date of hearing is 18th May 2023 for cross examination of Plaintiff's witness.

Writ Petition filed by Bharpur Singh & Ors. against State of Punjab & Ors. before the Punjab and Haryana High Court for quashing the land acquisition proceedings. Notice has not been issued to PPDL. The government is to let the court know about the status of land. Reply on behalf of Respondent No.2 filed. Respondent No.1 prepared a memorandum for the consideration of the council of ministers to get their comments whether the land in question is to be used for setting up a solar power plant. Respondent No.1 has sought time to submit its reply after discussion with council of ministers. The next date of hearing in the matter is 17th July 2023.

However, the Company is contesting the demand and the management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

The Group management basis inputs from legal experts has assessed that likelihood of any liability devolving upon the Group in respect of the above matters is not probable and accordingly, no adjustment is currently required in these consolidated financial statements.

## B. Contingent Liabilities of demand pending under the Income Tax Act, 1961:

### Under the Income tax Act, 1961

#### RattanIndia Power Limited

- 1 For AY 2012-13 to AY 2017-18, the Honourable Income- tax Appellate Tribunal ('ITAT' or 'Tribunal') in its order dated 5 May 2021 decided the matter related to certain disallowances/addition aggregating to ₹ 83,530 Lakhs, in favour of the Company. However, on accessing the Honourable High Court of Mumbai portal, the Company noted that 6 appeals have been filed by the department against the ITAT Order, which are yet to be admitted by the HC. Currently, the Company has not received any notice in this regard.
- 2 For AY 2018-19, in response to the appeal filed by the Department against the order of CIT (Appeals) in relation to certain disallowance/additions aggregating to ₹ 3,366.00 lakhs, the Honourable Tribunal in its order dated 21 March 2023 has decided the matter in Company's favour, subject to the calculation/checking of additions as per the provisions of section 115JB of the Income- tax Act, 1961, by the Assessing Officer, which is currently pending disposal.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

- 3 For AY 2019-20, the Company has filed rectification application under section 154 against intimation u/s 143(1) of the Income Tax Act, 1961 for certain additions/ disallowances aggregating to ₹ 284.35 Lakhs and resultant tax demand of ₹ 44.69 lakhs, which is currently pending disposal.
- 4 For AY 2020-21, the Company has filed an appeal before CIT(Appeals) against intimation under section 143(1) of the Income Tax Act, 1961, challenging the additions/ disallowances aggregating to ₹ 12,300 Lakhs that decreased the returned loss, which is currently pending disposal. Further, the Company has also filed a rectification application under section 154, against the aforementioned intimation, which is also pending disposal.

### Sinnar Thermal Power Limited (STPL)

- 5 For AY 2011-12 to AY 2017-18, the Honourable Income- tax Appellate Tribunal ('ITAT' or 'Tribunal') in its order dated 5 May 2021 decided the matter related to certain disallowances/addition aggregating to ₹ 3,458 lakhs in favour of the Company. However, on accessing the Honourable High Court ('HC') of Mumbai portal, the Company noted that 2 appeals have been filed by the department against the ITAT order which are yet to be admitted by the HC. Currently, the Company has not received any notice in this regard.
- 6 For AY 2018-19, the Income Tax Department has filed an appeal before ITAT against the favourable order of CIT (Appeals), challenging the additions/ disallowances aggregating to ₹ 903 Lakhs, which is currently pending for disposal.

The Group management basis inputs from experts has assessed that likelihood of any liability devolving upon the Group in respect of the above matters is not probable and accordingly, no adjustment is currently required in these consolidated financial statements.

### C. Claims filed by:

#### RattanIndia Power Limited

- 1 The Company is supplying power to Maharashtra State Electricity Distribution Company Limited (MSEDCL) based on two power purchase agreements (PPAs) for supply of 1200 MW (450 MW + 750 MW respectively) of power for the period of 25 years. The PPAs were executed based on the fuel supply agreement (FSA) which provided that domestic coal linkages would be available to meet the fuel requirements. However, adequate coal supply was not made available which adversely impacted cost as Company had to source fuel from alternate sources to meet the shortfall of coal supplied under FSA with coal supplier. The Cabinet Committee of Economic Affairs (CCEA) approved mechanism where after Ministry of Coal amended the National Coal Distribution Policy (NCDP) and communicated its decision to allow pass through of the incremental cost of procuring coal from alternative sources to meet the shortfall in supply of domestic coal under coal linkage.

The Company filed a petition before Maharashtra Electricity Regulatory Commission ('MERC' or 'the Commission') in year 2013 for realizing the shortfall in supply under NCDP. MERC vide its Order on 15 July 2014 and 20 August 2014 laid down methodology to recover compensatory fuel charges.

On 28 August 2014, the Company filed a review petition before MERC against the Orders dated 15 July 2014 as well as Order dated 20 August 2014 and MSEDCL further filed review petition against the Orders of MERC dated 20 August 2014. The review petition filed by MSEDCL got dismissed vide Order dated 16 July 2015 and the review petition filed by the Company also got dismissed vide Order dated 30 October 2015.

As at the balance sheet date, the Company has accounted such claims in the books of accounts aggregating to ₹ 30,890.74 lakh and related carrying cost & late payment surcharge thereon.

The Company then filed appeals before Appellate Tribunal for Electricity (APTEL) against Orders dated 15 July 2014, 20 August 2014 and 30 October 2015. The said appeals were disposed off by the Hon'ble Tribunal on 4 May 2017, remanding the matters to the Maharashtra Electricity Regulation Commission ('MERC') for fresh adjudication in the light of the direction of the Hon'ble Supreme Court in case of Energy Watchdog and Ors. v/s CERC and Ors. Dated 11 April 2017. MERC heard the matter on 15 November 2017 and reserved it's Order. On 3 April 2018, MERC had passed the said Order, whereby MERC principally held that the Company is entitled to compensation and a methodology to recover compensatory fuel charges has been laid down. The Company filed an appeal before the Hon'ble APTEL vide appeal no. 264 of 2018 against the Ld. MERC order dated 03 April 2018. The appeal was disposed off vide order dated 13 November 2020 in which prayer of the Company was allowed and matter was remanded to Ld. MERC for computation. Subsequently, the Company had filed remand petition vide Case No. 240 of 2020 before Ld. MERC. MERC pronounced the order on 16 November 2021 directing Company to submit Supplementary invoice after making changes as suggested in the order and MSEDCL to make the payment within due date. Accordingly, the Company recomputed its Change in

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

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Law claims and submitted Supplementary invoice to MSEDCL. The Company had filed Impleadment Application in Case No 240/2021 praying MERC for directing MSEDCL to release 75% payment as interim measure, which was also dismissed by MERC stating matter is sub-judiced before Hon'ble Supreme Court in Civil Appeal No. 1805/2021 and directed to follow Hon'ble Supreme Court Order. Hon'ble Supreme Court vide its hearing dated 14 February 2022 directed MSEDCL to pay 50% of total claimed amount. The matter was listed before the Hon'ble Supreme Court and written submissions were filed. The matter was referred to the Hon'ble Chief Justice's court and thereafter tagged with case (C.A.No.4143/2020). SC has dismissed the Appeal No. 1805/2021 filed by MSEDCL.

- 2 There has been an increase in cost of power generation owing to increase in various statutory taxes, duties, levies, cess, surcharge etc. Based on various judgement from CERC involving similar situations, management had concluded that these charges are recoverable from MSEDCL under "Change in Law" clause of PPA. The Company filed a petition with MERC on 15 June 2016 claiming approval of additional components of costs under change in law. MERC had issued order dated 5 April 2018 in this respect. The Company has filed an appeal vide Appeal No. 263 of 2018 against the order dated 05 April 2018 before the Hon'ble Appellate Tribunal for Electricity ("APTEL") on 06 June 2018. APTEL had remanded the matter to Hon'ble Commission for quantification of amount payable to generator and pass consequential Order. MERC vide order dated 06 February 2023 has partly allowed the petition of the Company. Aggrieved by the said order, MSEDCL has filed a Review Petition before the MERC. Date of hearing in the matter is to be intimated. An appeal has also been filed by the Company against the order dated 06 February 2023 before APTEL. Date of hearing in the matter is to be intimated.
- 3 The Company operates a 1350 MW (5x270 MW) coal based power plant located at Nandgaonpeth, Amravati district in the state of Maharashtra. At the time of commissioning, the performance guarantee test conducted by BHEL noted that the maximum generation at rated capacity was upto 277.8MW (in non VWO mode), which corresponds to ex-bus capacity upto 252 MW. This was further corroborated by the CPRI report. In view of above, the Company requested MSLDC to increase the ex-bus export capacity for all five units from 252MW to 258 MW, however MSLDC rejected the Company's request, accordingly the Company filed petition vide Case No. 59 of 2018 before the Ld. MERC under Sections 32, 33 and 86 of The Electricity Act, 2003 read with the Maharashtra Electricity Regulatory Commission (State Grid Code) Regulations, 2006. The matter was heard by MERC on 3 October 2018 and had reserved its order. The Ld. MERC has dismissed the Case No. 59 of 2018 vide Order dated 23 October 2018. RPL has preferred an appeal against the impugned order of the Ld. MERC before the Hon'ble Appellate Tribunal of Electricity vide Appeal No. 35 of 2019. Appeal has been admitted by the Hon'ble APTEL and pleadings have to be completed. Subsequently, RPL has filed application for seeking directions against BHEL for conducting Performance Test. The Hon'ble Tribunal vide order dated 18 December 2019 directed BHEL to give test report. However, BHEL has filed review petition against the said order vide RP 04 of 2020. Pleadings are completed. The next date of hearing is to be intimated.
- 4 Due to low dispatch of power schedule by MSEDCL, SECL had imposed penalty on account of non-procurement of minimum quantity of fuel by Company under the FSA. The Company had filed a petition vide Case No. 146 of 2018 before the Ld. MERC under Section 86 of the Electricity Act, 2003 seeking compensation from MSEDCL for penalty of ₹ 3,976.79 lakhs in accordance with Clause 4.5 of Schedule 4 of the PPA between the Company and MSEDCL. The Ld. MERC heard the matter on 3 October 2018 and had reserved its order. The Ld. MERC disposed off the matter vide order dated 23 October 2018. RPL has filed an appeal before the Appellate Tribunal of Electricity vide Appeal No. 41 of 2019. Notice has been issued in the said Appeal and pleadings are completed. MSEDCL was directed to file dispatch schedule given to the Company in 2016-17. The next date of hearing is to be intimated.
- 5 The Company has filed an Appeal no. 118 of 2021 before Hon'ble Appellate Tribunal (APTEL) challenging the Order passed by Hon'ble Ld. Maharashtra Electricity Regulatory Commission ("MERC") wherein Ld. MERC held that levy of Evacuation Facility Charges levied by Coal India Limited does not constitute Change in Law event. Matter has been heard and APTEL vide its Order on 22 March 2022 directed MERC to determine the amount payable to the Company along with Carrying Cost to be calculated at LPS rate. MERC needs to pass fresh order considering APTEL direction within 2 months thereafter. The Company vide 76/MP/2022 filed case in MERC seeking direction from MERC to direct MSEDCL to release amount in accordance with APTEL Order dated 22 March 2022. MERC vide its Order dated 08 July 2022 directed MSEDCL to immediately pay undisputed amount as per provisions of PPA. MSEDCL has filed an appeal before the Hon'ble Supreme Court being CA 4089/2022 challenging APTEL's Order dated 22 March 2022 in App No. 118 of 2021 allowing levy of Evacuation Facility Charges by Coal India Ltd. as a Change in Law event. The Supreme Court heard the matter at length and appeal has been dismissed. EFC has been allowed as Change in Law by the Supreme Court vide order dated 20 April 2023.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

- 6 The Company had filed an Appeal vide DFR 345/2021 before Appellate Tribunal of Electricity (“APTEL”) under Section 111 of the Electricity Act, 2003 praying for setting aside the Order dated 28 July 2021 passed by Maharashtra Electricity Regulatory Commission (“MERC”) in Case No 24 of 2017 insofar as the observation qua Company undertaking dated 05 April 2018. Pleadings are complete. The next date of hearing is to be intimated.
- 7 The Company had filed Writ Petition in Delhi High Court for quashing or setting aside the four Notifications dated 08 December 2017 passed by Central Electricity Regulatory Commission (CERC). The CERC vide the Impugned Notifications, has amended/ revised the escalation rates for domestic coal chargeable by generating companies with retrospective effect going back as far as the year 2012 up to 2014. Based on these amendments, tariff applicable during the period got changed and there was financial impact on the generators having Power Purchase Agreements with Discoms through Case-1 bidding route. The matter is listed for hearing on 25 August 2023.
- 8 MERC in Case No 26 of 2021 has passed an Order dated 11 October 2021 granting claim for Unit 1 along with LPS to the Company and rejecting claim towards Unit 4. MSEDCL has filed an appeal in APTEL vide DFR 429/2021 for stay on MERC Order in case No. 26 of 2021. Next date of hearing is to be intimated. Further the Company has filed an Appeal challenging the MERC Order in Case 26 of 2021 against rejection of claims towards Unit 4. Matter is now listed for hearing on 12 May 2023.
- 9 The Company has filed claim with Joint DGFT, Mumbai amounting to ₹ 3,979 lakh during the year 2010-11 and onwards on account of deemed drawback for the material supplies for the construction of power plant at Amravati. Out of this, an amount of ₹ 637 lakh was processed and order for refund was issued during the financial year 2010-11. The said order was later withdrawn by the Joint DGFT vide its order dated 07 April 2011 due to clarification given by policy interpretation committee in its meeting no -10 on 15 March 2011. The Company has filed a writ petition on 01 September 2017 before Hon’ble Bombay High Court for recovery of deemed drawback of ₹ 370 lakh which is under process. Also, an appeal had been filed on 12 July 2016 before Hon’ble Supreme Court for ₹ 3,609 lakh which is also under process for final hearing.
- 10 The Company has filed an Appeal before Hon’ble Appellate Tribunal (APTEL) challenging the Order passed by Hon’ble Ld. Maharashtra Electricity Regulatory Commission (“MERC”) wherein Ld. MERC had rejected the claim towards levy of Surface Transportation charges, Crushing /Sizing charges & Levy of Port Congestion Charges as Change in Law. Next date of hearing is yet to be notified.

The management basis inputs from legal experts has assessed that all the above are eligible claims as per terms of PPA entered with MSEDCL and the likelihood of favourable outcome in all the above matters is virtually certain.

### D. Other pending litigations as on 31 March 2023 :

#### RattanIndia Power Limited

- 1 The Company had taken a large risk insurance policy no 500300/11/14/06/00000170 for the period 01 June 2014 to 31 May 2015 for business interruption risk. The generator of unit -2 was damaged on 30 October 2014 and the Company informed United India Insurance Company Limited (UIICL) of the damage on 31 October 2014. During the period from November 2014 to December 2017, despite complete cooperation by the company, the surveyor kept delaying the claim by asking for irrelevant documents and information. Vide letter dated 15 February 2018, UIICL repudiated the insurance claim. Through a detailed letter dated 11 June 2018, the Company strongly protested to UIICL against the wrongful repudiation of its claim, but to no avail.

On 04 October 2018, a complaint was filed by the Company against UIICL & another before National Consumer Disputes Redressal Commission, praying that-

- i) UIICL be held deficient in providing services to the Company and the repudiation of the claim be held as invalid as it was without any basis.
- ii) The claim amount along with Interest be paid to the Company, and it should also be compensated for harassment and mental agony as well as for the litigation costs.

Pleadings are complete in this matter. Respondent has to file the Affidavit of Evidence. An early hearing application was moved by the Company. Early hearing allowed, all pleadings were to be completed. Last opportunity has been given to the Respondent to file its affidavit of evidence. The next date of hearing in the matter is 25 September 2023.

- 2 The Company had filed a Writ Petition before the Hon’ble Bombay High Court (Nagpur Bench) seeking directions against Water Resources Department, Amravati to take decision on the request of the Company for the partial surrender of 27.60 million cubic metres of Water and the refund of proportionate amount of Irrigation Restoration Charges and

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

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Water Commitment Charges already paid for the year 2016-17. The Hon'ble Court vide its judgment dated 10 February 2023 partially allowed the Company's petition and held partial surrender will be treated as approved after deposit of balance irrigation restoration charges demanded at rate of ₹ One lakh per hectare, as per the Hon'ble Supreme Court of India order dated 13 January 2023, as already enumerated in Note 33(A)(1). The conclusion in the current matter is dependent on final outcome in the other matter.

- 3 A consumer complaint under Section 21 of the Consumer Protection Act, has been filed by the Company (Consumer Case No. 87/2021) against United India Insurance Company Limited before National Consumer Disputes Redressal Commission (NCDRC) praying for compensation in relation to damage of Generator of Unit 5. Matter has been admitted and notice has been issued to NCDRC. The next date of hearing in the matter is 24 August 2023.
- 4 A consumer complaint under Section 21 of the Consumer Protection Act, has been filed by the Company (Consumer Case no. 2/2022) against Tata AIG Insurance Co. before National Consumer Disputes Redressal Commission (NCDRC) praying for compensation in relation to damage of Generator of Unit 2. Matter has been admitted and notice has been issued to NCDRC. The next date of hearing in the matter is 25 July 2023.
- 5 The Company had paid ₹ 265 lakhs as GST under Reverse Charge on account of "Goods Transport Agency" (GTA) in case of one of the vendor. While the supply of services doesn't qualify as GTA, GST paid has become refundable. Accordingly, GST paid has been recorded as recoverable in the financial statements and the Company is under process to prepare and file the refund claim with Department.

### Sinnar Thermal Power Limited (STPL)

- 6 Subsequent to the earlier bidding by Maharashtra State Electricity Distribution Company Limited (MSEDCL) for 2000 MW (+30% / -20%) wherein EMCO Energy Limited was L1, RattanIndia Power Limited was L2, Adani Power Maharashtra Limited (APML) was L3, the Company was L4 and Wardha Power Company Limited (WPCL) was L5. MSEDCL required 1090 MW additional power and Government of Maharashtra vide letter dated 1 December 2011 gave approval to MSEDCL for procurement of such additional power and directed MSEDCL to obtain Maharashtra Electricity Regulatory Commission (MERC) approval for the same. MERC vide its order dated 27 December 2012 approved the levelised tariff of ₹ 3.42 per kwh for procurement of additional 1090 MW power by MSEDCL from the company and APML. WPCL filed an appeal before APTEL on 7 March 2013 against the aforesaid order of MERC on the ground that WPCL was not given an opportunity to participate in the process. APTEL vide its order dated 10 February 2015 partly allowed the appeal by WPCL and directed MSEDCL to approach WPCL and Company to seek new offer with respect to quantum to be offered while matching the tariff of APML, the Company filed a review petition against the order of APTEL dated 10 February 2015 for allowing the appeal by WPCL against the order of MERC which approved the procurement of additional quantum of 650 MW power from the Company. The review petition was dismissed by APTEL vide order dated 18 May 2015. The Company filed appeal before the Hon'ble Supreme Court against the orders dated 10 February 2015 as well as 18 May 2015. The Hon'ble Supreme Court of India vide order dated 10 May 2018, dismissed the Company's appeals. Pursuant to this order, APTEL's order dated 10 February 2015 comes into force and hence, the Company and WPCL will be making offers for power supply to MSEDCL in terms of the said order of APTEL.

Further, MERC order dated 19 January 2019 in Case No. 53 of 2012 whereby the Ld. MERC has allocated the quantum of 1090 MW of power on pro rata basis between Adani Power Maharashtra Limited, the Company and Sai Wardha Power Company Limited. On 30 April 2019, MSEDCL had issued letter of intent ('LOI') to the Company for execution of PPA of 507 MW (net capacity). In order to execute the PPA, Company was required to furnish Contract Performance Guarantee (CPG) to MSEDCL in 3 months. Lenders of the Company showed interest in starting the operations and in granting sanctions for required fund based working capital and non-fund based facilities so as to execute aforementioned PPA with MSEDCL. However, due to COVID 19, Lenders of the Company could not reach to any conclusion on sanctioning of required fund based working capital and non-fund based facilities and, thus the Company was not able to furnish the requested CPG resulting in MSEDCL terminating the aforesaid LOI. Thereafter the Company had filed a petition before Maharashtra Electricity Regulatory Commission (MERC) seeking directions to MSEDCL to withdraw its termination notice; and secondly to execute the PPA with the Company as per the agreed terms and conditions, pursuant to the long term Competitive Bidding. However, the petition was withdrawn pursuant to the observation of MERC that the Company may re-approach MERC after securing firm and unconditional commitment from Lenders for providing working capital/ bank guarantees required for executing the PPA.

- 7 The Company had developed railway line for transportation of coal to its Nashik Power Plant. For the development of railway line, Maharashtra Industrial Development Corporation ('MIDC') had acquired land for the Company in various villages of Nashik District. During the year 2012-13, Mr. Rattan Ranja Matala and Others ("petitioners") filed a Petition

before the Hon'ble Bombay High Court against MIDC in which the Company is also a party. Hon'ble Bombay High Court vide its order dated 17 February 2015 dismissed the Writ Petition filed by the petitioners whose land was acquired for Railway Line development. Against the said order of High Court, the petitioners have filed a SLP before Hon'ble Supreme Court on 22 February 2016. The matter is currently listed for final disposal. The next date of hearing in the matter is 22 August 2023 (tentative).

- 8 A Writ petition for quashing the order dated 27 October 2022 has been filed by Chandan Mishra (suspended director of the Company) against Union of India & Others W.P (C) 10566/2022 before the Hon'ble High Court of Delhi in relation to the letter dated 27 October 2022 issued by MCL to Axis bank invoking the bank guarantee dated 25 September 2013 as extended from time to time. Notice has been issued. Interim protection granted, Bank not to take any coercive action till next date of hearing. The next date of hearing is 01 August 2023.
- 9 The Company has filed Writ Petition before Hon'ble High Court challenging the order passed by IGR, Pune whereby directed the company was directed to pay the stamp duty on the Lease Deed bearing No. 6860 of 2010 and 3845 of 2010. This order is in contravention of Government order dated 23 March 2007 and 08 June 2007 passed by Revenue and Forest Department, Government of Maharashtra. The respondent had filed reply to the case. The matter will come up for hearing at the stage of admission. The next date in the matter is yet to be intimated.
- 10 A suit for permanent injunction has been filed by the Company against Mahanadi Coalfields Limited & Others praying before the Hon'ble District Court, Bhubaneswar for:
  - a. restraining Mahanadi Coalfields Limited from invoking/demanding/claiming the amount of Bank Guarantee and
  - b. further restraining Punjab National Bank from paying the Bank Guarantee furnished by the Company to Mahanadi Coalfields Limited and
  - c. to restrain Mahanadi Coalfields Limited from terminating the Fuel Supply Agreement dated 23 August 2013.

The matter is listed for filing of Written Statement on behalf of Mahanadi Coalfields Limited & Others. The next date of hearing in the matter is 24 August 2023.

- 11 (i) A suit for declaration and perpetual injunction has been filed by the Company against Western Coalfields Limited & Others praying before the Hon'ble District Court, Nagpur for:-
  - a. restraining Western Coalfields Limited from invoking/demanding/claiming the amount of Bank Guarantee and
  - b. further restraining Punjab National Bank from paying the Bank Guarantee furnished by the Company to Western Coalfields Limited and
  - c. directing Punjab National Bank to extend the period of Bank Guarantee in pursuance to letter dated 26 March 2019 and also in pursuance to the letter dated 11 February 2019 by Western Coalfields Limited.

The matter is listed for hearing on 23 June 2023.

- (ii) The said suit for declaration and perpetual injunction has been filed by the Company against Western Coalfields Limited & Others praying before the District Court, Nagpur for:
  - a) Passing a Decree of Declaration in favour of the Company and against Western Coalfields Limited & Others, and all persons etc. claiming through or under them, declaring that the action of Western Coalfields Limited to not to insist for invocation and the action of Punjab National Bank to permit invocation / encashment of the Bank Guarantee No. 2164ILG020110 dated 08 October 2010, which was valid till 30 June 2019, in the peculiar facts and circumstances of the case is illegal, void ab initio;
  - b) Passing a Decree of Declaration in favour of the Company and against the Defendants, Western Coalfields Limited & Others and all persons etc. claiming through or under them, declaring that with the withdrawal/cancellation/ abandonment of the LoA dated 29 November 2010 issued by the Defendant No.1, the Bank/ Commitment Guarantee submitted with the Western Coalfields Limited, cannot attempted to be encashed, as the said Bank/Commitment Guarantee was furnished only for fulfilment of the terms of the said LoA and the action of the Defendants in ignoring these facts is absolutely illegal;
  - c) Pass a decree of permanent injunction in favour of the Company and against Western Coalfields Limited, its agents, servants and everyone claiming through or under them, restraining them from invoking/encashing Bank Guarantee No. 2164ILG020110 dated 08 October 2010 which was valid till 30 June 2019, in the facts and circumstances stated herein;

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

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- d) Pass a decree of permanent injunction in favour of the Company and against Punjab National Bank, restraining them, their officers, representatives, assigns and/or agents from remitting any amounts to the Defendant No.1 under the said Bank Guarantee No. 2164ILG020110 dated 08 October 2010 which was valid till 30 June 2019 in any manner whatsoever; The matter is listed for hearing on 23 June 2023.
- 12 A Public Interest Litigation No.77 of 2012 has been filed before Aurangabad Bench Bombay High Court by Machindra & Other agriculturists from Kopargaon against State of Maharashtra & Others challenging allocation of water for the Company's Thermal Power Plant being setup at Nasik. The Company has filed its reply and has raised its objections as to the maintainability of the Public Interest Litigation. The matter is listed for Admission before the Hon'ble Court. The next date of hearing of the matter is to be intimated.
- 13 The Company has filed an Arbitration petition under Section 34 of the Arbitration and Conciliation Act before Thane District Court, Maharashtra challenging the order passed by MSEFC Nashik in the matter of Superannuated Railwaymen's Rail Operations and Maintenance Cooperative Society Ltd. (SRROMS). The MSEFC passed an award against the Company. Notices have been issued to the defendant. In view of the moratorium operating against STPL, the matter is adjourned till further orders.
- 14 An appeal has been filed by the Company before the Hon'ble Bombay High Court challenging the Order passed by Railways Claim Tribunal, Mumbai, whereby the Tribunal had held that it has no jurisdiction to try the case and had rejected the case of the Company. In the said case the Company has challenged the said order of Railway department whereby it had imposed the demurrage charges also called as Wharfage Charges due to holding up of rakes of coal, before Solapur division of Railway. The concerned officer of the department after hearing the parties had granted partial relief and directed the company to deposit 50% of the Wharfage Charges. However, since the condition was out of control of the company, the company had invoked the force majeure clause and challenged the said order before Railways Claim Tribunal, Mumbai. The Hon'ble Court after hearing the matter has granted stay and admitted the matter. The next date of hearing in the matter is to be intimated.

The Group is involved in various legal proceedings and other regulatory matters relating to conduct of its business. In respect of such claims, the Group management believes that these claims do not constitute material litigation matters and with its meritorious defences, the ultimate disposition in these matters will not have material adverse effect on these consolidated financial statements.

### E Others

#### RattanIndia Power Limited

- 1 The Company has provided commitment bank guarantees of ₹ 24,719.78 lakh (31 March 2022 : ₹ 24,657.78 lakh) which are secured by pledge on its fixed deposits of ₹ 5,195.30 lakh (31 March 2022 : ₹ 12,504.91 lakh) as margin for issuance of bank guarantees. Further, the Company has provided lien on its fixed deposit of ₹ NIL lakh (31 March 2022 : ₹ 341.47 lakh) as margin for issuance of a commitment bank guarantee of ₹ 5,903.79 lakh (31 March 2022: ₹ 5,903.79 lakh) on behalf of Sinnar Thermal Power Limited, a wholly owned subsidiary of the Company, to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for STPL's Nashik Thermal Power Project.

#### Sinnar Thermal Power Limited (STPL)

- 2 The Company has provided commitment for bank guarantees of ₹ 8,688.49 lakhs (31 March 2022: ₹ 8,688.49 lakhs), which are secured by pledge on its fixed deposits of ₹ 7.36 Lakhs (31 March 2022: ₹ 564.30 Lakhs) as margin for issuance of commitment bank guarantees and further out of above, the Holding Company has provided lien on behalf of the Company on its fixed deposits of ₹ NIL lakhs (31 March 2022: ₹ 341.47 lakhs) as margin for issuance of commitment bank guarantee of ₹ 5,590.68 lakhs (31 March 2022: ₹ 5,590.68 lakhs)
- 34 Estimated amount of contracts remaining to be executed on account of capital and other commitments towards the Project not provided for: ₹ 31,201.30 lakhs (31 March 2022: ₹ 17,743.75 lakhs) – advances made there against ₹ 135.51 lakhs (31 March 2022: ₹ 425.98 lakhs)
- 35 The Holding Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, calculated in accordance with section 198 of the Act, there was no requirement for the Holding Company to spend any amount under sub-section (5) of section 135 of the Act.

## 36 Employee Stock Options Schemes

The Holding Company has formulated ESOS/ ESOP schemes for applicable/ eligible employees. The schemes so formulated are also applicable to the eligible employees of its subsidiaries and of other Companies under common control with the Holding Company. The subsidiaries have adopted the said schemes of the Holding Company which are administered by a Compensation Committee constituted by the Board of Directors of the Holding Company. The Holding Company does not seek reimbursement of expenses from subsidiary companies for ESOP granted to employees of subsidiary companies.

### Stock Option Schemes of Holding Company:

#### RPL ESOP - 2008

On 10 January 2008 the erstwhile Indiabulls Power Services Limited (IPSL), had established the IPSL ESOP Plan, under which, IPSL was authorised to issue upto 20,000,000 equity settled options at an exercise price of ₹ 10 per option to eligible employees. Employees covered by the plan were granted an option to purchase equity shares of IPSL subject to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IPSL administered the plan. All these options were outstanding as at 1 April 2008.

Pursuant to a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956, duly approved by the Hon'ble High Court of Delhi at New Delhi vide its order dated 1 September 2008, IPSL was amalgamated with Sophia Power Company Limited ("SPCL"). With effect from the Appointed Date the IPSL ESOP Plan was terminated and in lieu, in terms of Clause 14 (c) of the Scheme of Amalgamation, SPCL – IPSL Employees Stock Option Plan - 2008 ("SPCL – IPSL ESOP - 2008") was established in SPCL for the outstanding, unvested options for the benefit of the erstwhile IPSL option holders, on terms and conditions not less favorable than those provided in the erstwhile IPSL ESOP Plan and taking into account the share exchange ratio i.e. one equity share of SPCL of face value ₹ 10 each for every one equity share of IPSL of face value ₹ 10 each. All the option holders under the IPSL ESOP Plan on the Effective Date were granted options under the SPCL – IPSL ESOP - 2008 in lieu of their cancelled options under the IPSL ESOP Plan. The SPCL – IPSL ESOP - 2008 was treated as a continuation of the IPSL ESOP Plan and all such options were treated outstanding from their respective date of grant under the IPSL ESOP Plan. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOP scheme SPCL - IPSL Employees' Stock Option Plan 2008 ("SPCL-IPSL ESOP 2008") was changed to RattanIndia Power Limited Employees' Stock Option Plan 2008 ("RPL ESOP 2008"). These options vest uniformly over a period of 15 years commencing one year after the date of grant.

#### RPL ESOS 2009

During the financial year ended 31 March 2010, the Holding Company had established the "Indiabulls Power Limited Employees' Stock Option Scheme 2009" ("IPL ESOS 2009"). The Company had issued 20,000,000 equity settled options at an exercise price of ₹ 14 per option under the IPL ESOS 2009 to eligible employees which gave them the right to subscribe to stock options representing an equal number of equity shares of face value ₹ 10 each of RPL. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOS scheme IPL ESOS 2009 was changed to RattanIndia Power Limited Employees' Stock Option Scheme 2009 ("RPL ESOS 2009"). These options vest uniformly over a period of 15 years commencing one year after the date of grant.

#### RPL ESOS 2011

During the Financial Year ended 31 March 2012, the Holding Company had established the "Indiabulls Power Limited Employee Stock Option Scheme -2011" ("IPL ESOS -2011"). The Company had issued 50,000,000 equity settled options at an exercise price of ₹ 12 per option equivalent to the fair market value of the equity shares of RPL on the date of grant of option under the IPL ESOS -2011 to the eligible employees of the Holding Company which gave them the right to subscribe an equal number of equity shares of face value of ₹ 10 each of RPL. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOS scheme IPL ESOS 2011 was changed to RattanIndia Power Limited Employees' Stock Option Scheme 2011 ("RPL ESOS 2011"). These options vest uniformly over a period of 15 years commencing one year after the date of grant.

The Fair values of the options under the RPL ESOP – 2008, RPL ESOS 2009 and RPL ESOS 2011 using the binomial pricing model based on the following parameters, is ₹ 1.00 per option for RPL ESOS 2009, as certified by an independent firm of Chartered Accountants. The fair value of the re-granted options under the RPL ESOP - 2008 plan is ₹ 1.58 per option and under RPL ESOS 2011 plan is ₹ 1.78 per option as certified by an independent firm of Chartered Accountants.



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Sr. No	Particulars	RPL ESOP 2008	RPL ESOS 2009	RPL ESOS 2011
		Grant on 10 January 2008	Grant on 4 July 2009	Grant on 7 October 2011
1	Exercise price (₹ per option)	₹ 10.00	₹ 14.00	₹ 12.00
2	Expected volatility	0%	0%	30.48%
3	Expected forfeiture percentage on each vesting date	5%	5%	0%
4	Expected Dividend Yield	8%	6.50%	16.67 % from 2014 onwards
5	Risk Free rate of Interest	8%	6.50%	8.12% to 8.72%
6	Vesting period*			

\*Varies from 10 to 15 years

Summary of options granted in respect of the RPL ESOP-2008 are as under:

Particulars	31 March 2023		31 March 2022	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	10	2,400	10	3,00,600
Options surrendered/ lapsed during the year	10	2,400	10	2,98,200
Closing balance	-	-	10	2,400
Vested and exercisable options	-	-	-	2,400

Summary of options granted in respect of the RPL ESOS 2009 are as under:

Particulars	31 March 2023		31 March 2022	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	14	20,400	14	75,200
Options surrendered/ lapsed during the year	14	20,400	14	54,800
Closing balance	-	-	14	20,400
Vested and exercisable options	-	-	-	20,400

Summary of options granted in respect of the RPL ESOS 2011 are as under:

Particulars	31 March 2023		31 March 2022	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	12	60,000	12	87,000
Options surrendered/ lapsed during the year	12	60,000	12	27,000
Closing balance	-	-	12	60,000
Vested and exercisable options	-	-	-	60,000

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 37 Employee benefits

#### Defined contribution:

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the Group make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The Group has recognized in the Statement of Profit and Loss an amount of ₹ 67.06 lakhs (31 March 2022: ₹ 57.65 lakhs) towards employer's contribution towards Provident Fund.

#### Defined benefits:

Gratuity scheme - This is an unfunded defined benefit plan and it entitles an employee, who has rendered at least 5 years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit/death as below.

- i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- ii) On death in service: As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period. Gratuity payable to employee in case (i) and (ii), as mentioned above, is computed as per the Payment of Gratuity Act, 1972 except that the Group does not have any limit on gratuity amount.

#### Other benefits:

Provision for unfunded compensated absences payable to eligible employees on availment/ retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2023. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss/ Capital work-in-progress, as applicable and as identified by the Management of the Group.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of gratuity and compensated absences and the amounts recognised in the consolidated financial statements for the year ended 31 March 2023:

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Liability recognised in the balance sheet:</b>				
Present value of obligation as at the beginning of the year	668.29	635.48	236.09	220.03
Current service cost	102.96	79.29	44.55	35.64
Interest cost	55.82	46.42	19.14	16.17
Benefits paid	(34.71)	(144.62)	(25.39)	(22.32)
Actuarial (gains)/ losses and Remeasurement	116.25	51.72	(56.86)	(13.43)
Other adjustments	-	-	4.93	-
<b>Present value of obligation at the end of the year (as per Actuarial valuation)</b>	<b>908.61</b>	<b>668.29</b>	<b>222.46</b>	<b>236.09</b>
<b>Expenses during the year</b>				
Current service cost	102.96	79.29	49.48	35.64
Interest cost	55.82	46.42	19.14	16.17
Actuarial (gains) / losses	-	-	(56.86)	(13.43)
Gain recognised in income	-	-	2.38	-
<b>Component of defined benefit cost charged to statement of profit and loss</b>	<b>158.78</b>	<b>125.71</b>	<b>14.14</b>	<b>38.38</b>
Remeasurement of post-employment benefit obligations:				
Actuarial (gains) / losses	116.25	51.72	-	-
<b>Component of defined benefit cost recognised in other comprehensive income</b>	<b>116.25</b>	<b>51.72</b>	-	-

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### Actuarial (gains)/losses on obligation

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Actuarial (gain)/loss on arising from change in demographic assumptions	8.30	-	3.05	-
Actuarial (gain)/loss on arising from change in financial assumptions	75.65	39.52	25.22	14.91
Actuarial (gain)/loss on arising from change in experience adjustments	32.30	12.20	(85.13)	(28.34)

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity and Compensated absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

#### (a) Economic assumptions

Particulars	31 March 2023	31 March 2022
Discount rate	7.36%	7.18%
Expected rate of salary increase	7.00%	6.00%

#### (b) Demographic assumptions

Particulars	31 March 2023	31 March 2022
Retirement age	60 Years	60 Years
Mortality table	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
- Upto 30 years	6.35	3
- From 31 to 44 years	6.02	2
- Above 44 years	6.83	1

The employer's best estimate of contributions expected to be paid during the annual period beginning after the balance sheet date, towards gratuity and compensated absences is ₹ 183.97 lakhs (31 March 2022: ₹ 141.18 lakhs) and ₹ 62.65 lakhs (31 March 2022: ₹ 54.41 lakhs) respectively.

#### (c) Sensitivity analysis of defined benefit obligation

Particulars	31 March 2023	31 March 2022
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 0.50% (31 March 2022: 0.50%)	(72.09)	(50.96)
ii) Impact due to decrease of 0.50% (31 March 2022: 0.50%)	61.81	49.68
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 0.50% (31 March 2022: 0.50%)	61.76	50.07
ii) Impact due to decrease of 0.50% (31 March 2022: 0.50%)	(72.36)	(111.57)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

#### (d) Maturity profile of defined benefit obligation

Particulars	31 March 2023	31 March 2022
Less than 1 year	158.24	64.04
Year 1 to 5	239.02	109.00
More than 5 years	511.35	495.25

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 38 Earnings per equity share (EPS)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Loss for the year	(186,985.36)	(198,144.00)
Opening number of shares	5,370,105,860	5,370,105,860
Weighted average number of shares used in computing basic earnings per equity share	5,370,105,860	5,370,105,860
Closing number of shares	5,370,105,860	5,370,105,860
Add: Effect of number of equity shares on account of OCRPS	-	-
Weighted average number of shares used in computing diluted EPS*	5,370,105,860	5,370,105,860
Face value per equity share – (₹)	10.00	10.00
Basic Earnings per equity share – (₹)	(3.48)	(3.69)
Diluted Earnings per equity share – (₹)	(3.48)	(3.69)

\* OCRPS being non- dilutive in accordance with IND AS 33 as such OCRPS are convertible at market price, have not been considered for calculation of basic and diluted EPS.

### 39 Leases disclosure

The Holding Company has entered into a Power Purchase Agreement with MSEDCL (Lessee) for the supply of electricity for a term of 25 years, which has been considered as an embedded lease arrangement for the Amravati power plant. Such lease is classified as operating lease, and as such the revenue is recognized on straight line basis. Considering that the capacity charges per unit is higher in the initial years, there is a negative impact to P&L on account of straight lining. Accordingly, capacity charges charged by the Group are treated as lease rentals. The minimum lease payments under non-cancellable operating leases to be charged by the Holding Company are as follows:

Minimum lease rentals receivables	31 March 2023	31 March 2022
Within one year	69,437.52	69,247.80
One to five years	275,839.42	276,734.16
Above five years	697,717.94	757,376.93

a) The table below describes the nature of the Group leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of use assets	No of right-of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with purchase options	No of leases with variable payments linked to an index	No of leases with termination options
Land	8	930 months - 1046 Months	973 months	8	-	-	-
Office premises	2	22-38 Months	30 Months	-	-	-	2

b) Additional information on the right-of-use assets by class of assets is as follows:

Right-of use assets	Carrying amount as on 1 April 2022	Additions	Depreciation	Deletion	Carrying amount as on 31 March 2023
Land	22,651.07	-	257.20	-	22,393.87
Office premises	1,395.50	205.72	515.04	-	1,086.18
<b>Total</b>	<b>24,046.57</b>	<b>205.72</b>	<b>772.24</b>	<b>-</b>	<b>23,480.05</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

Right-of use assets	Carrying amount as on 1 April 2021	Additions	Depreciation	Deletion	Carrying amount as on 31 March 2022
Land	22,908.22	-	257.15	-	22,651.07
Office premises	-	1,536.80	141.30	-	1,395.50
<b>Total</b>	<b>22,908.22</b>	<b>1,536.80</b>	<b>398.45</b>	<b>-</b>	<b>24,046.57</b>

c) Lease liabilities are presented in the statement of financial position as follows:

Particulars	31 March 2023	31 March 2022
Current	970.13	862.27
Non-current	2,352.17	3,037.64
<b>Total</b>	<b>3,322.30</b>	<b>3,899.91</b>

d) The undiscounted maturity analysis of lease liabilities at 31 March 2023 is as follows:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
Lease payments	1,131.20	1,664.43	16,116.15	18,911.78

The undiscounted maturity analysis of lease liabilities at 31 March 2022 is as follows:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
Lease payments	1,095.80	2,466.38	16,321.51	19,883.69

e) The Group had total cash outflows for leases of ₹ 775.29 lakhs in 31 March 2023 (₹ 403.85 lakhs in 31 March 2022).

The following are the amounts recognised in profit or loss:

Particulars	31 March 2023	31 March 2022
Depreciation expense of right-of-use assets	772.24	398.45
Interest expense on lease liabilities	434.21	285.62
Expense relating to short-term leases (included in other expenses)	85.22	243.82
<b>Total</b>	<b>1,291.67</b>	<b>927.89</b>

At 31 March 2023, the Group had not committed to leases which had not commenced.

The Group has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 40 Disclosures in respect of Related Parties :

As per Ind AS-24 "Related Party Disclosure", the related parties where control exist or where significant influence exists and with whom transactions have taken place are as below:

#### Related parties where control exists:

<b>I. Entities having substantial interest</b>	RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) (upto 29 March 2022) RR Infralands Private Limited
<b>II. Enterprise over which Key Management Personnel have significant influence (with whom transactions have been entered during the year/ previous year)</b>	RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) (w.e.f 29 March 2022) Asopus Infrastructure Limited RattanIndia Finance Private Limited Neosky India Limited Nettle Constructions Private Limited
<b>III. Key Management Personnel</b>	
<b>Name</b>	<b>Designation</b>
Rajiv Rattan	Executive Chairman and Executive Director*
Brijesh Narendra Gupta	Managing Director (w.e.f. 16 July 2022)
Asim Kumar De	Whole Time Director (w.e.f. 03 November 2021)
Jeevagan Narayana Swami Nadar	Independent Director
Sharad Behal	Independent Director
Pritika Poonia	Independent Women Director (w.e.f. 10 November 2022)
Sanjiv Chikkara	Director
Namita	Director
Ankur Mitra	Chief Financial Officer
Lalit Narayan Mathpati	Company Secretary
Lokesh Singh	Director of the Subsidiary Company
Sandeep Mittal	CFO of the subsidiary Company
Gautam Wazir	Manager of the subsidiary Company
Karan Maken	Company Secretary of the subsidiary Company (w.e.f. 04 May 2023)
Rahul Mutreja	Company Secretary of the subsidiary Company (upto 01 December 2022)
Himanshu Mathur	Managing Director (upto 03 November 2021)
Vibhav Agarwal	Managing Director (upto 30 June 2022)
Yashish Dahiya	Independent Director (upto 16 March 2022)
Neha Poonia	Independent Women Director (upto 10 November 2022)
<b>IV. Interest in Trust</b>	IPL-PPSL Scheme Trust

\* Appointed as an Executive Chairman w.e.f. 01 October 2022.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### V. Summary of transactions with related parties:

Nature of Transactions	Year ended	Company having Substantial Interest	Enterprises over which Key Management Personnel have significant influence	Key Management Personnel	Total
<b>Finance</b>					
Loan/ Inter corporate deposit taken	31 March 2023 31 March 2022	325.44 736.46	- -	- -	325.44 736.46
<b>Income</b>					
Cost sharing recovery	31 March 2023 31 March 2022	- -	291.70 82.63	- -	291.70 82.63
<b>Expenses</b>					
Services cost	31 March 2023 31 March 2022	- -	131.30 30.00	- -	131.30 30.00
Cost sharing payable	31 March 2023 31 March 2022	- -	- 213.68	- -	- 213.68
Interest Expenses (fair value impact)	31 March 2023 31 March 2022	22,963.14 20,008.35	- -	- -	22,963.14 20,008.35
Short-term employee benefits	31 March 2023 31 March 2022	- -	- -	597.78 379.76	597.78 379.76
Post employment benefits	31 March 2023 31 March 2022	- -	- -	26.89 28.30	26.89 28.30
Fees and remuneration	31 March 2023 31 March 2022	- -	- -	13.45 42.48	13.45 42.48
<b>Others</b>					
Security deposit received	31 March 2023 31 March 2022	- -	- 143.20	- -	- 143.20
Sale of investment	31 March 2023 31 March 2022	- -	Refer note 9 & 51 -	- -	- -
Pledge of shares	31 March 2023 31 March 2022	Refer note 18 -	- -	- -	- -

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### VI. Summary of outstanding balances:

Nature of Transactions	As at ended	Company having Substantial Interest	Enterprises over which Key Management Personnel have significant influence	Total
Loan/ Inter corporate deposit taken*	31 March 2023 31 March 2022	180,168.07 149,701.23	3,135.00 3,135.00	183,303.07 152,836.23
Trade/ other payables	31 March 2023 31 March 2022	- -	(568.03) (551.43)	(568.03) (551.43)
Cost sharing recovery	31 March 2023 31 March 2022	- -	- 28.66	- 28.66
Security Deposit Payable	31 March 2023 31 March 2022	- -	(143.20) (143.20)	(143.20) (143.20)
Pledge of shares	31 March 2023 31 March 2022	- -	Refer note 18	- -

\* Represents carrying value as at balance sheet date



## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### VII. Detail of outstanding balance:

Name of Related Party	As at ended	Loan / inter corporate deposit taken	Trade/ other receivable (payable)	Cost sharing recovery	Security deposit payable
<b>Company having Substantial Interest</b>					
RR Infralands Private Limited	31 March 2023	180,168.07	-	-	-
	31 March 2022	149,701.23	-	-	-
<b>Enterprise over which Key Management Personnel have significant influence</b>					
RattanIndia Enterprises Limited	31 March 2023	-	(28.20)	-	(143.20)
	31 March 2022	-	(11.60)	28.66	(143.20)
Asopus Infrastructure Limited	31 March 2023	3,135.00	-	-	-
	31 March 2022	3,135.00	-	-	-
RattanIndia Finance Private Limited	31 March 2023	-	(539.83)	-	-
	31 March 2022	-	(539.83)	-	-

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

## VIII. Statement of material transactions

Name of related party	Year ended	Loan/ Inter Corporate Deposit taken#	Services cost	Cost sharing payable	Interest expenses (fair value impact)	Security deposit received	Cost sharing recovery	Sale of Investment	Short-term employee benefits	Post employment benefits	Fees and remuneration
<b>Company having Substantial Interest</b>											
RR InfraLands Private Limited	31 March 2023 31 March 2022	325.44 736.46	- -	- -	22,963.14 20,008.35	- -	- -	- -	- -	- -	- -
<b>Enterprises over which Key Management Personnel have significant influence</b>											
RattanIndia Enterprises Limited	31 March 2023 31 March 2022	- -	120.00 30.00	- -	- -	143.20 82.63	291.70 82.63	- Refer note 9 & 51	- -	- -	- -
Nettle Constructions Private Limited	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Neosky India Limited	31 March 2023 31 March 2022	- -	11.30 -	- -	- -	- -	- -	- -	- -	- -	- -
RattanIndia Finance Private Limited	31 March 2023 31 March 2022	- -	- -	213.68 -	- -	- -	- -	- -	- -	- -	- -
<b>Key Management Personnel</b>											
Rajiv Rattan	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	200.00 -	14.38 -	- -
Brijesh Narendra Gupta	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	139.32 -	2.32 -	- -
Himanshu Mathur	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	54.09 -	18.26 -	- -
Asim Kumar De	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	106.66 72.08	2.79 2.85	- -
Vibhav Agarwal	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	23.16 141.98	2.44 3.20	- -
Ankur Mitra	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	101.21 88.75	2.38 1.78	- -
Lalit Narayan Mathpati	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	27.43 22.86	2.58 2.22	- -
Jeevagan Narayana Swami Nadar	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	- -	- -	4.72 14.16
Sharad Behal	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	- -	- -	0.59 14.16
Sanjiv Chikkara	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	- -	- -	2.83 -
Neha Poonia	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	- -	- -	4.72 -
Pritika Poonia	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	- -	- -	0.59 -
Yashish Dahiya	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	- -	- -	- -	- -	- 14.16

(i) Interest expenses accrued for the current year for ₹ 177.14 lakhs payable to Asopus Infrastructure Limited (AIL) has been waived off by AIL.

(ii) There are no non cash transactions entered with promoters or directors.

(iii) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

# Includes debt assigned from / to other lenders or related parties

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### 41 Financial instruments

#### i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	Level	31 March 2023	31 March 2022
<b>Financial assets</b>			
<b>Investments at FVTPL</b>			
Investments in mutual funds	Level 2	799.13	378.81
<b>Total financial assets</b>		<b>799.13</b>	<b>378.81</b>

#### (iii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values. (Refer note 41(i))

#### (iv) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(a) Mutual funds: Use of NAV's obtained from the asset manager.

### 42 Financial risk management

#### i) Financial instruments by category

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments in:						
Mutual funds	799.13	-	-	378.81	-	-
Trade receivables	-	-	249,195.03	-	-	250,896.42
Cash and cash equivalents	-	-	17,901.83	-	-	15,022.20
Other bank balances	-	-	12,082.73	-	-	13,788.91
Other financial assets	-	-	2,312.50	-	-	2,239.28
<b>Total</b>	<b>799.13</b>	<b>-</b>	<b>281,492.09</b>	<b>378.81</b>	<b>-</b>	<b>281,946.81</b>
<b>Financial liabilities</b>						
Borrowings	-	-	1,098,456.07	-	-	1,150,806.95
Trade payable	-	-	28,273.67	-	-	21,314.92
Other financial liabilities	-	-	960,056.45	-	-	752,750.04
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,086,786.19</b>	<b>-</b>	<b>-</b>	<b>1,924,871.91</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

## ii) Risk management

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in note 41(i). The main types of risks are market risk, credit risk and liquidity risk. The most significant financial risks to which the Group is exposed are described below:

The Group's risk management is carried out by a central finance department (of the Group) under direction of the Board of Directors. The Board of Directors provides principles for overall risk management, and covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

## A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March 2023 and 31 March 2022, as summarised below:

Particulars	31 March 2023	31 March 2022
Loans (i)	-	-
Trade receivables (ii)	249,195.03	250,896.42
Cash and cash equivalents (iii)	17,879.23	15,007.00
Other bank balances (iii)	12,082.73	13,788.91
Other financial assets (i)	2,312.50	2,239.28

The Group continuously monitors defaults of customers and other counterparties, and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that these financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

- (i) The Group's management considers assets other than trade receivables, which are 30 days past due and analyses facts and circumstances surrounding each such defaults separately. If the facts indicate a probability of loss of value, the assets then expected cash flows are plotted in present value based impairment model to determine the amount of impairment loss. Amounts are written off only in the following circumstances: a) no probable legal recourse is available for recovery, b) the counterparty is bankrupt, c) the cost of recovery is more than the amount or d) after all possible efforts the Group is unable to recover amounts after a period of 3 years.
- (ii) Group's major trade receivables are only with, government owned counterparty and are recoverable under the power purchase agreement and bulk power transmission agreements. Therefore, these trade receivables are considered high quality and accordingly no life time expected credit losses are recognised on such receivables based on simplified approach.
- (iii) The credit risk for cash and cash equivalents and other bank balances is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

## B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### Maturities of financial liabilities\*\*

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2023	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	1,438,334.24	741,887.94	165,469.34	2,345,691.52
Trade payable	28,273.67	-	-	28,273.67
Other financial liabilities	52,657.61	115.75	-	52,773.36
<b>Total</b>	<b>1,519,265.52</b>	<b>742,003.69</b>	<b>165,469.34</b>	<b>2,426,738.55</b>

31 March 2022	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	1,185,944.54	879,824.00	233,208.69	2,298,977.23
Trade payable	21,314.92	-	-	21,314.92
Other financial liabilities	45,712.76	5,597.49	-	51,310.25
<b>Total</b>	<b>1,252,972.22</b>	<b>885,421.49</b>	<b>233,208.69</b>	<b>2,371,602.40</b>

\* Borrowings excludes finance lease obligations, refer note 39 for disclosure of maturity profile of finance lease obligations.

\*\* refer note 18 for details of continuing defaults as at reporting date by subsidiary Company -STPL.

### C) Market risk

#### a) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to amount payable in US Dollar and EURO. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group's functional currency.

#### Foreign currency risk exposure:

The Group's exposure to foreign currency risk at the end of the reporting years are as under:-

Particulars	31 March 2023		31 March 2022	
	Amount in Foreign currency	Amount (INR in lakhs)	Amount in Foreign currency	Amount (INR in lakhs)
Capital Creditor	USD 4,830,400	3,971.40	USD 4,830,400	3,661.69
	EURO 14,694,818	13,167.67	EURO 14,694,818	12,440.61

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

## Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the sensitivity risk at the end of the reporting years are as under:

Particulars	31 March 2023	31 March 2022
<b>Foreign currency risk</b>		
Interest rates – increase by 100 basis points (31 March 2022: 100 basis points)	171.39	161.02
Interest rates – decrease by 100 basis points (31 March 2022: 100 basis points)	(171.39)	(161.02)

## b) Interest rate risk

### i) Liabilities/assets

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2021, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

### Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	31 March 2023	31 March 2022
<b>Variable rate:</b>		
Borrowing	711,848.78	711,848.78
Loan assets	-	-
<b>Total variable rate exposure</b>	<b>711,848.78</b>	<b>711,848.78</b>
<b>Fixed rate:</b>		
Borrowing	386,607.29	438,958.17
Loans and deposits	12,082.73	13,788.91
<b>Total fixed rate exposure</b>	<b>374,524.56</b>	<b>425,169.26</b>

## Sensitivity

Below is the sensitivity of profit or loss and equity due to changes in interest rates, assuming no change in other variables:

Particulars	31 March 2023	31 March 2022
<b>Interest sensitivity*</b>		
Interest rates – increase by 100 basis points (31 March 2022: 100 basis points)	7,118.49	7,118.49
Interest rates – decrease by 100 basis points (31 March 2022: 100 basis points)	(7,118.49)	(7,118.49)

\*excludes the impact of continuing defaults as at reporting date, as summarised in note 18.

## c) Price risk

### Exposure

The Group is exposed to price risk in respect of its investment in mutual funds (refer note 11). The mutual funds are unquoted investments.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### Sensitivity

Below is the sensitivity of profit or loss and equity changes in fair value of investments, assuming no change in other variables:

Particulars	31 March 2023	31 March 2022
<b>Price sensitivity</b>		
Price increase by 1000 basis points (31 March 2022: 1000 basis points)	79.91	37.88
Price decrease by 1000 basis points (31 March 2022: 1000 basis points)	(79.91)	(37.88)

### 43 Capital management

The Group's capital management objectives are

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The amounts managed as capital by the Group for the reporting periods under review are summarised as follows:

Particulars	31 March 2023	31 March 2022
Long-term borrowings including finance lease obligations	257,742.81	716,028.44
Short-term borrowings including finance lease obligations	844,035.56	438,678.42
Interest accrued on borrowings	907,283.09	701,439.79
<b>Total borrowings</b>	<b>2,009,061.46</b>	<b>1,856,146.65</b>
Less:		
Cash and cash equivalents	17,901.83	15,022.20
Other bank balances	12,082.73	13,788.91
Investment of excess fund in mutual funds	799.13	378.81
<b>Net debts</b>	<b>1,978,277.77</b>	<b>1,826,956.73</b>
<b>Total equity</b>	<b>(453,292.89)</b>	<b>(266,179.94)</b>
<b>Net debt to equity ratio</b>	<b>-436.42%</b>	<b>-686.36%</b>

- (i) Equity includes capital and all reserves of the Company that are managed as capital.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 44 Details of assets pledged

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Current</b>		
Inventories and trade receivables (to the extent pledged)	262,798.90	264,560.45
Other current Assets	48,268.27	43,843.63
<b>Non Current</b>		
Property, plant and equipment (to the extent pledged)	1,260,220.46	1,292,699.16
Right of use	23,480.05	24,046.57
Capital work-in-progress	111,003.42	114,220.32
Other intangible assets	27.26	24.14
Other non current Assets	31,387.25	26,443.73

### 45 Effective tax reconciliation

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Tax expense comprise of:</b>		
Current tax expense	-	-
Deferred tax expense	2,036.54	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>2,036.54</b>	-

The major components of income tax expense and the reconciliation of expected tax expense and the reported tax expense in profit of loss are as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Loss before tax	(184,948.82)	(198,144.00)
Domestic tax rate	25.17%	25.17%
<b>Expected tax expense</b>	<b>(46,547.92)</b>	<b>(49,868.88)</b>
Difference in depreciation charged as per Income-Tax Act, 1961 vis-à-vis depreciation as per books of accounts	(3,915.42)	(6,953.24)
Fair value adjustments of borrowings	8,889.77	7,247.64
Employee benefits	27.79	(0.72)
Lease equalization reserve	(1,291.92)	(1,352.65)
Expenses allowable on payment basis	49,822.64	43,577.95
Other items disallowed under Income-tax Act, 1961	190.67	1,066.96
Deferred tax assets not recognized	5,867.45	17,069.38
Income tax not recognised on unabsorbed depreciation and carry forward losses in earlier years	(13,043.06)	(10,786.44)
Current tax expense	-	-
Deferred tax expense/recognized in statement of profit and loss	2,036.54	-
<b>Total tax expense</b>	<b>2,036.54</b>	-



## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### 46 Interests in other entities

The Group's subsidiaries at 31 March 2023 and 31 March 2022 are set out below. Unless otherwise stated, such entities have share capital consisting solely of equity share that are held directly by the Group, and the proportion of ownership interest held equals the voting right held by the group as at reporting date. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group		Ownership interest held by non- controlling interests		Principal activities
		31 March 2023	31 March 2022	31 March 2023	31 March 2022	
Sinnar Thermal Power Limited	India	100%	100%	-	-	Thermal Power Generation
Poena Power Development Limited	India	100%	100%	-	-	Power Generation
Sinnar Power Transmission Company Limited <sup>#</sup>	India	0.00%	54.44%	0.00%	45.56%	Transmission of Power
Bracond Limited	Cyprus	100%	100%	-	-	Currently no principal activities
Genoformus Limited*	Cyprus	100%	100%	-	-	Currently no principal activities
Renemark Limited*	Cyprus	100%	100%	-	-	Currently no principal activities

<sup>#</sup> Further, STPL held investment in Sinnar Power Transmission Company Limited, incorporated in India, that qualified as subsidiary upto 11 May 2022 and as an associate from 12 May 2022 to 27 July 2022. (also refer note 51)

\* These entities are held through Bracond Limited

**Notes to the Consolidated Financial Statements (Contd.)**  
of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

**47 Additional information required by Schedule III to the Companies Act, 2013**

Name of entity	31 March 2023					31 March 2022						
	Net assets (total assets minus total liabilities)		Share of profit or (loss)			Net assets (total assets minus total liabilities)		Share of profit or (loss)				
	As % of consolidated net assets	Amounts	As % of consolidated profit or loss	Profit or (loss)	As % of Consolidated comprehensive income	Total Comprehensive income	As % of consolidated net assets	Amounts	As % of consolidated profit or loss	Profit or (loss)	As % of Consolidated comprehensive income	Total Comprehensive income
<b>Holding Company</b>												
RattanIndia Power Limited	-123.72%	560,804.76	-17.79%	33,265.09	-17.71%	33,143.67	-198.23%	5,27,661.09	-17.57%	34,813.61	-17.53%	34,754.21
<b>Subsidiaries</b>												
Devona Power Limited	-	-	-	-	-	-	-	-	0.00%	(0.08)	0.00%	(0.08)
Diana Energy Limited	-	-	-	-	-	-	-	-	0.00%	(4.09)	0.00%	(4.09)
Bracond Limited	3.26%	(14,777.45)	0.00%	(2.22)	0.00%	(2.22)	5.12%	(13,623.27)	0.00%	(2.12)	0.00%	(2.12)
Genoformus Limited*	0.01%	(34.99)	0.00%	(2.22)	0.00%	(2.22)	0.01%	(30.17)	0.00%	(2.23)	0.00%	(2.23)
Renemark Limited*	0.01%	(34.44)	0.00%	(2.22)	0.00%	(2.22)	0.01%	(29.66)	0.00%	(2.23)	0.00%	(2.23)
Poena Power Development Limited	0.22%	(985.03)	0.00%	(1.95)	0.00%	(1.95)	0.37%	(983.08)	0.48%	(954.30)	0.48%	(954.30)
Sinnar Power Transmission Company Limited	0.00%	-	0.19%	(348.00)	0.19%	(348.00)	1.08%	(2,885.10)	1.90%	(3,755.19)	1.89%	(3,755.19)
Sinnar Thermal Power Limited	193.64%	(877,766.17)	118.10%	(220,837.07)	118.02%	(220,831.91)	246.80%	(656,934.26)	122.10%	(241,926.38)	122.06%	(241,918.69)
Total eliminations/ consolidation adjustment	26.58%	(120,499.57)	-0.50%	943.23	-0.50%	931.90	44.84%	(119,355.49)	-6.91%	13,689.01	-6.90%	13,685.07
<b>Total</b>	<b>100.00%</b>	<b>(453,292.89)</b>	<b>100.00%</b>	<b>(186,985.36)</b>	<b>100.00%</b>	<b>(187,112.95)</b>	<b>100.00%</b>	<b>(266,179.94)</b>	<b>100.00%</b>	<b>(198,144.00)</b>	<b>100.00%</b>	<b>(198,199.65)</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### 48 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006	-	-

The above information and that given in Note 25 - 'Trade Payables' regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

### 49 Reconciliation of liabilities arising from financing activities

Particulars	Long-term borrowings	Short-term borrowings	Lease liabilities	Total
As at 1 April 2021	1,220,289.97	3,479.65	1,764.93	1,225,534.55
<b>Cash flows:</b>				
Repayment of borrowings	(73,471.00)	-	-	(73,471.00)
Receipt of borrowings	-	779.84	-	779.84
Payment of lease liabilities	-	-	(349.93)	(349.93)
<b>Non-cash:</b>				
Fair value adjustments	18,594.11	-	2,484.91	21,079.02
Adjustment in borrowing due to disposal of subsidiaries	(16,001.89)	(2,863.73)	-	(18,865.62)
<b>As at 31 March 2022</b>	<b>1,149,411.19</b>	<b>1,395.76</b>	<b>3,899.91</b>	<b>1,154,706.86</b>
<b>Cash flows:</b>				
Repayment of borrowings	(79,473.00)	-	-	(79,473.00)
Receipt of borrowings	-	325.44	-	325.44
Payment of lease liabilities	-	-	(775.50)	(775.50)
<b>Non-cash:</b>				
Fair value adjustments	26,796.68	-	197.89	26,994.57
<b>As at 31 March 2023</b>	<b>1,096,734.87</b>	<b>1,721.20</b>	<b>3,322.30</b>	<b>1,101,778.37</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
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- 50** In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2023 and 31 March 2022.
- 51** Pursuant to share purchase agreement between Nettle Constructions Private Limited ('Buyer') and STPL, STPL had sold its equity stake in its wholly owned subsidiary Sinnar Power Transmission Company Limited at ₹ 1, resulting in decrease in shareholding from 54.44% to 9.88% (31 March 2022: 100% to 54.44%). Accordingly, assets and liabilities pertaining to SPTCL had been presented at net realisable value of ₹ 1/- in the consolidated financial statements of previous year. Further, during the previous year, the Company had recorded gain of ₹ 7,943.71 lakhs including ₹ 5,083.96 lakhs transfer from retained earnings and had reclassified such investment as assets held for sale.
- 52** Revenue from operations on account of Change in Law events in terms of PPA with MSEDCL is accounted for by RPL based on the best management estimates, including favourable and settled orders of regulatory authorities in some cases, which may be subject to adjustments on account of final orders of respective authorities.
- 53** The Chief Operating Decision Maker ("CODM") reviews the operations at the Group level. The operations of Group fall under "power generation and allied activities" business only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments. Revenue of ₹ 323,116.35 lakhs (31 March 2022: ₹ 325,951.87 lakhs) are derived from a single external customer and Group operates in one geography.
- 54** During the earlier years, Sinnar Thermal Power Limited (STPL), one of the subsidiary company of RPL, had incurred ₹ 43,773.00 lakhs for development of 1350 MW power plant (Phase II). The construction activities of Phase II are currently suspended. In view of continuing uncertainty regarding execution of Power Purchase Agreement for Phase I (as discussed in note 57), the Group management during the previous year had accounted for impairment loss against capital work in progress relating to Phase II that was recorded as exceptional item in Consolidated Statement of Profit & Loss.

### 55 Financial Ratios

Following are analytical ratios for the year ended 31 March 2023 and 31 March 2022

Particulars	Numerator/ Denominator	31 March 2023	31 March 2022	Variance	Reason for variance
Current ratio	Current assets/ Current liabilities	0.17	0.25	-32.45%	Reclassification of subsidiary Company's borrowing as short term
Debt - equity ratio	Total debt*/ Shareholder's equity	(2.42)	(4.32)	-43.91%	Shareholder's equity has further decreased due to current year losses.
Debt service coverage ratio	Earning available for debt service/ Debt service*	0.33	0.40	-18.69%	
Return on equity (ROE)	Net profits/ (loss) after taxes/ Average shareholder's equity	51.98%	-120.57%	-143.11%	Average shareholder's equity has further decreased due to current year losses.
Trade receivables turnover ratio	Revenue/ Average trade receivables	1.29	1.37	-5.68%	
Trade payable turnover ratio	Purchase of services and other expenses/ Average trade payables	0.87	0.78	12.16%	
Net capital turnover ratio	Revenue/ Working capital	(0.23)	(0.40)	-41.88%	Reclassification of subsidiary Company's borrowing as short term
Net Profit ratio	Net profit/ (loss)/ Revenue	-57.87%	-60.81%	-4.84%	
Return on capital employed (ROCE)	Earning before interest and tax/ Capital employed	10.26%	9.02%	13.71%	

\* Total debts excluding lease liabilities

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

56 In light of the ratio laid down by the Hon'ble Supreme Court in Civil Appeal No 5399-5400 of 2016 in the matter of Energy Watchdog vs CERC vide judgment dated 11 April 2017 followed by judgment dated 13 November 2020 of Appellate Tribunal for Electricity (APTEL) and order dated 16 November 2021 of MERC, RPL has recomputed its Change in Law claims and has raised supplementary invoice on MSEDCL, as directed by MERC. Subsequently, vide interim Order dated 14 February 2022, Supreme Court directed MSEDCL to pay 50% of the outstanding claim amount till the time the matter attains finality. Further on 27 March 2023 Supreme Court has dismissed the civil appeal 1805/2021 filed by MSEDCL. Till date MSEDCL had paid ₹ 31,215 lakhs and is in the process of making balance payment. Hence, it would not be unreasonable to expect the realisation of amount of compensation along with interest recorded in the books of account on account of the aforesaid developments.

57 a) Sinnar Thermal Power Limited ('STPL'), a wholly-owned subsidiary of the Company is yet to commence commercial operations, pending the execution of PPA for offtake of power and its accumulated losses as at 31 March 2023 amount to ₹ 1,180,387.72 lakhs and its current liabilities exceed its current assets by ₹ 1,643,210.87 lakhs as of that date. The matter related to execution of PPA with MSEDCL has been in dispute wherein STPL had filed a petition before Maharashtra Electricity Regulatory Commission (MERC) for adjudication of the dispute, however, the petition was withdrawn pursuant to the observation of MERC that STPL may reapproach MERC after securing firm and unconditional commitment from Lenders for providing working capital/ bank guarantees required for executing the PPA. In view of acute power shortage faced by the country during the recent past, the Ministry of Power had identified certain power plants, including that of STPL, that are commissioned and preserved in a condition that they can be brought into operation within few months' notice. In this context, STPL had been directed to make plant operational and endeavour to start power generation at the earliest possible. STPL had been in active discussions with the lenders and other stake holders to ensure plant can be started in time and to ensure steps are taken for the long-term resolution and accordingly, the management had assessed that the STPL's status as going concern for the purpose of accounting is appropriate. The Management had undertaken assessment of recoverability of the financial assets and had created provision, wherever deemed necessary.

During the current year, the Hon'ble National Company Law Tribunal, New Delhi (the 'NCLT') vide order dated 19 September 2022, admitted an application for insolvency filed by an operational creditor against STPL and initiated Corporate Insolvency Resolution Process ('CIRP') under the Insolvency and Bankruptcy Code, 2016 ('IBC'). Subsequently, the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 26 September 2022 in response to the appeal filed against the NCLT order, had directed the Interim Resolution Professional ('the IRP') to abstain from taking any steps and has allowed STPL to participate further with the Ministry of Power in continuation of the earlier meetings/ discussions for making the plant operational.

The Group management based on their internal assessment and inputs from legal experts has assessed that NCLAT order dated 26 September 2022 has directed the IRP to abstain from taking any steps; thereby, staying CIRP proceedings initiated by NCLT. Thus, RPL continues to control the composition of Board of STPL and current Board of Directors of STPL continues to perform STPL's affairs and discharge day to day activities / transactions in the normal course of business and accordingly, STPL continues to qualify as a wholly owned subsidiary under Ind AS 110 and under Section 2(87) of the Companies Act, 2013, as on the date of approval of these consolidated financial results. Further, the Group management is confident that the PPA would soon be restored in its favour, allowing STPL to commence its business operations.

b) STPL has defaulted in repayment of borrowings from banks and financial institution, including interest, aggregating to ₹ 1,170,031 lakhs upto 31 March 2023. In respect of 'Other current financial liabilities (accrued interest)' balance aggregating to ₹ 558,160.14 lakhs, direct confirmations have not been received while in case of certain lenders, the balance of Current borrowings and accrued interest confirmed is higher by ₹ 33,391.43 lakhs and ₹ 28,652.86 lakhs respectively when compared with book balance. In the absence of confirmations / statements from lenders, STPL has provided for interest (including penal interest) based on the interest rate specified in the respective agreement/ sanction letter or latest communication available from the respective lenders and interest has been computed on the balance of loans as per STPL's records. The subsidiary company's management believes that amount payable will not exceed the liability provided in these consolidated financial results in respect of such borrowings.

58 Other statutory information

(i) The Group does not have any Benami property and no proceedings have been initiated or pending against the Holding Company and its Indian subsidiaries for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)



- (ii) The Group does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
  - (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
  - (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the period/year.
  - (v) 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 company (Ultimate Beneficiaries) or
    - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
  - (vi) 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 Company shall:
    - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
  - (vii) The Group has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961;
  - (viii) The Group has not been declared as a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
  - (ix) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the act read with companies (restriction on number of layers) rule 2017.
- 59** Revenue from operations on account of Change in Law events in terms of Power Purchase Agreements (PPA) with MSEDCCL is accounted for by RPL based on the best management estimates including orders of Regulatory Authorities in some cases, which may be subject to adjustments on account of final orders of Respective Authorities that are not expected to have material impact on these consolidated financial statements.
- 60** STPL had executed the Fuel Supply Agreement (FSA) with South Eastern Coalfields Limited (SECL) on 3 September 2013, for coal supply to the thermal power plant and had furnished bank guarantees aggregating to ₹ 2,340.60 lakhs as security. On 22 November 2022, SECL issued a show cause notice to the Company alleging breaches of the FSA, in view of delay in formal commissioning of the thermal power plant. On 8 December 2022, the SECL issued termination notice to the Company and that the consequential forfeiture of the bank guarantees ought to be resorted to. The Honourable Delhi High Court (HC) in its order dated 9 December 2022, in response to writ petition filed by STPL against the show cause notice, pronounced that invocation of the bank guarantees shall not be given effect to by the banks till 4 January 2023, subject to any order that may be passed by NCLT (in view of the separate insolvency proceedings initiated against the Company as discussed in Note 57), in the application to be filed by the Petitioner- SECL. The NCLT vide its order dated 29 March 2023, held that the show cause notice and other action sought to be taken by SECL has not been triggered due to the proceedings before the NCLT and the moratorium order, and that the stay of operation cannot be granted qua the FSA and that it does not have jurisdiction to entertain the contractual dispute which has arisen outside the insolvency proceedings.
- Subsequent to the year- end, one of the bankers on 5 April 2023, in response to the notice from SECL, encashed bank guarantees aggregating to ₹ 2,125.00 lakhs. Subsequently, the Delhi HC vide its order dated 11 March 2023 in response to the writ petition filed by the Company, while conceded that certain bank guarantees have already been encashed but held that in the meantime, the bank guarantees which have not already been encashed shall not be encashed by SECL and further, SECL shall not take any further steps pursuant to communication dated 8 December 2022.
- The Company's writ petition filed before the HC on 9 April 2023, praying for restoring of the encashed Bank Guarantees is currently pending disposal. While the management is confident of relief in the matter based on similar writ petitions wherein the HC had taken cognizance of the reckless actions taken by Coal Supplier Companies, the Company's management has assessed and considered the impact of the above event in these consolidated financial statements, in accordance with the provisions of applicable Indian Accounting Standards and believes that no further adjustment is necessary.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

- 61 The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette of India on 29 September 2020, which could impact the contributions of the Company towards certain employment benefits. Effective date from which changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of change will be assessed and accounted for in the period of notification of relevant provisions.
- 62 The group evaluates events and transactions that occur subsequent to the balance sheet date, there were no significant adjusting events that occurred other than those disclosed/given effect to in these consolidated financial statements.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Deepak Mittal**

Partner

Membership No. : 503843

Place: New Delhi

Date: 04 May 2023

For and on behalf of the Board of Directors

**Rajiv Rattan**

Executive Chairman

DIN: 00010849

Place: New Delhi

Date: 04 May 2023

**Brijesh Narendra Gupta**

Managing Director

DIN: 08469815

Place: Mumbai

Date: 04 May 2023

**Ankur Mitra**

Chief Financial Officer

PAN: AFZPM2346H

Place: Mumbai

Date: 04 May 2023

**Lalit Narayan Mathpati**

Company Secretary

FCS- 7943

Place: New Delhi

Date: 04 May 2023

**Form AOC-1**  
(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement Containing Salient features of the financial statement of subsidiaries/associates companies/ joint ventures

**Part "A": Subsidiaries**

S. No.	Name of Subsidiary	Date of Acquisition	Reporting Period	Reporting Currency	Exchange rate	Share capital (₹ in Lakhs)	Other Equity (₹ in Lakhs)	Total Assets (₹ in Lakhs)	Total Liability (₹ in Lakhs)	Total Investments (₹ in Lakhs)	Revenue from operations (₹ in Lakhs)	Profit/ (loss) before tax (₹ in Lakhs)	Tax Expense (₹ in Lakhs)	Profit/ (loss) after tax (₹ in Lakhs)	Total Comprehensive Income (₹ in Lakhs)	Proposed Dividend	% Share-holding	
1	Poena Power Development Limited	3 December 2008	31 March 2023	INR	1	5.00	(990.03)	24,031.31	25,016.34	-	-	(1.95)	-	(1.95)	-	(1.95)	-	100%
2	Sinar Thermal Power Limited	3 December 2008	31 March 2023	INR	1	3,197.72	(8,80,963.89)	7,68,567.07	16,46,333.24	-	-	(2,20,837.07)	-	(2,20,837.07)	5.16	(2,20,831.91)	-	100%
3	Bracond Limited	12 August 2008	31 March 2023	USD	82.22	43,277.11	(58,292.96)	-	15,015.85	-	-	(2.22)	-	(2.22)	-	(2.22)	-	100%
4	Genoformus Limited*	26 August 2008	31 March 2023	USD	82.22	1.37	(36.36)	-	34.99	-	-	(2.22)	-	(2.22)	-	(2.22)	-	100%
5	Renemark Limited*	23 August 2008	31 March 2023	USD	82.22	1.37	(35.81)	-	34.44	-	-	(2.22)	-	(2.22)	-	(2.22)	-	100%

\* These companies are step down subsidiaries of the Company.



## Part “B”: Associates and Joint Ventures

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture)

S. No	Name of Associates/ Joint Ventures	Name 1
1	Latest audited Balance Sheet Date	N.A.
2	Date on which the Associate or Joint Venture was associated or acquired	
3	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding %	
4	Description of how there is significant influence	
5	Reason why the associate/joint venture is not consolidated	
6	Networth attributable to Shareholding as per latest audited Balance Sheet	
7	Profit / Loss for the year	
	i Considered in Consolidation	
	ii Not Considered in Consolidation	

### Additional Disclosures:

- |   |                                                                                          |      |
|---|------------------------------------------------------------------------------------------|------|
| 1 | Names of associates or joint ventures which are yet to commence operations               | N.A. |
| 2 | Names of associates or joint ventures which have been liquidated or sold during the year | N.A. |

### For and on behalf of the Board of Directors

**Rajiv Rattan**  
Executive Chairman  
DIN: 00010849  
Place: New Delhi  
Date: 04 May 2023

**Brijesh Narendra Gupta**  
Managing Director  
DIN: 08469815  
Place: Mumbai  
Date: 04 May 2023

**Ankur Mitra**  
Chief Financial Officer  
PAN: AFZPM2346H  
Place: Mumbai  
Date: 04 May 2023

**Lalit Narayan Mathpati**  
Company Secretary  
FCS- 7943  
Place: New Delhi  
Date: 04 May 2023

## To the Members of RattanIndia Power Limited

### Report on the Audit of the Standalone Financial Statements

#### Qualified Opinion

1. We have audited the accompanying standalone financial statements of RattanIndia Power Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the 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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Qualified Opinion

3. As explained in Note 55 to the accompanying standalone financial statements, the Company has non-current investment of ₹ 121,181.77 lakhs (net of impairment provision of ₹ 181,439.78 lakhs) and inter-corporate deposit (classified under current assets) of ₹ 3,134.16 lakhs recoverable from Sinnar Thermal Power Limited (formerly RattanIndia Nasik Power Limited) (STPL). STPL has incurred losses since its inception and is yet to commence operations. As further explained in the aforementioned note, management has assessed that the STPL's status as going concern for the purpose of accounting is appropriate basis the steps being undertaken. Further, the Hon'ble National Company Law Tribunal, New Delhi (the 'NCLT') vide order dated 19 September 2022, admitted an application for insolvency filed by an operational creditor against STPL and initiated Corporate Insolvency Resolution Process ('CIRP') under the Insolvency and Bankruptcy Code, 2016 ('IBC'). However, subsequently, in response to the appeal filed against the NCLT order, the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 26 September 2022 had directed the Interim Resolution Professional ('the IRP') to abstain from taking any steps and has allowed STPL to participate further with the Ministry of Power in continuation of the earlier meetings/ discussions for making the plant operational, as detailed in the aforesaid note.

In view of significant uncertainties associated with the outcome of CIRP proceedings and in the absence of adequate evidence to support the appropriateness of going concern assessment of STPL, we are unable to obtain sufficient appropriate audit evidences to comment on adjustments, if any, that may further be required to be made to the carrying value of the above mentioned non-current investment of ₹ 121,181.77 lakhs and inter-corporate deposit of ₹ 3,134.16 lakhs as at 31 March 2023 and the consequential impact thereof on the accompanying standalone financial statements for the year ended 31 March 2023.

Our audit report for the year ended 31 March 2022 was also qualified with respect to this matter.

4. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### Key Audit Matters

5. 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

## Independent Auditor's Report (contd.)

Key audit matter	How our audit addressed the key audit matter
<b>Recoverability of amounts due from Maharashtra State Electricity Distribution Company Limited (MSEDCL)</b>	
<p>The Company has dues from MSEDCL amounting to ₹ 214,369.30 lakhs (excluding unbilled) as at 31 March 2023.</p> <p>As detailed in Note 33(C) to the standalone financial statements, the Company's trade receivables include compensation claims against various Change in Law events, alongwith Late Payment Surcharge (LPS) thereon, in accordance with the terms of Power Purchase Agreement (PPA) entered with MSEDCL, that are subject to final acceptance by the Discom due to ongoing proceedings at various levels of regulatory authorities.</p> <p>The Company has obtained a legal opinion from an independent counsels with respect to recoverability of compensation claims and LPS thereon.</p> <p>Considering the materiality of the balances to the Company's standalone financial statements and the judgements involved in the estimation of recoverability, this matter is considered to be a key audit matter for the current year audit.</p>	<p>Our audit work in relation to assessment of recoverability of amounts due from MSEDCL included, but was not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the nature of claims and key developments during the year from the management.</li> <li>• Tested the design, implementation and operating effectiveness of the controls that the Company has established to monitor change in law events and related claims, status of various pending claims including under appeal and orders passed by various regulatory authorities.</li> <li>• Evaluated the reasonableness of the key assumptions used by the management in determination of recoverable amount based on our knowledge of the business and industry.</li> <li>• Obtained legal opinion from the Company's external legal counsels and analyzed the same. Also, considered the current industry practice.</li> <li>• Obtained and reviewed the necessary evidence which includes correspondence with the internal legal counsels and where necessary, inspected minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of receivables in respect of each such claim selected for testing.</li> <li>• Ensured appropriateness and adequacy of disclosures made in the standalone financial statements with respect to the receivables are in accordance with the applicable accounting standards.</li> </ul>
<b>Litigation and Contingent Liabilities (Refer note 33)</b>	
<p>The Company operates in an industry which is heavily regulated which increases inherent risk of litigations. There are number of legal and regulatory cases, of which the most significant ones are claims by the Company on MSEDCL as explained in the KAM on recoverability from MSEDCL and claims by the vendors / suppliers on the Company.</p> <p>The eventual outcome of these legal proceedings is dependent on the outcome of future events and unexpected adverse outcomes could significantly impact the Company's reported profits and balance sheet position.</p> <p>The amounts involved are material and the application of accounting principles as given under Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, in order to determine the amount to be recorded as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management.</p>	<p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for: <ul style="list-style-type: none"> <li>- identification of legal and tax matters initiated against the Company;</li> <li>- assessment of accounting treatment for each such litigation identified under Ind AS 37 accounting principles; and</li> <li>- for measurement of amounts involved.</li> </ul> </li> <li>• Evaluated the design and tested the operating effectiveness of key controls around above process.</li> <li>• Obtained an understanding of the nature of litigations pending against the Company and discussed the key developments during the year for key litigations with the management and respective legal counsels handling such cases on behalf of the Company.</li> </ul>

<p>Key judgments are also made by the management in estimating the amount of liabilities, provisions and/or contingent liabilities related to aforementioned litigations. Considering the degree of judgment, significance of the amounts involved, inherent high estimation uncertainty and reliance on external legal and tax experts, this matter has been identified as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>• Obtained and reviewed the necessary evidence which includes correspondence with the external and internal legal counsels, wherever applicable and inspected minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of contingent liabilities in respect of each such litigation selected for testing. We focused on the developments in the existing litigations and new litigations, which could have materially impacted the amounts recorded as provisions or disclosed as contingent liability in the standalone financial statements.</li> <li>• Assessed management’s conclusions through discussions held with the in-house legal counsel and understood precedents set in similar cases.</li> <li>• Obtained and read the correspondence with the regulatory authorities, including past judgements on the subject matter of specific significant litigations.</li> <li>• Assessed the appropriateness of methods used, and the reliability of underlying data for the underlying calculations made for quantifying the amounts involved. Tested the arithmetical accuracy of such calculations.</li> <li>• Evaluated the adequacy of disclosures made by the Management of the Company in the financial statements in view of the requirements as specified in the Indian Accounting Standards.</li> </ul>
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**Information other than the Financial Statements and Auditor’s Report thereon**

7. The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone 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 standalone 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 standalone 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 standalone 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.

**Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

8. The accompanying standalone financial statements have been approved by the Company’s Board of Directors. The Company’s Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the

## Independent Auditor's Report (contd.)

accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. 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**

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance. 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 made by management;
  - Conclude on the appropriateness of 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2020 ('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.
18. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
  - a) We have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
  - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion section, 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 financial statements dealt with by this report are in agreement with the books of account;
  - d) Except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) The matter described in paragraph 3 under the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company;
  - f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
  - g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;
  - h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B, wherein we have expressed a modified opinion; and
  - i) 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, as detailed in note 33 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 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 31 March 2023;
    - iv.
      - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 58 (v) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
      - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 58 (vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in

## Independent Auditor's Report (contd.)

writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Deepak Mittal**

Partner

Membership No.: 503843

**UDIN:** 23503843BGUTAZ7297

**Place:** New Delhi

**Date:** 4 May 2023

## Annexure A referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of RattanIndia Power Limited on the standalone financial statements for the year ended 31 March 2023

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner 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. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4 to the financial statements are held in the name of the Company except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:

Description of property	Gross carrying value (in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Land	337.35	The land parcels are in name of past owners	No	Since 2019	Maharashtra Industrial Development Corporation (MIDC) is in process of transferring land title in name of the Company.

However, for title deeds of immovable properties in the nature of land situated at Amravati Plant with gross carrying values of ₹ 14,721.97 lakhs as at 31 March 2023, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

Further, for properties where the Company is a lessee and the lease agreements are duly executed in favour of the lessee, the Company has entered into sub-leasing arrangements in 1 case.

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.
- (b) The Company has not been sanctioned working capital limits in excess of five crore rupees by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.



## Annexure A to the Independent Auditor's Report

(contd.)

- (iii) (a) The Company has provided loans to Subsidiaries as per details given below:

Particulars	Amount(In lakhs)
Aggregate amount provided during the year	529.16
Balance outstanding as at balance sheet date	*28,134.16

\* Excludes impact of fair value adjustments

Note: For reporting under this clause, we have not considered loans granted by the Company in the earlier years (detailed in note 7) and for which principal amount has been completely provided for, in the books of accounts of the Company in earlier years and the balance (net of provision) in the books is ₹ Nil as at 1 April 2022.

- (b) In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company's interest.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal has not been stipulated and accordingly, we are unable to comment as to whether the repayments of principal are regular. Further, no interest is receivable on such loans and advances in the nature of loans.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to subsidiary companies.
- (e) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal has not been stipulated. Further, no interest is receivable on such loans and advances in the nature of loans. According to the information and explanation given to us, such loans have not been demanded for repayment as on date.
- (f) The Company has granted loan which are repayable on demand, as per details below:

Particulars	Related parties (Amount in ₹ lakhs)
Repayable on demand (A)	28,134.16
Agreement does not specify any terms or period of repayment (B)	-
<b>Total (A+B)</b>	<b>28,134.16</b>
<b>Percentage of loans/advances in nature of loan to the total loans</b>	<b>100%</b>

- (iv) The Company has not entered into any transaction covered under section 185 of the Act. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 in respect of investments, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end 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 statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount ( in lakhs)	Amount paid under Protest ( in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Additions on account of disallowances	44.69	-	Assessment Year 2019-20	Deputy Commissioner of Income tax

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

- (ix) (a) According to the information and explanations given to us read along with note 17, pursuant to receiving the approvals for rescheduling its loans from the lenders, the Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon.

- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year or in any previous year. Accordingly, reporting under clause 3(ix) (d) of the Order is not applicable to the Company.

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, 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, the Company has not raised any 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, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

- (c) The whistle blower complaints received by the Company during the year have been considered by us while determining the nature, timing and extent of audit procedures.

- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company

## Annexure A to the Independent Auditor's Report

(contd.)

with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are 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, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating 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) According to the information and explanations given to us, the Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, calculated in accordance with section 198 of the Act, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Deepak Mittal**

Partner

Membership No.: 503843

UDIN: 23503843BGUTAZ7297

Place: New Delhi

Date: 4 May 2023

## **Annexure B to the Independent Auditor's Report of even date to the members of RattanIndia Power Limited, on the standalone financial statements for the year ended 31 March 2023**

### **Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

- 1) In conjunction with our audit of the standalone financial statements of RattanIndia Power Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

#### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

- 2) The Company's Board of Directors is 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 on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the 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 the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements**

- 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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes 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 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 qualified audit opinion on the Company's internal financial controls 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 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**

- 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

## Annexure B to the Independent Auditor's Report

(contd.)

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.

### Qualified opinion

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

The Company's internal financial control system towards estimating the carrying value of its investment in and inter-corporate deposit extended to a subsidiary as more fully explained in note 55 to the standalone financial statements were not operating effectively, which could result in the Company not providing for adjustments, if any, that may be required to the carrying values of inter-corporate deposit, non-current investments, and its consequential impact on the accompanying standalone financial statements.

- 9) A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
- 10) In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2023, 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 issued by the ICAI, and except for the effects/possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2023.
- 11) We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2023, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Deepak Mittal**

Partner

Membership No.: 503843

**UDIN:** 23503843BGUTA7297

**Place:** New Delhi

**Date:** 4 May 2023

# Standalone Balance Sheet

of RattanIndia Power Limited as at 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	622,853.45	637,268.06
(b) Capital work-in-progress	4A	7,710.59	10,927.49
(c) Right of use assets	4B	15,504.86	15,969.14
(d) Intangible assets	5	27.27	24.15
(e) Financial assets			
(i) Investments	6A	123,328.15	125,894.42
(ii) Loans	7	22,858.62	20,292.35
(iii) Other financial assets	8	8,152.56	3,200.44
(f) Non-current tax assets (net)	9	524.75	805.50
(g) Other non-current assets	10	614.20	161.96
		<b>801,574.45</b>	<b>814,543.51</b>
<b>Current assets</b>			
(a) Inventories	11	12,662.80	12,722.84
(b) Financial assets			
(i) Investments	6B	799.13	378.81
(ii) Trade receivables	12	249,195.03	250,896.42
(iii) Cash and cash equivalents	13	17,873.09	14,855.05
(iv) Bank balances other than cash and cash equivalents	14	5,344.70	11,478.80
(v) Loans	7	3,134.16	2,605.00
(vi) Other financial assets	8	340.33	290.00
(c) Other current assets	10	21,842.88	14,186.02
		<b>311,192.12</b>	<b>307,412.94</b>
<b>TOTAL ASSETS</b>		<b>1,112,766.57</b>	<b>1,121,956.45</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	15	537,010.59	537,010.59
(b) Other equity	16	23,794.17	(9,349.50)
		<b>560,804.76</b>	<b>527,661.09</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	255,390.64	312,937.41
(ii) Lease liabilities	18	2,245.18	2,930.65
(iii) Other financial liabilities	19	115.75	123.20
(b) Provisions	20	921.53	792.59
(c) Deferred tax liabilities (net)	21	2,036.54	-
(d) Other non-current liabilities	22	87,623.83	92,751.37
		<b>348,333.47</b>	<b>409,535.22</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	129,495.45	124,625.00
(ii) Lease liabilities	18	970.13	862.27
(iii) Trade payables	23	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		12,874.16	8,697.01
(iv) Other financial liabilities	24	50,519.45	40,896.92
(b) Other current liabilities	25	5,687.75	5,698.99
(c) Provisions	20	4,081.40	3,979.95
		<b>203,628.34</b>	<b>184,760.14</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,112,766.57</b>	<b>1,121,956.45</b>

Significant accounting policies and accompanying notes are integral part of the standalone financial statements

This is the Standalone Balance Sheet referred to in our report of even date

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

**Deepak Mittal**  
Partner  
Membership No. : 503843

Place: New Delhi  
Date: 04 May 2023

For and on behalf of the Board of Directors

**Rajiv Rattan**  
Executive Chairman  
DIN: 00010849

Place: New Delhi  
Date: 04 May 2023

**Ankur Mitra**  
Chief Financial Officer  
PAN: AFZPM2346H

Place: Mumbai  
Date: 04 May 2023

**Brijesh Narendra Gupta**  
Managing Director  
DIN: 08469815

Place: Mumbai  
Date: 04 May 2023

**Lalit Narayan Mathpati**  
Company Secretary  
FCS- 7943

Place: New Delhi  
Date: 04 May 2023

# Standalone Statement of Profit and Loss

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Revenue</b>			
Revenue from operations	26	323,116.35	325,951.86
Other income	27	34,997.08	35,322.27
		<b>358,113.43</b>	<b>361,274.13</b>
<b>Expenses</b>			
Cost of fuel, power and water consumed	28	223,030.25	224,810.96
Employee benefits expense	29	5,560.10	4,922.16
Finance costs	30	53,336.87	58,588.59
Depreciation and amortisation expense	31	22,207.11	22,671.04
Other expenses	32	18,677.47	15,467.77
		<b>322,811.80</b>	<b>326,460.52</b>
<b>Profit before tax</b>		<b>35,301.63</b>	<b>34,813.61</b>
<b>Tax expenses</b>			
Current tax expense	44	-	-
Deferred tax expense	21	2,036.54	-
<b>Total tax expenses</b>		<b>2,036.54</b>	<b>-</b>
<b>Profit for the year</b>		<b>33,265.09</b>	<b>34,813.61</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit and loss			
Re-measurement of post-employment benefit obligations (net of tax)		(121.42)	(59.40)
<b>Other comprehensive income for the year</b>		<b>(121.42)</b>	<b>(59.40)</b>
<b>Total comprehensive income for the year</b>		<b>33,143.67</b>	<b>34,754.21</b>
<b>Earnings per equity share (face value of ₹ 10 each)</b>			
Basic (₹)	38	0.62	0.65
Diluted (₹)		0.62	0.65

Significant accounting policies and accompanying notes are 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 Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Deepak Mittal**  
Partner  
Membership No. : 503843  
Place: New Delhi  
Date: 04 May 2023

**Rajiv Rattan**  
Executive Chairman  
DIN: 00010849  
Place: New Delhi  
Date: 04 May 2023

**Brijesh Narendra Gupta**  
Managing Director  
DIN: 08469815  
Place: Mumbai  
Date: 04 May 2023

**Ankur Mitra**  
Chief Financial Officer  
PAN: AFZPM2346H  
Place: Mumbai  
Date: 04 May 2023

**Lalit Narayan Mathpati**  
Company Secretary  
FCS- 7943  
Place: New Delhi  
Date: 04 May 2023

# Standalone Statement of Changes in Equity

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

## A Equity share capital (refer note 15)

As at 31 March 2023

Particulars	Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
Equity share capital	537,010.59	-	537,010.59	-	537,010.59

As at 31 March 2022

Particulars	Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
Equity share capital	537,010.59	-	537,010.59	-	537,010.59

## B Other equity (refer note 16)

Particulars	Reserves and surplus				Total
	Capital reserve	Securities premium	Employee stock options outstanding	Retained earnings	
<b>Balance as at 1 April 2021</b>	<b>42,411.21</b>	<b>187,120.17</b>	<b>43.91</b>	<b>(273,679.00)</b>	<b>(44,103.71)</b>
Profit for the year	-	-	-	34,813.61	34,813.61
Other comprehensive income (net of tax)	-	-	-	(59.40)	(59.40)
<b>Balance as at 31 March 2022</b>	<b>42,411.21</b>	<b>187,120.17</b>	<b>43.91</b>	<b>(238,924.79)</b>	<b>(9,349.50)</b>
Profit for the year	-	-	-	33,265.09	33,265.09
Other comprehensive income (net of tax)	-	-	-	(121.42)	(121.42)
Amount transferred on account of options not exercised / lapsed	-	-	(43.91)	43.91	-
<b>Balance as at 31 March 2023</b>	<b>42,411.21</b>	<b>187,120.17</b>	<b>-</b>	<b>(205,737.21)</b>	<b>23,794.17</b>

Significant accounting policies and accompanying notes are 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 **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

**Deepak Mittal**  
Partner  
Membership No. : 503843  
Place: New Delhi  
Date: 04 May 2023

For and on behalf of the Board of Directors

**Rajiv Rattan**  
Executive Chairman  
DIN: 00010849  
Place: New Delhi  
Date: 04 May 2023

**Ankur Mitra**  
Chief Financial Officer  
PAN: AFZPM2346H  
Place: Mumbai  
Date: 04 May 2023

**Brijesh Narendra Gupta**  
Managing Director  
DIN: 08469815  
Place: Mumbai  
Date: 04 May 2023

**Lalit Narayan Mathpati**  
Company Secretary  
FCS- 7943  
Place: New Delhi  
Date: 04 May 2023



# Standalone Cash Flow Statement

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	35,301.63	34,813.61
<b>Adjustments for:</b>		
Depreciation/ amortisation expense	22,207.11	22,671.04
Gain on modification of financial liability	-	(5,360.31)
Liabilities written back	(140.62)	(5.18)
Investment written off	2,768.49	2,179.08
Interest income	(3,873.77)	(4,350.41)
Loss/(profit) on foreign currency transactions (net)	220.30	(54.60)
Finance costs	53,336.87	58,588.59
Profit on sale of investments	(37.47)	(5.31)
<b>Operating profit before working capital changes</b>	<b>109,782.54</b>	<b>108,476.51</b>
<b>Movement in working capital</b>		
(Increase)/ decrease in inventories	(1,452.35)	14,062.55
(Increase)/ decrease in other financial assets	(288.47)	176.06
(Increase)/ decrease in other assets	(7,709.44)	728.99
Decrease/ (Increase) in trade and other receivables	1,701.40	(26,106.61)
Increase in other financial liabilities	970.93	1,852.95
Decrease in other liabilities	(5,034.56)	(6,897.64)
Increase in trade and other payables	4,177.15	1,901.11
<b>Cash flow generated from operating activities post working capital changes</b>	<b>102,147.20</b>	<b>94,193.92</b>
Income tax refund received/ (paid) (net)	280.75	(145.64)
<b>Net cash flow generated from operating activities (A)</b>	<b>102,427.95</b>	<b>94,048.28</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)	(3,075.17)	(1,039.65)
Movement in current investments (net)	(382.85)	(347.98)
Movement in fixed deposits (net)	1,286.04	6,113.10
Loan given to subsidiary	(529.16)	-
Interest received	1,133.53	1,139.39
<b>Net cash flows (used in)/ generated from investing activities (B)</b>	<b>(1,567.61)</b>	<b>5,864.86</b>

# Standalone Cash Flow Statement *(Contd.)*

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)



	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term borrowings	(79,473.00)	(73,471.00)
Payment of lease liabilities	(775.50)	(349.93)
Finance cost paid	(17,593.80)	(22,500.51)
<b>Net cash used in financing activities (C)</b>	<b>(97,842.30)</b>	<b>(96,321.44)</b>
<b>Increase in cash and cash equivalents (A+B+C)</b>	<b>3,018.04</b>	<b>3,591.70</b>
Cash and cash equivalents at the beginning of the year	14,855.05	11,263.35
<b>Cash and cash equivalents at the end of the year</b>	<b>17,873.09</b>	<b>14,855.05</b>
<b>Notes:</b>		
<b>a) Cash and cash equivalent comprises of : (refer note 13)</b>		
Cash on hand	19.38	11.22
Balances with banks		
Current accounts	2,526.51	7,866.45
Deposits with original maturity of less than 3 months	15,327.20	6,977.38
	<b>17,873.09</b>	<b>14,855.05</b>

**b) Refer note 49 for reconciliation of liabilities arising from financing activities**

The Statement of Cash Flow has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

Significant accounting policies and accompanying notes are integral part of the standalone financial statements

This is the Standalone Cash Flow Statement referred to in our report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Deepak Mittal**

Partner

Membership No. : 503843

Place: New Delhi

Date: 04 May 2023

For and on behalf of the Board of Directors

**Rajiv Rattan**

Executive Chairman

DIN: 00010849

Place: New Delhi

Date: 04 May 2023

**Ankur Mitra**

Chief Financial Officer

PAN: AFZPM2346H

Place: Mumbai

Date: 04 May 2023

**Brijesh Narendra Gupta**

Managing Director

DIN: 08469815

Place: Mumbai

Date: 04 May 2023

**Lalit Narayan Mathpati**

Company Secretary

FCS- 7943

Place: New Delhi

Date: 04 May 2023

# Notes to the Standalone Financial Statements

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

## Significant accounting policies and notes to the standalone financial statements for the year ended 31 March 2023

### 1. Corporate Information

#### Nature of Operations

RattanIndia Power Limited ('RPL' or 'the Company') is a public company domiciled and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is situated at A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi-110037.

The shares of the Company are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) of India. The Company is principally engaged in the business of dealing in power generation, distribution, trading and transmission and other ancillary and incidental activities.

The Company has installed capacity of five units of 270 MW each at Amravati, Maharashtra to augment the power supply in the state of Maharashtra. The Company sells the power generated from 1350 MW power project under long term Power Purchase Agreement with Maharashtra State Electricity Distribution Company Limited (MSEDCL)

The standalone financial statements for the year ended 31 March 2023 were approved by the Board of Directors on 04 May 2023.

### 2. General information and statement of compliance with Ind AS

a. The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ("MCA")), as amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI). The Company has uniformly applied the accounting policies during the periods presented.

#### b. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

### 3. Summary of significant accounting policies

#### a) Basis of preparation

The standalone financial statements have been prepared using the significant accounting policies and measurement basis as summarised below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

The standalone financial statements have been prepared on going concern basis under the historical cost basis except for the following –

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans – liability of which is recognised as per actuarial valuation; and
- Share based payments which are measured at fair value of the options

#### b) Current and non-current classification

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

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle. - it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- 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.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;

# Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)



- it is due to be settled within 12 months after the reporting date; or
- 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 assets/liabilities include current portion of noncurrent financial assets/liabilities respectively. All other assets/liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as noncurrent assets and liabilities.

## Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

## c) Revenue recognition

Revenue arises from the supply of power. Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/ receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

### *Revenue from operation of Power plant*

Revenue from operation of plant is recognised on transfer of significant risks and rewards of ownership to the buyer which is when delivered, and measured on an accrual basis based on the rates in accordance with the provisions of the Power Purchase Agreements (PPAs) entered into by the Company with the procurer/s of power. Claims for delayed payment charges and other claims are accounted by the Company on accrual basis in accordance with the provisions of the PPAs only when it is reasonable to expect ultimate collection. Goods and service tax is not applicable on generation and sale of power. Revenue also excludes taxes or other amounts collected from customers.

Refer policy on leased assets for accounting policy of customer contracts that contain a lease.

### *Interest Income*

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

### *Dividend income*

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

## d) Borrowing costs

Borrowing costs include interest and amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. 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 are added to the cost of the assets. Any income earned on the temporary deployment/ investment of those borrowings is deducted from the borrowing costs so incurred. 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. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

## e) Property, plant and equipment

### *Recognition and initial measurement*

Property plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

Any expenditure directly/ indirectly related and attributable to the construction of power projects and incidental to setting up power project facilities, incurred prior to the Commercial Operation Date (COD) of the Power Project, are accumulated under "Capital work-in-progress", to be capitalised on completion of construction of the respective power projects and facilities/ COD.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013. Land is not subject to depreciation.

Property plant and equipment acquired and put to use for the purpose of the Project are capitalised and depreciation thereon is included in capital work-in-progress till the Project is ready for its intended use.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

### *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 or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

## **f) Intangible assets**

### *Recognition and initial measurement*

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

### *Subsequent measurement (amortisation)*

The intangible assets are amortised over a period in the range of three to five years on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

### *Derecognition of intangible assets*

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the consolidated statement of profit and loss when the asset is derecognised.

## **g) Leases**

### *Determining whether an arrangement contains a lease*

The Company has certain long term arrangements for sale of power. Such arrangements are evaluated to consider whether it contains a lease. It is considered to contain a lease if based on the substance of the arrangement:

- (i) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and
- (ii) the arrangement conveys a right to use the asset.

An arrangement is considered to contain a lease if facts and circumstances indicate that it is remote that one or more parties other than the purchaser will take more than an insignificant amount of the output or other utility that will be produced or generated by the asset during the term of the arrangement, and the price that the purchaser will pay for

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)



the output is neither contractually fixed per unit of output nor equal to the current market price per unit of output as of the time of delivery of the output.

### Company as a lessee

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:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company,
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Company has the right to direct the use of the identified asset throughout the period of use.

The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Determining the lease term of contracts with renewal and termination options where Company is lessee - The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

**Classification of leases** – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

### Company as a lessor

The Company as a lessor Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### *Finance leases*

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

### *Operating leases*

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straightline basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

Such lease is classified as operating lease, and as such the revenue is recognized on straight line basis. Considering that the capacity charges per unit is higher in the initial years, there is a negative charge to Statement of Profit and loss account of straightlining.

### **h) Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

### **i) Financial instruments**

#### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, unless the financial instrument is designated to be measured at fair value through profit or loss (FVPL) or fair value through other comprehensive income (FVOCI).

#### **Financial assets**

##### *Subsequent measurement*

Financial assets at amortised cost – the financial assets are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at FVOCI or FVTPL based on Company's business model. All investments in mutual funds in scope of Ind-AS 109 are measured at FVTPL.

##### *De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

#### **Financial liabilities and equity instruments**

##### *Classification as debt or equity*

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### *Financial liabilities subsequent measurement*

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

### *De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **Derivative contracts**

A derivative contract is recognised as an asset or a liability on the commitment date. Outstanding derivative contracts as at reporting date are fair valued and recognised as financial asset/ financial liability, with the resultant gain/ (loss) being recognised in statement of profit and loss.

### **Offsetting of financial instruments**

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

### **j) Investments in subsidiaries**

The Company has accounted for its investments in subsidiaries at cost in its standalone financial statements in accordance with Ind AS- 27, Standalone Financial Statements.

Profit/ loss on sale of investments is recognised on the date of the transaction of sale and is computed with reference to the original cost of the investment sold.

### **k) Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company considers –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

### *Trade receivables*

The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

### *Other financial assets*

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, life time impairment loss is provided, otherwise provides for 12 month expected credit losses.

### **l) Inventories**

Inventories are valued at the lower of cost derived on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of consumption, including octroi and other levies, transit insurance and receiving charges.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated necessary costs to make the sale.



## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### m) Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ("OCI") or directly in equity.

#### *Current Tax*

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable income tax laws of India. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and liability simultaneously.

#### *Deferred tax*

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### n) Cash and cash equivalents

Cash and cash equivalents comprise Cash on hand, demand deposits with banks/ corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

### o) Foreign currency translations

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit and loss in the period in which they arise.

### p) Post-employment, long-term and short-term employee benefits

#### *Defined contribution plans*

The Company makes contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

#### *Defined benefit plans*

Gratuity is in the nature of a defined benefit plan. The liability recognised in the standalone financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### *Other employee benefits*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

### *Short-term employee benefits*

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

### **q) Share based payments**

The Company has formulated Employee Stock Option Schemes (ESOS) and Employee Stock Purchase Schemes (ESOP) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and are in compliance with the said guidelines and SEBI (Share Based Employee Benefits) Regulation, 2014. The Schemes provide for grant of options to employees of the Company and its subsidiaries to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period.

#### *Employee stock Purchase plan (ESOP)*

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

### **r) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company, or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

### **s) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

### **t) Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### **Estimates and assumptions**

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

**Classification of leases** – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

### **Defined benefit plans**

The cost of the defined benefit gratuity plan, post-retirement medical benefits and other defined benefit plan and the present value of the obligation of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, expected rate of return on assets, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on mortality rates from Indian Assures Lives Mortality 2012-14. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about the defined benefit plans are given in note 37.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**Provisions** – At each balance sheet date on the basis of the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions. However the actual future outcome may be different from this judgement.

### **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset.

### **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

### **Impairment of Investments made / Loans given to subsidiaries**

In case of investments made and Intercompany Deposits ("ICD") given by the company to its subsidiaries, the

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)



Management assesses whether there is any indication of impairment in the value of investment and ICDs. The carrying amount is compared with the present value of future net cash flow of the subsidiaries.

### Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits under the Income Tax Act, 1961.

### Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

**Income:** Revenue from sale of power is recognised upon judgement by the management for recoverability of the claims based on the relevant contractual terms / provisional rates as provided by the regulator / governing tariff regulations, to the extent applicable. having regard to mechanism provided in applicable tariff regulations and the bilateral arrangement with the customers. which may be subject to adjustments in future years, on receipt of final orders of the respective Regulatory Authorities or final closure of the matter with the customers.

In certain cases, the Company has claimed compensation from the Discoms based on management's interpretation of the regulatory orders and various technical parameters, which are subject to final verification and confirmation by the respective Discoms and hence, in these cases, the revenues have been recognised during various financial years / periods on a prudent basis with conservative parameters in the books in accordance with the terms of Power Purchase Agreement. The necessary true-up adjustments for revenue Claims (including delayed payment surcharge) are made in the books on final acknowledgement / regulatory orders / settlement of matters with respective Discoms or eventual recovery of the claims, whichever is earlier.

**Classification of Trade Receivables:** In view of pending litigations on regulatory matters, the classification of disputed / undisputed trade receivables is a matter of judgement based on facts and circumstances. The Company evaluates the fact pattern and circumstances, including ongoing discussions with the state-owned power distribution Companies (Discom), for each such regulatory matter pending to be adjudicated by the relevant authority. In cases, where discussions with Discom have not made reasonable progress and matters are subjudice, the related receivables are classified as disputed, even though the management is reasonably confident of recovering the dues in full, backed by the regulatory orders in favour of the Company. The management will continue to monitor the developments on regulatory matters.

- u) Certain prior year amounts have been reclassified for consistency with the current year presentation. Such reclassification does not have any impact on the current year financial statements.

### v) Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

- a) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies and include corresponding amendments to Ind AS 107 and Ind AS 34. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.
- b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.
- c) Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. Also there is corresponding amendment to Ind AS 101. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

The Company has evaluated the above amendments and the impact thereof is not expected to be material on these standalone financial statements.

# Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

## 4 Property, plant and equipment

Particulars	Freehold land <sup>(iii)</sup>	Buildings- Plant	Buildings- Other	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Tools & tackles	Ships	Railways	Total
<b>Gross carrying amount</b>												
Balance as at 1 April 2021	356.93	26,519.56	11.73	723,435.04	320.95	751.22	430.71	415.58	65.90	41.04	56,539.79	808,888.45
Additions	-	-	-	143.48	0.64	44.19	18.58	5.90	9.34	-	-	222.13
Disposals/ adjustments	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>356.93</b>	<b>26,519.56</b>	<b>11.73</b>	<b>723,578.52</b>	<b>321.59</b>	<b>795.41</b>	<b>449.29</b>	<b>421.48</b>	<b>75.24</b>	<b>41.04</b>	<b>56,539.79</b>	<b>809,110.58</b>
Additions	-	1,931.32	-	4,840.21	5.87	196.27	52.43	43.39	43.63	-	-	7,113.12
Disposals/ adjustments	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>356.93</b>	<b>28,450.88</b>	<b>11.73</b>	<b>728,418.73</b>	<b>327.46</b>	<b>991.68</b>	<b>501.72</b>	<b>464.87</b>	<b>118.87</b>	<b>41.04</b>	<b>56,539.79</b>	<b>816,223.70</b>
<b>Accumulated depreciation</b>												
Balance as at 1 April 2021	-	7,155.83	2.88	118,542.17	297.46	732.51	391.83	412.48	51.29	41.04	21,847.92	149,475.41
Depreciation for the year	-	1,191.29	0.19	17,143.23	3.99	9.78	15.69	2.36	7.28	-	3,993.30	22,367.11
Disposals/ adjustments	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>8,347.12</b>	<b>3.07</b>	<b>135,685.40</b>	<b>301.45</b>	<b>742.29</b>	<b>407.52</b>	<b>414.84</b>	<b>58.57</b>	<b>41.04</b>	<b>25,841.22</b>	<b>171,842.52</b>
Depreciation for the year	-	690.49	0.19	16,793.03	4.19	12.84	17.15	7.81	8.73	-	3,993.30	21,527.73
Disposals/ adjustments	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>9,037.61</b>	<b>3.26</b>	<b>152,478.43</b>	<b>305.64</b>	<b>755.13</b>	<b>424.67</b>	<b>422.65</b>	<b>67.30</b>	<b>41.04</b>	<b>29,834.52</b>	<b>193,370.25</b>
<b>Net carrying amount</b>												
Balance as at 31 March 2022	356.93	18,172.44	8.66	587,893.12	20.14	53.12	41.77	6.64	16.67	-	30,698.57	637,268.06
Balance as at 31 March 2023	356.93	19,413.27	8.47	575,940.30	21.82	236.55	77.05	42.22	51.57	-	26,705.27	622,853.45

i) Non current and current secured borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project (refer note 17 and 43).

ii) Including ₹ 337.35 lakhs, registration for which is in process with the Registration Authority as follows:-

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of RPL
Land	337.35	The land parcels are in the name of past land owners	No	Since 2019	Maharashtra Industrial Development Corporation (MIDC) is in process of transferring land title in name of the Company

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 4A Capital work in progress

Particulars	CWIP	Total
<b>Balance as at 1 April 2021</b>	9,922.56	<b>9,922.56</b>
Additions	1,162.58	<b>1,162.58</b>
Disposals/ adjustments	157.65	<b>157.65</b>
<b>Balance as at 31 March 2022</b>	<b>10,927.49</b>	<b>10,927.49</b>
Addition	1,930.94	1,930.94
Capitalised in Property, plant and equipment	5,147.84	5,147.84
<b>Balance as at 31 March 2023</b>	<b>7,710.59</b>	<b>7,710.59</b>

- The Company does not have any capital-work-in progress whose completion is overdue or has significantly exceeded its cost compared to its original plan.
- Non current and current borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project. (refer note 17 and 43).

### Capital work in progress ageing schedule :-

Particulars	Less than 1 year	1-2 year	2-3 Years	More than 3 years	Total
31 March 2023	493.50	16.96	-	7,200.13	7,710.59
31 March 2022	1,004.93	15.68	1,598.10	8,308.78	10,927.49

### 4B Right of use (also refer note no 51)

Particulars	Right of use	Total
<b>Gross carrying amount</b>		
<b>Balance as at 1 April 2021</b>	<b>16,374.24</b>	<b>16,374.24</b>
Additions	1,536.80	1,536.80
Adjustments	-	-
<b>Balance as at 31 March 2022</b>	<b>17,911.04</b>	<b>17,911.04</b>
Addition	116.46	116.46
Adjustments	89.26	89.26
<b>Balance as at 31 March 2023</b>	<b>18,116.76</b>	<b>18,116.76</b>
<b>Accumulated amortisation</b>		
<b>Balance as at 1 April 2021</b>	<b>1,645.63</b>	<b>1,645.63</b>
Amortisation for the year	296.27	296.27
Adjustments	-	-
<b>Balance as at 31 March 2022</b>	<b>1,941.90</b>	<b>1,941.90</b>
Amortisation for the year	670.00	670.00
Adjustments	-	-
<b>Balance as at 31 March 2023</b>	<b>2,611.90</b>	<b>2,611.90</b>
<b>Net carrying amount</b>		
<b>Balance as at 31 March 2022</b>	<b>15,969.14</b>	<b>15,969.14</b>
<b>Balance as at 31 March 2023</b>	<b>15,504.86</b>	<b>15,504.86</b>

- Non current and current borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project. (refer note 17 and 43).

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### 5 Intangible assets

Particulars	Software	Total
<b>Gross carrying amount</b>		
Balance as at 1 April 2021	528.87	528.87
Additions	26.70	26.70
<b>Balance as at 31 March 2022</b>	<b>555.57</b>	<b>555.57</b>
Additions	12.50	12.50
<b>Balance as at 31 March 2023</b>	<b>568.07</b>	<b>568.07</b>
<b>Accumulated amortisation</b>		
Balance as at 1 April 2021	523.76	523.76
Amortisation for the year	7.66	7.66
<b>Balance as at 31 March 2022</b>	<b>531.42</b>	<b>531.42</b>
Amortisation for the year	9.38	9.38
<b>Balance as at 31 March 2023</b>	<b>540.80</b>	<b>540.80</b>
<b>Net carrying amount</b>		
Balance as at 31 March 2022	24.15	24.15
Balance as at 31 March 2023	27.27	27.27

Non current and current borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project. (refer note 17 and 43).

### 6A Non-current investments

	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
<b>a) Investments in equity instruments</b>				
<b>Unquoted, fully paid equity instruments of subsidiary companies (at cost)</b>				
Sinnar Thermal Power Limited (Face value of ₹ 10 each) (refer note (i))	31,977,246	121,181.77	31,977,246	121,181.77
Bracond Limited (Face Value of US Dollar 1 each)*	100,000,000	43,277.11	100,000,000	43,277.11
Less :- Provision for Impairment		43,277.11		43,277.11
		-		-
Poena Power Development Limited (Face value of ₹ 10 each)(refer note (ii))	50,000	5.00	50,000	5.00
<b>Total investment in equity instruments of subsidiary companies</b>		<b>121,186.77</b>		<b>121,186.77</b>
<b>b) Deemed equity contribution</b>				
Poena Power Development Limited	50,000	2,141.38	50,000	4,707.65
		<b>123,328.15</b>		<b>125,894.42</b>
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		123,328.15		125,894.42
Aggregate amount of impairment in the value of investments		43,277.11		43,277.11

\*Necessary provision/ write off on account of impairment of investment was accounted for during the earlier years (refer note 52 & 55).

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

- i) 31,977,246 (31 March 2022: 31,977,246) equity shares of Sinnar Thermal Power Limited (STPL) have been pledged in favour of the Project Lenders of STPL (refer note 43).
- ii) For the purpose of securing repayment of loan, the Company has pledged 50,000 shares of Poena Power Development Limited (PPDL) in favour of lenders. (refer note 17(v) and note 43)

### 6B Current investments

#### Unquoted, non trade (at FVTPL)

Investments in mutual funds

239,844.68 (31 March 2022 : 120,159.11 ) units in  
ICICI Liquid Prudential Fund-Direct Plan Growth

	As at 31 March 2023	As at 31 March 2022
	799.13	378.81
	<b>799.13</b>	<b>378.81</b>
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	799.13	378.81
Aggregate amount of impairment in the value of investments	-	-

### 7 Loans (unsecured, considered good)

Inter corporate deposits (refer note 55)

Credit impaired

Less: Provision for credit impaired

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Non-current		Current	
	22,858.62	20,292.35	3,134.16	2,605.00
	12,258.05	12,258.05	-	-
	<b>35,116.67</b>	<b>32,550.40</b>	<b>3,134.16</b>	<b>2,605.00</b>
	(12,258.05)	(12,258.05)	-	-
	<b>22,858.62</b>	<b>20,292.35</b>	<b>3,134.16</b>	<b>2,605.00</b>
	<b>22,858.62</b>	<b>20,292.35</b>	<b>3,134.16</b>	<b>2,605.00</b>

### 8 Other financial assets

Security deposits

Other receivables

Accrued interest

Lease recoverable

Bank deposits with remaining maturity  
of more than 12 months (i)

Advances recoverable from employees

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Non-current		Current	
	1,022.84	988.21	40.57	34.18
	265.57	-	-	-
	-	-	21.93	21.93
	233.35	486.23	252.88	225.44
	6,630.80	1,726.00	-	-
	-	-	24.95	8.45
	<b>8,152.56</b>	<b>3,200.44</b>	<b>340.33</b>	<b>290.00</b>

- (i) Includes deposits under lien/ pledged against bank guarantees, refer note 33 E



## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

9 Non-current tax assets (net)	As at 31 March 2023	As at 31 March 2022
Advance income tax (net of provision)	524.75	805.50
	<u>524.75</u>	<u>805.50</u>

10 Other assets	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Non-current		Current	
<b>Advances for goods &amp; services</b>				
Unsecured, considered good	-	-	19,642.75	12,898.45
Credit impaired			81.57	-
Less: Provision for credit impaired	-	-	(81.57)	-
	<u>-</u>	<u>-</u>	<u>19,642.75</u>	<u>12,898.45</u>
<b>Capital advances</b>				
Unsecured, considered good	605.12	-	-	-
Credit impaired	120.64	-	-	-
Less: Provision for credit impaired	(120.64)	-	-	-
	<u>605.12</u>	<u>-</u>	<u>-</u>	<u>-</u>
Prepaid expenses	9.08	161.96	2,199.70	1,287.16
Advance rent	-	-	0.43	0.41
	<u>614.20</u>	<u>161.96</u>	<u>21,842.88</u>	<u>14,186.02</u>

11 Inventories (valued at cost, unless otherwise stated)	As at 31 March 2023	As at 31 March 2022
Coal <sup>(i)</sup>	7,737.97	8,289.85
Light diesel oil	302.13	413.85
Stores and spares	3,230.71	2,987.52
Other consumables <sup>(ii)</sup>	1,391.99	1,031.62
	<u>12,662.80</u>	<u>12,722.84</u>

(i) Includes in transit ₹ 1,228.55 lakhs (31 March 2022: ₹ 1,124.73 lakhs)

(ii) Includes in transit ₹ Nil (31 March 2022: ₹ 96.76 lakhs)

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 12 Trade receivables (Unsecured unless otherwise stated, at amortised cost)

	As at 31 March 2023	As at 31 March 2022
Debtors for sale of power		
(i) Considered good - Secured	-	-
(ii) Considered good - Unsecured*	249,195.03	250,896.42
(iii) Receivables having significant increase in credit risk	-	-
(iv) Credit impaired	-	-
	<u>249,195.03</u>	<u>250,896.42</u>

\* The Company has received Irrevocable Revolving Standby Letter of credit amounting to ₹ 27,194.38 lakhs (31 March 2022: ₹ 18,206.00 lakhs) from Maharashtra State Electricity Distribution Co Limited (MSEDCL) as per term of Power Purchase Agreement.

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due and the amount is billable.

#### Trade receivable ageing schedule :-

Particulars	Year	Outstanding for following periods from due date of payment							Total
		Unbilled	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable-considered good	2022-23	34,825.73	3,772.77	33,584.51	-	-	-	-	72,183.01
	2021-22	29,655.65	3,613.20	34,001.56	21.49	-	-	-	67,291.90
Undisputed Trade receivable-credit impaired	2022-23	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-
Disputed Trade receivable-considered good	2022-23	-	-	16,431.33	19,003.75	16,509.81	25,144.97	99,922.16	177,012.02
	2021-22	-	-	19,230.72	5,912.86	22,579.56	24,403.37	111,478.01	183,604.52
Disputed Trade receivable-credit impaired	2022-23	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-
<b>Total Gross</b>	2022-23	<b>34,825.73</b>	<b>3,772.77</b>	<b>50,015.84</b>	<b>19,003.75</b>	<b>16,509.81</b>	<b>25,144.97</b>	<b>99,922.16</b>	<b>249,195.03</b>
	2021-22	<b>29,655.65</b>	<b>3,613.20</b>	<b>53,232.28</b>	<b>5,934.35</b>	<b>22,579.56</b>	<b>24,403.37</b>	<b>111,478.01</b>	<b>250,896.42</b>
Less : Allowance for credit loss	2022-23	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-
<b>Net receivables</b>	2022-23	<b>34,825.73</b>	<b>3,772.77</b>	<b>50,015.84</b>	<b>19,003.75</b>	<b>16,509.81</b>	<b>25,144.97</b>	<b>99,922.16</b>	<b>249,195.03</b>
	2021-22	<b>29,655.65</b>	<b>3,613.20</b>	<b>53,232.28</b>	<b>5,934.35</b>	<b>22,579.56</b>	<b>24,403.37</b>	<b>111,478.01</b>	<b>250,896.42</b>

i) The above ageing has been calculated based on due date as per terms of agreement with customers

#### ii) Credit concentration:

As at 31 March 2023, out of total trade receivables, 99.82% ( 31 March 2022 : 99.75%) pertains to dues from Maharashtra State Electricity Distribution Company Limited under Long Term Power Purchase Agreement.

#### iii) Expected Credit Loss (ECL)

The Company is having majority of receivables against power supply from Maharashtra State Electricity Distribution Company Limited, which is a Government Undertaking. The Company is generally regular in realising its normal power sale and further is entitled to receive interest as per the terms of agreement on delayed payment, hence, the Company is secured from credit losses in the future.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 13 Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Cash on hand	19.38	11.22
Balances with banks		
Current accounts	2,526.51	7,866.45
Deposits with original maturity of less than 3 months (i)	15,327.20	6,977.38
	<u>17,873.09</u>	<u>14,855.05</u>

(i) Includes deposits aggregating to ₹ 12,908.43 lakhs (31 March 2022: ₹ 6,977.00 lakhs), that are under lien with the security trustee, as per terms of contractual arrangement, but are readily accessible by the Company, on demand.

### 14 Bank balances other than cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Fixed deposits original maturity for more than 3 months but less than 12 months (i)	5,344.70	11,478.80
	<u>5,344.70</u>	<u>11,478.80</u>

(i) Includes deposits under lien/ pledged against bank guarantees, refer note 33 E

### 15 Share capital

	As at 31 March 2023	As at 31 March 2022
<b>Authorised capital</b>		
8,500,000,000 (31 March 2022: 8,500,000,000) equity shares of ₹ 10 each	850,000.00	850,000.00
2,500,000,000 (31 March 2022: 2,500,000,000) redeemable preference shares of ₹ 10 each	250,000.00	250,000.00
	<u>1,100,000.00</u>	<u>1,100,000.00</u>
<b>Issued, subscribed and fully paid up capital</b>		
5,370,105,860 (31 March 2022: 5,370,105,860) equity shares of ₹ 10 each fully paid up	537,010.59	537,010.59
	<u>537,010.59</u>	<u>537,010.59</u>

#### a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount in ₹ lakhs	No. of Shares	Amount in ₹ lakhs
Equity shares at the beginning of the year	5,370,105,860	537,010.59	5,370,105,860	537,010.59
Add : Issued during the year	-	-	-	-
<b>Equity shares at the end of the year</b>	<u>5,370,105,860</u>	<u>537,010.59</u>	<u>5,370,105,860</u>	<u>537,010.59</u>

#### b) Rights/restrictions attached to equity shares

The Company has only one class of equity shares with voting rights, having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

The dividend, if any, proposed by Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. 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.

### c) Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity shares of ₹ 10 each fully paid up</b>				
RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited)	1,063,960,011	19.81%	1,063,960,011	19.81%
Aditya Birla ARC Limited	556,821,950	10.37%	556,821,950	10.37%
RR Infralands Private Limited	1,302,143,592	24.25%	1,302,143,592	24.25%

The above information has been furnished as per the shareholders' register as at the year end.

### d) Aggregate number of shares reserved for issuance under stock option plans of the Company

	As at 31 March 2023	As at 31 March 2022
RPL ESOP- 2008 (Formerly known as SPCL – IPSL ESOP, 2008)	-	2,400
RPL ESOS 2009 (Formerly known as IPL ESOS 2009)	-	20,400
RPL ESOS 2011 (Formerly known as IPL ESOS - 2011)	-	60,000

### e) No bonus shares or shares issued for consideration other than cash or shares bought back over the last five years immediately preceding the reporting date.

### f) Detail of share held by promoters :-

Promoter Name		No of shares	% of total shares	% change during the year
RR Infralands Private Limited	31 March 2023	1,302,143,592	24.25%	-
	31 March 2022	1,302,143,592	24.25%	2.12%
RattanIndia Enterprises Limited	31 March 2023	1,063,960,011	19.81%	-
	31 March 2022	1,063,960,011	19.81%	-2.25%

## 16 Other equity

	As at 31 March 2023	As at 31 March 2022
Retained earnings	(205,737.21)	(238,924.79)
Capital reserve	42,411.21	42,411.21
Securities premium	187,120.17	187,120.17
Employee's stock options reserve	-	43.91
	<b>23,794.17</b>	<b>(9,349.50)</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### Nature and purpose of other reserves

#### Capital reserve

Capital reserve was created in earlier years in relation to specific transactions. Capital reserve is not available for distribution to the shareholders.

#### Securities premium

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

#### Employee's stock options reserve

The reserve account is used to recognize the grant date value of options issued to employees under Employee stock option plan.

17 Borrowings	As at	As at	As at	As at
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Non-current		Current	
<b>Secured</b>				
<b>Term loans</b>				
0.001% Redeemable Preference Shares (refer footnote (v), (vi), (viii))	-	20,286.82	22,858.62	-
0.001% Optionally Convertible Cumulative Redeemable Preference Shares (refer footnote (vi))	37,692.00	37,692.00	-	-
Facility A - Non-convertible debentures (refer footnote (i), (ii),(iii), (vii), (ix))	-	-	68,625.00	124,625.00
Facility B - Non-convertible debentures (refer footnote (ii), (iv), (vi), (vii))	-	57,404.29	38,011.83	-
<b>Unsecured</b>				
Facility C (refer footnote (vi), (vii))	36,105.47	46,102.53	-	-
<b>Loans from related parties (refer note no 39)</b>				
Inter corporate deposits (refer footnote (vi))	3,135.00	3,135.00	-	-
Elevated inter corporate deposits (refer footnote (vi))	67,793.16	56,347.54	-	-
Sub ordinate inter corporate deposits (refer footnote (vi))	110,665.01	91,969.23	-	-
	<b>255,390.64</b>	<b>312,937.41</b>	<b>129,495.45</b>	<b>124,625.00</b>

- i) During the year 2020-21, consequent to and upon conversion of the amount outstanding against the Facility A - non-convertible debentures ('Facility A NCDs'), after adjusting the repayments of the principal amounts made by the Company, 196,500 Facility A NCDs of face value ₹ 100,000/- each were issued at an issue price of ₹ 100,000/- per NCD to Aditya Birla ARC Limited (ABARC) – acting on behalf of and in its capacity as trustee of ABARC-AST-002-TRUST, in terms of the Framework Facilities Agreement dated 31 December 2019, up to the date of issuance and allotment of NCDs.
- ii) During the year, prepayment was made of ₹ 2,000 lakhs (31 March 2022 : ₹ 9,375 lakhs ) against Facility A NCD, ₹ 18,002 lakhs (31 March 2022 : ₹ 15,625.34) against Facility B (including interest) and ₹ 8,248 lakhs (31 March 2022 : ₹ Nil ) against Facility C as per the terms of the Framework Facilities Agreement with ABARC.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

- iii) Facility A NCD aggregating to ₹ 68,625 lakhs (31 March 2022: ₹ 124,625 lakhs ) is secured by way of:
- first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project subject to prior charge securing the bank guarantee / Letter of Credit facility (Non Fund based facility) up to ₹ 24,720 lakhs;
  - pledge of 2,104,649,446 (31 March 2022 : 2,104,649,446) equity shares of the Company held by RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited ("REL") and RR Infralands Private Limited through execution of a Deed of Pledge amongst REL, RR Infralands Private Limited (Pledgers), Company and Vistra (ITCL) India Limited (Formerly known as IL&FS Trust Company Limited); and
  - an exclusive first ranking charge over all the sponsors ICDs (RR Infralands Private Limited).
- iv) Facility B - Non-convertible debentures ('Facility B NCDs') amounting to ₹ 38,011.83 lakhs (31 March 2022: ₹ 57,404.29 lakhs) is secured by second ranking charge on all immovable and moveable assets, both present and future of Amravati project, subordinate to prior charge securing the continuing bank guarantee (Non Fund based facility), the Facility A NCDs. Further the Facility B NCD is secured by second ranking charge over all the sponsors ICDs (RR Infralands Private Limited) present and future and second ranking charge over pledge of shares as stated in para above, subordinate only to the charge securing the Facility A NCD.
- v) 0.001% Redeemable Preference Shares (RPS) are secured by pledge of 50,000 equity share invested in and inter corporate deposit given to Poena Power Development Limited.
- vi) Repayment schedule of loan facilities are as follows:
- Facility A- NCD - Repayable on May 15, 2023 (refer note ix below)
  - Facility B NCD - Repayable in bullet repayment of ₹ 37,229 lakhs in June 2023;
  - 0.001% RPS - Redeemable in bullet repayment of ₹ 25,000 lakhs in December 2023 (refer note viii below)
  - Loan Facility C - Repayable in bullet repayment of ₹ 36,752 lakhs in December 2025;
  - Elevated intercorporate deposit - Repayable in bullet repayment of ₹ 55,000 lakhs in December 2025.
  - Subordinate intercorporate deposit - Repayable in bullet repayment of ₹ 90,000 lakhs in December 2025.
  - Intercorporate deposit - Repayable in bullet repayment of ₹ 3,135 lakhs in January 2026;
  - 0.001% OCCRPS - Redeemable in bullet repayment of ₹ 37,692 lakhs upon completion of 7 years from the date of allotment and if OCCRPS are not redeemed, the same shall be convertible into Equity shares at the option of lenders.
- vii) The above mentioned loans from ABARC and Intercorporate deposits carry contractual rate of interest ranging from 0.001% p.a. to 20% p.a. over the life of the loan.
- viii) The Company, under the One Time Settlement scheme (OTS), had issued Redeemable Preference Shares (RPS) in December 2019 to the lenders of the Company, that had become redeemable on 27 December 2021. However, inspite of having sufficient cash and cash equivalent balance, the redemption of such RPS could not be done due to limitations as per the provisions of section 55(2) of the Act which state that such redemption is permissible only out of profits earned by the Company which are otherwise available for dividend, after adjusting the accumulated losses as read with section 123 of the Act, or out of the proceeds of a fresh issue of shares made for the purposes of such redemption. The Company has been in active discussions with the RPS holders to extend the time period for redemption of RPS and is confident that the tenure of such RPS shall get extended, following the defined process under the Act.
- ix) During current year, Aditya Birla ARC Limited ("ABARC") acting in its capacity as the trustee of ABARC-AST-002 Trust, the debenture holder, holding inter-alia 196,500 Non-Convertible Debentures of face value ₹ 100,000/- each (issued in December 2020), has amended certain terms and further, has granted further extension for redemption of the balance due (₹ 68,625 lakhs as on 31 March 2023), by a period of 45 days i.e. upto 15 May 2023. The Company is in process of availing a refinancing facility and is confident to repay the above mentioned debenture dues on or before due date.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

18 Lease liabilities	As at	As at	As at	As at
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Non-current		Current	
Lease liability (refer note no 51)	2,245.18	2,930.65	970.13	862.27
	<u>2,245.18</u>	<u>2,930.65</u>	<u>970.13</u>	<u>862.27</u>

19 Other financial liabilities	As at	As at
	31 March 2023	31 March 2022
	Non-current	
Security deposits received -office premises	115.75	123.20
	<u>115.75</u>	<u>123.20</u>

20 Provisions	As at	As at	As at	As at
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Non-current		Current	
<b>Provision for employee benefits (refer note 37)</b>				
Provision for compensated absences	181.18	201.36	39.92	32.26
Provision for gratuity	740.35	591.23	157.50	63.71
<b>Provision for others</b>				
Provision for compensation payable (i)	-	-	3,883.98	3,883.98
	<u>921.53</u>	<u>792.59</u>	<u>4,081.40</u>	<u>3,979.95</u>

(i) Provision for compensation due to availability below 80% of contracted capacity, as per terms of Power Purchase Agreement.

Movement in provision for others:	As at	As at
	31 March 2023	31 March 2022
<b>Compensation payable</b>		
<b>Opening balance</b>	3,883.98	3,883.98
Addition during the year	-	-
Adjusted during the year	-	-
<b>Closing balance</b>	<u>3,883.98</u>	<u>3,883.98</u>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 21 Deferred tax liabilities (net)

	As at 31 March 2023	As at 31 March 2022
	<b>Non-current</b>	
<b>Tax effect of items constituting deferred tax liabilities</b>		
Property, plant and equipment including right of use and intangible assets	103,562.87	99,905.68
Lease assets	122.37	179.11
	<b>103,685.24</b>	<b>100,084.79</b>
<b>Tax effect of items constituting deferred tax assets</b>		
Fair value adjustments of borrowings	14,604.99	5,715.22
Employee benefit obligations	281.62	223.64
Provision for impairment of assets	14,027.93	13,977.09
Lease equalisation reserve	23,411.54	24,703.46
Financial asset carried at fair value	22.47	-
Unabsorbed depreciation and brought forward business losses	49,300.15	55,465.38
	<b>101,648.70</b>	<b>100,084.79</b>
	<b>2,036.54</b>	<b>-</b>

Movement in deferred tax liabilities (net)	As at 01 April 2022	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2023
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment including ROU and intangible assets	99,905.68	3,657.19	-	103,562.87
Lease assets	179.11	(56.74)	-	122.37
	<b>100,084.79</b>	<b>3,600.45</b>	-	<b>103,685.24</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Fair value adjustments of borrowings	5,715.22	8,889.77	-	14,604.99
Employee benefit obligations	223.64	27.42	30.56	281.62
Provision for impairment of assets	13,977.09	50.84	-	14,027.93
Lease equalization reserve	24,703.46	(1,291.92)	-	23,411.54
Financial asset carried at fair value	-	22.47	-	22.47
Unabsorbed depreciation and brought forward business losses	55,465.38	(6,134.67)	(30.56)	49,300.15
	<b>100,084.79</b>	<b>1,563.91</b>	-	<b>101,648.70</b>
<b>Deferred tax liabilities (net)</b>	<b>-</b>	<b>2,036.54</b>	<b>-</b>	<b>2,036.54</b>



## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

Movement in deferred tax liabilities (net)	As at 01 April 2021	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2022
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment including ROU and intangible assets	95,161.43	4,744.25	-	99,905.68
Lease assets		179.11	-	179.11
Fair value adjustments of borrowings	1,532.42	(1,532.42)	-	-
	<b>96,693.85</b>	<b>3,390.94</b>	-	<b>100,084.79</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Fair value adjustments of borrowings	-	5,715.22	-	5,715.22
Employee benefit obligations	208.02	0.67	14.95	223.64
Provision for impairment of assets	14,505.62	(528.53)	-	13,977.09
Lease equalization reserve	26,056.11	(1,352.65)	-	24,703.46
Unabsorbed depreciation and brought forward business losses*	55,924.10	(443.77)	(14.95)	55,465.38
	<b>96,693.85</b>	<b>3,390.94</b>	-	<b>100,084.79</b>
<b>Deferred tax liabilities(net)</b>	-	-	-	-

\*Upto the previous year in the absence of reasonable certainty of availability of sufficient taxable profits, the Company had restricted the recognition of deferred tax asset on unabsorbed depreciation and brought forward business losses to the extent of the deferred tax liability.

### 22 Other non-current liabilities

	As at 31 March 2023	As at 31 March 2022
Lease equalisation reserve (refer note no 51)	87,612.12	92,737.77
Deferred income	11.71	13.60
	<b>87,623.83</b>	<b>92,751.37</b>

### 23 Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises (refer note 57)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	12,874.16	8,697.01
	<b>12,874.16</b>	<b>8,697.01</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### Trade payable ageing schedule :-

Particulars	Year	Outstanding for following periods from due date of payment					
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Due to MSME	2022-23	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-
Due to Others	2022-23	3,371.61	8,373.83	636.42	150.12	342.18	<b>12,874.16</b>
	2021-22	3,568.44	4,356.48	156.21	44.43	571.45	<b>8,697.01</b>
Disputed dues to MSME	2022-23	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-
Disputed dues to others	2022-23	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-
<b>Total</b>	<b>2022-23</b>	<b>3,371.61</b>	<b>8,373.83</b>	<b>636.42</b>	<b>150.12</b>	<b>342.18</b>	<b>12,874.16</b>
	<b>2021-22</b>	<b>3,568.44</b>	<b>4,356.48</b>	<b>156.21</b>	<b>44.43</b>	<b>571.45</b>	<b>8,697.01</b>

### 24 Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on		
Loans	26,576.89	10,873.61
Inter corporate deposits*	-	7,178.26
Retention payables	19,046.92	18,895.73
Other financial liabilities	4,518.26	3,692.36
Capital creditors	343.63	228.21
Security and earnest money deposits from customers	33.75	28.75
	<b>50,519.45</b>	<b>40,896.92</b>

\*As per terms of Framework Facilities Agreement, no interest shall accrue on Inter corporate deposits prior to their maturity or repayment. The Company has accounted for Interest expense on such intercorporate deposits in accordance with applicable Ind AS.

### 25 Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Statutory dues	244.22	219.07
Lease equalisation reserve	5,383.21	5,395.47
Other payables	60.32	84.45
	<b>5,687.75</b>	<b>5,698.99</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

26 Revenue from operations	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operation of power plant	251,704.85	251,308.59
Income from embedded lease of power plant	71,411.50	74,643.27
	<b><u>323,116.35</u></b>	<b><u>325,951.86</u></b>

### Revenue from contract with customers

#### Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>(A) Revenue from contracts with customers</b>		
Based on nature of goods/services		
Sale of electricity units generated and allied services	323,116.35	325,951.86
	<b><u>323,116.35</u></b>	<b><u>325,951.86</u></b>

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Receivables</b>		
Trade receivables	214,369.30	221,240.77
Unbilled revenue for passage of time	34,825.73	29,655.65
Less : Allowances for doubtful debts	-	-
<b>Total receivables (a)</b>	<b><u>249,195.03</u></b>	<b><u>250,896.42</u></b>
<b>Contract assets</b>		
Billed during the year	-	-
<b>Total contract assets (b)</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Contract liabilities</b>		
Recognized as revenue during the year	-	-
<b>Total contract liabilities (c)</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total (a+b-c)</b>	<b><u>249,195.03</u></b>	<b><u>250,896.42</u></b>

The Company's contracts with customers for the sale of electricity generally include one performance obligation. Revenue from sale of power is recognized net of cash discount over time for each unit of electricity delivered at the contracted rate.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs 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. A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs obligations under the contract.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue as per contract	323,116.35	325,951.86
Adjustments:		
Cash rebate	-	-
Other adjustments	-	-
<b>Revenue from contract with customers</b>	<b>323,116.35</b>	<b>325,951.86</b>

### Transaction price - remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize 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 till the reporting period.

## 27 Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Interest on</b>		
Bank deposits at amortised cost	1,165.90	1,238.09
Security deposits	64.69	34.43
Inter corporate deposits	2,566.27	3,052.61
Overdue trade receivables	30,692.76	24,890.87
Income tax refund	122.72	27.72
Others	76.91	25.28
	<b>34,689.25</b>	<b>29,269.00</b>
<b>Other income</b>		
Profit on sale of investments measured at FVTPL	37.47	5.31
Liabilities and provisions written back	140.62	5.18
Gain on foreign currency transactions	-	54.60
Gain on modification of financial liability	-	5,360.31
Miscellaneous income	129.74	627.87
	<b>307.83</b>	<b>6,053.27</b>
	<b>34,997.08</b>	<b>35,322.27</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

28 Cost of fuel, power and water consumed	For the year ended 31 March 2023	For the year ended 31 March 2022
Coal consumed	218,309.66	221,067.23
Electricity consumed	106.92	97.51
Water consumed	2,598.59	1,983.01
Others	2,015.08	1,663.21
	<b><u>223,030.25</u></b>	<b><u>224,810.96</u></b>

29 Employee benefits expense	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	5,231.04	4,634.69
Contribution to provident and other funds	88.85	81.22
Provision for gratuity and compensated absences	169.05	159.89
Staff welfare expenses	71.16	46.36
	<b><u>5,560.10</u></b>	<b><u>4,922.16</u></b>

30 Finance costs	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Interest on</b>		
Facility A - Non-convertible debentures	12,590.36	19,876.04
Facility B -Non-convertible debentures	5,434.32	8,240.16
Loan Facility C	7,128.70	6,218.57
Other financial instruments	2,572.05	2,877.56
Inter corporate deposits	22,963.14	20,008.35
Lease liability	421.37	272.78
Others	0.38	2.65
<b>Other finance costs</b>		
Loan processing fees	441.08	118.00
Bank guarantee charges	1,785.47	974.48
	<b><u>53,336.87</u></b>	<b><u>58,588.59</u></b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 31 Depreciation and amortisation expense

#### Depreciation on

Property, plant and equipment

#### Amortisation on

Right of use assets

Intangible assets

	For the year ended 31 March 2023	For the year ended 31 March 2022
Property, plant and equipment	21,527.73	22,367.11
Right of use assets	670.00	296.27
Intangible assets	9.38	7.66
	<b>22,207.11</b>	<b>22,671.04</b>

### 32 Other expenses

Rent (refer note no 51)

Rates and taxes

Legal and professional charges\*

Communication

Printing and stationery

Travelling and conveyance

Operation and maintenance expenses

Insurance expenses

Repairs and maintenance :

Office

Vehicles

Others

Security expenses

Bank Charges

Provision for impairment and investment written off

Directors' sitting fees

Loss on foreign currency transactions

Fly ash disposal expenses

Miscellaneous expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent (refer note no 51)	77.20	227.64
Rates and taxes	623.71	458.37
Legal and professional charges*	2,631.01	2,063.53
Communication	43.48	25.32
Printing and stationery	13.49	10.35
Travelling and conveyance	235.67	142.63
Operation and maintenance expenses	7,114.97	7,139.27
Insurance expenses	937.61	983.49
Repairs and maintenance :		
Office	256.21	144.51
Vehicles	24.36	22.64
Others	32.89	186.47
Security expenses	694.78	477.86
Bank Charges	38.37	3.76
Provision for impairment and investment written off	2,768.49	2,179.08
Directors' sitting fees	13.45	-
Loss on foreign currency transactions	220.30	-
Fly ash disposal expenses	2,698.20	1,186.54
Miscellaneous expenses	253.28	216.31
	<b>18,677.47</b>	<b>15,467.77</b>
*Includes remuneration to auditors as follows (excluding applicable taxes):		
As auditors - Statutory audit and limited reviews	63.00	53.00
	<b>63.00</b>	<b>53.00</b>

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### 33 Details of contingent liabilities, pending litigations and other matters:

#### A. Claims against the Company not acknowledged as debt:

- 1 The Water Resource Department of the Government of Maharashtra ('WRD' or "Respondent") vide their letter dated 29 January 2013 had raised a demand of ₹ 23,218 lakhs on the Company for payment of irrigation restoration charges (IRC) at the rate of ₹ 1 lakh per hectare as per Government Resolution (GR) dated 6 March 2009, which was contrary to the Water Resources Department, Government of Maharashtra's circular dated 21 February 2004 that stated the rate to be ₹ 0.50 lakh per hectare. The Company had paid ₹ 11,657 lakh (calculated at ₹ 0.50 lakh per hectare) and had filed a Writ Petition before the Hon'ble Bombay High Court on 13 February 2013, challenging the validity of demand so raised by WRD. The Mumbai bench of Hon'ble Bombay High Court vide its order dated 3 August 2015 transferred the matter to Nagpur Bench. The Nagpur Bench vide its order dated 5 May 2016 had partly allowed the petition and held that demand at revised rate i.e. as per GR dated 6 March 2009 was illegal and unsustainable. As per Nagpur Bench order, the rate prescribed in the GR dated 6 March 2009 was applicable prospectively from 1 April 2009 and was not applicable in Company's case since the water allocation had already been finalized on 12 December 2007.

Pursuant to above order, Maharashtra State Government had filed a Special Leave Petition ("SLP") before the Hon'ble Supreme Court of India (SC). The Hon'ble SC vide its order dated 13 January 2023 held that the agreement executed between the Company and WRD stipulating irrigation restoration charge at the rate of ₹ One lakh per hectare was erroneously given credence over the erstwhile Government circular dated 21 February 2004 that prescribed the rate of ₹ 0.50 lakh per hectare for use of water for industrial purposes, which was otherwise reserved for irrigation of agricultural land. In the said order, the SC also erroneously held that the Company had protested for first time in 2011 which was contrary to the fact that the Company had been protesting the proposed IRC levy at the rate of ₹ One lakh per hectare since 2008 and further, erroneously relied on 2009 Notification, wherein IRC was notified at ₹ One lakh per hectare for the very first time. Aggrieved of the SC order, the Company has filed a Review petition before the SC bench on 12 February 2023, that is currently pending disposal.

The management basis inputs from internal and external legal experts believes that the Company has strong chances of favourable order in the pending Review Petition, on merits as there are errors on face of the record in the SC Judgment as narrated above and further, has assessed that likelihood of any liability devolving upon the Company in respect of the said matter is not probable and accordingly, no adjustment is currently required in these standalone financial statements.

- 2 During the previous year, the Company had filed writ petition before Hon'ble Delhi High Court ('Delhi HC') and had sought relief and direction to Ministry of Power and Ministry of Coal as well as Western Coalfields Limited ('WCL') and Mahanadi Coalfields Limited ('MCL'), the subsidiaries of Coal India Limited, for returning of Bank Guarantees issued pursuant to Letter of Assurance (LoA), as the Fuel Supply Agreement (FSA) against this LoA was not materialized and Company has not utilized this for any coal supply to the plant. Subsequently during the quarter ended 30 June 2022, Company had received letters from WCL & MCL informing cancellation of LOA and invocation of bank guarantee amounting to ₹ 54.96 crore. The Company had filed an application of stay before Delhi HC and in response thereto, the Delhi HC had directed WCL & MCL not to take any coercive action pursuant to their letters. The Company based upon inputs from legal experts believes that it has a strong case and accordingly, no provision is considered necessary in these standalone financial statements at this stage.
- 3 During the year ended 2010-11, the Company entered into a contract with Bharat Heavy Electrical Limited ('BHEL') for erection and supply of certain material for phase II of its power project at Amravati. Subsequent to this contract, BHEL supplied certain materials which were not warranted at that time and there were various communications made by the Company with BHEL to take out such materials from the site. Against this, BHEL initiated arbitration proceeding against the Company, alleging the payment outstanding against the Company in respect of the materials so supplied by them. The Hon'ble High Court also disposed off the petition upon the instruction to the parties that petition before Hon'ble High Court be treated as an application under Section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal. Subsequent to this, BHEL filed the following applications on 14 April 2016 with Arbitral Tribunal:
  - a. Application under Section 17 of the Arbitration and Conciliation Act, 1996 seeking an interim prayer of release of bank guarantees.
  - b. Application seeking amendment of the Claim petition.
  - c. Application under Section 31(6) of the Arbitration and Conciliation Act, 1996 seeking an interim award on the basis of admissions.

On BHEL's application for seeking interim award based on admissions, the Tribunal had heard the arguments of both

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)



BHEL and the Company and the Tribunal had passed an interim award of ₹ 11,500 lakh against the Company vide its order dated 27 July 2017. Cross examination of Claimant's Witness is ongoing. The matter is now fixed for further examination of respondent's witness on 19 June 2023.

The Company had filed an appeal against the above interim award on 16 October 2017 before the Hon'ble High Court. The matter is now listed for arguments, the next date of hearing in the matter is 16 May 2023. The pecuniary risk involved in the present case cannot be quantified. The Company is confident that the matter will be disposed off in their favour.

A Petition has also been filed by BHEL praying the Hon'ble High Court to issue warrants of attachment/ or auction sale of immovable and movable assets of the Company for realizing the amount payable/due as per the Interim award dated 27 July 2017. The matter is now listed for Arguments. The next date of hearing in the matter is 16 May 2023.

- 4 Arbitration Proceedings had been initiated by Larsen and Toubro Ltd (L&T) against the Company in relation to the supply and service contracts for Electrical Balance of Plant (EBOP) with respect to 5X270 MW Thermal Power Plant, Amravati. Preliminary hearing in respect of the matter was held on 08 June 2020 whereby schedule of the arbitration proceedings has been fixed by the Arbitral Tribunal (AT). Pleadings are complete in the matter. Present proceedings are adjourned sine dine with liberty to the parties to have the same revived as and when considered appropriate vide AT's order dated 16 October 2021. Application for reviving the present proceedings has been filed by L&T, reply has been filed by the Company. Arguments on the application have concluded and the Tribunal has permitted the Petitioner in reviving the petition qua RPL. A fresh discovery application was filed by the Petitioner and reply filed by the Company. The parties have been directed to file their Affidavit of Evidence. The next date of hearing in matter is 24 May 2023 to 31 May 2023.
- 5 Arbitration Proceedings had been initiated by Larsen and Toubro Ltd Ltd (L&T) against the Company in relation to supply and service contract with respect to the Coal Handling plant (CHP) of 2x1600 TPH capacity for 5x270 MW TPP, Amravati. Preliminary hearing in respect of the matter was held on 17 June 2020 whereby schedule of the arbitration proceeding has been fixed by the Arbitral Tribunal. An Application for inspection and production of documents had been filed by Larsen and Toubro Ltd (L&T). Reply has also been filed and arguments have been heard. the Arbitral Tribunal Vide order dated on 28 March 2022, has rejected all the contentions of Larsen and Toubro Ltd (L&T) except granting inspection of original invoices by Larsen and Toubro Ltd (L&T). Inspection of documents has been completed. Issues have been framed by the Tribunal and affidavit of evidence to be filed by the parties. The next date of hearing is to be notified.
- 6 Arbitration Proceedings had been initiated by M/s. Shapoorji Pallonji & Co. Pvt. Ltd (SPCL) against the Company in relation to the supply and service contracts for Civil Works) with respect to 5X270 MW Thermal Power Plant, Amravati. The next date of hearing in the matter is 05 May 2023 for arguments on the application for production of documents filed by SPCL and reply thereto by the Company.
- 7 An application under Section 9 of Insolvency and Bankruptcy Code was filed by M/s. Shapoorji Pallonji & Co. Pvt. Ltd. against the Company to initiate Corporate Insolvency Resolution process under the code before National Company Law Tribunal, New Delhi. The matter has been heard. Arguments are complete. The Hon'ble Tribunal has vide order dated 16 November 2022 dismissed the petition filed by Shapoorji. Shapoorji has filed an appeal against the said order before the Hon'ble National Company Law Appellate Tribunal. The Company is in the process of filing its reply. Next date of hearing is 16 May 2023.
- 8 The Company has preferred writ petition before Hon'ble Delhi High Court against UOI & South Eastern Coal Limited (SECL) for wrongfully charging and recovering GST on penalty amount under fuel supply agreement. Pleadings are yet to be completed in the matter. The next date of hearing in this matter is 26 May 2023.
- 9 Techno Industries invoked arbitration against the Company pertaining to a Letter of Award for construction of Lifts and Elevators at Thermal Power Project, Phase I, Amravati. Pursuant to a section 11 petition being allowed by the Hon'ble High Court of Delhi, Ramesh Singh, Advocate was appointed by the Sole Arbitrator. The Statement of Claim has been filed by Techno Industries and the Statement of Defence has also been filed. Rejoinder has also been filed. Issues framed, affidavit of evidence filed. The matter is listed for respondents' cross-examination and next date of hearing is 05 May 2023.
- 10 Ion Exchange India Limited was provided the contract for sewage water treatment plant. As a result of few disputed payments Ion Exchange India Limited invoked arbitration against the Company pertaining to a contract entered in June 2012 for supply, storage, handling, erection and commissioning services and for civil and structural works of Sewage and waste Water management system of 1350 (5 x 270) MW Thermal Power Project, Phase I, Amravati, Maharashtra.



## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

Additionally, Ion Exchange India Limited also approached the Hon'ble High Court of Delhi for appointment of arbitrators (Section 11) through an application being Arbitration Petition 209/2021. The Hon'ble High Court of Delhi vide its order dated 10 November 2021 appointed Retd. ADJ Lal Singh to adjudicate the dispute between the parties. Preliminary hearing was conducted and the schedule for Arbitration was fixed. The Company had challenged the appointment of the arbitral tribunal (Section 16) by filing an application stating that the present arbitral tribunal has no jurisdiction to entertain the matter as there was no contract between Ion Exchange and the Company. Ion Exchange has been directed to file a reply to the Section 16 application filed by the Company. The next date of hearing in this matter is 12 May 2022. Reply has been filed by Ion Exchange. Cross examination of Claimant's Witness concluded. Respondent to file its evidence affidavit. Cross-examination of Respondent's Witness to commence on the next date of hearing i.e. 17 May 2023.

- 11 Directorate General of GST Intelligence, Mumbai issued show cause notice demanding Service-tax of ₹ 757.01 lakh on irrigation restoration charges paid to Water Resource Department of Maharashtra Government under reverse charge mechanism. Further the Principal Commissioner of Goods & Service Tax, Delhi had also confirmed above demand along with penalty vide its order dated 10 December 2020. Aggrieved off the above order, the Company had filed a writ petition before the Hon'ble Bombay High Court on 15 March 2021 and Court vide order dated 13 March 2023 has dismissed the petition and has allowed the Company to file appeal before Customs, Excise and Service Tax Appellate Tribunal. Subsequently, the Company has filed appeal before with Tribunal on 10 April 2023, that is pending disposal.
- 12 An application had been filed by Vintech under provisions of section 18(1) of (delayed payment) of the MSMED Act, 2006 seeking a claim against invoices raised on RPL pursuant to work order relating to annual maintenance work contract of lighting, cabling and 33kv transmission line at thermal power plant, Amravati. RPL has filed its reply as well as statement of accounts with documents. Next date of hearing is yet to be intimated.
- 13 Value Line invoked arbitration against the Company pertaining to a contract entered into in April, 2015 between the parties for interior fit-out works for the office. Pursuant to that Value Line filed section 11 petition before the High Court of Delhi vide Arb. Pet. 844 of 2019, In Arb. Pet. 844 of 2019, the Hon'ble High Court of Delhi vide order dated 17 December 2019 appointed Sole-arbitrator to adjudicate the dispute and defences between the parties. Preliminary Hearing was held on 06 February 2020, wherein schedule of the arbitration was decided. Cross examination of Claimant's witness has already commenced. The next date of hearing is 17 May 2023.
- 14 During the financial year 2015-16, Tahsildar of Amravati vide its order dated 24 February 2016 had directed the Company to deposit the amount of ₹ 400 lakh towards payment of royalty for using the minor minerals excavated during the construction of the power plant of the Company and utilized in the embankment work of railway line on the plot of Maharashtra Industrial Development Corporation Limited ("MIDC") allotted to the Company. The Company filed a writ petition before the Nagpur bench of Hon'ble Bombay High Court against the order passed by Tahsildar. The Hon'ble Court vide its Order dated 15 December 2016 had issued a stay in the matter. The next date of hearing in the matter is to be intimated.
- 15 A vendor had under taken work for supply, plantation and maintenance of 100,000 trees at the Company's power plant pursuant to work order dated 25 May 2012. The Company terminated the contract vide letter dated 6 February 2014 due to unsatisfactory performance and also claimed liquidated damages from the vendor. On termination of contract by the Company, vendor alleged that the contract was wrongly terminated by the Company, only to avoid outstanding payment. The vendor had filed a Civil Suit on 03 December 2015 before Civil Judge Senior Division, Amravati claiming ₹ 116.25 Lakhs and court fees of ₹ 1.54 Lakh against the work done. The Company had filed an application under section 8 of the Arbitration and conciliation Act for the dismissal of the suit. The matter is now listed for framing of issues on 04 July 2023.
- 16 Becquerel Industries Private Limited had filed a suit for recovery of ₹ 20.73 lakh against M/s Preeti Engineering before Civil Court at Nagpur on 15 April 2015 alleging that their dues are pending against M/s Preeti Engineering to whom the Non-Distractive Testing work had been sublet by M/s Brothers Engineering. The work to M/s Brothers Engineering was subcontracted by BHEL to whom contract was awarded by the Company. The summons were serviced to M/s Preeti Engineering, M/s Bothers Engineering, BHEL and the Company. The Company had filed its reply. The matter is now listed for hearing on 21 June 2023.
- 17 A Suo Moto Public Interest Litigation ('PIL') has been registered before Hon'ble Bombay High Court on 27 August 2014 with regard to the occupation hazards of the employees working in various thermal power plant stations in the country. The Company (due to its plant at Amravati) had been made a party in the said PIL. The Company had filed its reply before Bombay High Court. The Hon'ble High Court has appointed one committee for regular review of the situation in Thermal Power Plants in the state. The next date of hearing in the matter is to be intimated.

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of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)



18 The Company had developed a railway line track and constructed a boundary wall around the railway yard and power plant at Amravati on the land allotted to the Company by Maharashtra Industrial Development Corporation Limited. In this respect, Mr. Keshav Puranlal Bundele and others ('Plaintiffs') alleged that the approach road to their land has been obstructed and they are unable to access their land for cultivation and claimed damages to the tune of ₹ 5 lakhs. A suit for seeking declaration/ injunction for right of way was filed before the Civil Judge, Senior Division, Amravati by the Plaintiffs against the Company during the year 2015-16. The Company denied the allegations in its written statement and is contesting the suit and the Hon'ble Court also declined the prayer of the Plaintiffs for grant of temporary injunction.

The Plaintiffs then filed a civil appeal with regard to this matter against the Court's order of declining the prayer of the Plaintiffs for grant of temporary injunction. The matter is now listed for bringing on record the legal heirs of Keshav Puranlal Bundele due to the demise of Keshav Puranlal Bundele. The application for appointment of Court Commissioner was allowed by Hon'ble Court. The Court Commissioner has completed the spot inspection and matter is now fixed for Court Commissioner's Report on 17 June 2023.

The management basis inputs from legal experts has assessed that likelihood of any liability devolving upon the Company in respect of the above matters is not probable and accordingly, no adjustment is currently required in these standalone financial statements.

### B. Contingent liabilities of demand pending under the Income-tax Act, 1961:-

#### Under the Income-tax Act, 1961

- 1 For AY 2012-13 to AY 2017-18, the Honourable Income- tax Appellate Tribunal ('ITAT' or 'Tribunal') in its order dated 5 May 2021 decided the matter related to certain disallowances/addition aggregating to ₹ 83,530 Lakhs, in favour of the Company. However, on accessing the Honourable High Court of Mumbai portal, the Company noted that 6 appeals have been filed by the department against the ITAT Order, which are yet to be admitted by the HC. Currently, the Company has not received any notice in this regard.
- 2 For AY 2018-19, in response to the appeal filed by the Department against the order of CIT (Appeals) in relation to certain disallowance/additions aggregating to ₹ 3,366.00 lakhs, the Honourable Tribunal in its order dated 21 March 2023 has decided the matter in Company's favour, subject to the calculation/checking of additions as per the provisions of section 115JB of the Income- tax Act, 1961, by the Assessing Officer, which is currently pending disposal.
- 3 For AY 2019-20, the Company has filed rectification application under section 154 against intimation u/s 143(1) of the Income Tax Act, 1961 for certain additions/ disallowances aggregating to ₹ 284.35 Lakhs and resultant tax demand of ₹ 44.69 lakhs, which is currently pending disposal.
- 4 For AY 2020-21, the Company has filed an appeal before CIT(Appeals) against intimation under section 143(1) of the Income Tax Act, 1961, challenging the additions/ disallowances aggregating to ₹ 12,300 Lakhs that decreased the returned loss, which is currently pending disposal. Further, the Company has also filed a rectification application under section 154, against the aforementioned intimation, which is also pending disposal.

The management basis inputs from experts has assessed that likelihood of any liability devolving upon the Company in respect of the above matters is not probable and accordingly, no adjustment is currently required in these standalone financial statements.

### C. Claims filed by the Company :

- 1 The Company is supplying power to Maharashtra State Electricity Distribution Company Limited (MSEDCL) based on two power purchase agreements (PPAs) for supply of 1200 MW (450 MW + 750 MW respectively) of power for the period of 25 years. The PPAs were executed based on the fuel supply agreement (FSA) which provided that domestic coal linkages would be available to meet the fuel requirements. However, adequate coal supply was not made available which adversely impacted cost as Company had to source fuel from alternate sources to meet the shortfall of coal supplied under FSA with coal supplier. The Cabinet Committee of Economic Affairs (CCEA) approved mechanism where after Ministry of Coal amended the National Coal Distribution Policy (NCDP) and communicated its decision to allow pass through of the incremental cost of procuring coal from alternative sources to meet the shortfall in supply of domestic coal under coal linkage.

The Company filed a petition before Maharashtra Electricity Regulatory Commission ('MERC' or 'the Commission') in year 2013 for realizing the shortfall in supply under NCDP. MERC vide its Order on 15 July 2014 and 20 August 2014 laid down methodology to recover compensatory fuel charges.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

On 28 August 2014, the Company filed a review petition before MERC against the Orders dated 15 July 2014 as well as Order dated 20 August 2014 and MSEDCL further filed review petition against the Orders of MERC dated 20 August 2014. The review petition filed by MSEDCL got dismissed vide Order dated 16 July 2015 and the review petition filed by the Company also got dismissed vide Order dated 30 October 2015.

As at the balance sheet date, the Company has accounted such claims in the books of accounts aggregating to ₹ 30,890.74 lakh and related carrying cost & late payment surcharge thereon.

The Company then filed appeals before Appellate Tribunal for Electricity (APTEL) against Orders dated 15 July 2014, 20 August 2014 and 30 October 2015. The said appeals were disposed off by the Hon'ble Tribunal on 4 May 2017, remanding the matters to the Maharashtra Electricity Regulation Commission ('MERC') for fresh adjudication in the light of the direction of the Hon'ble Supreme Court in case of Energy Watchdog and Ors. v/s CERC and Ors. Dated 11 April 2017. MERC heard the matter on 15 November 2017 and reserved its Order. On 3 April 2018, MERC had passed the said Order, whereby MERC principally held that the Company is entitled to compensation and a methodology to recover compensatory fuel charges has been laid down. The Company filed an appeal before the Hon'ble APTEL vide appeal no. 264 of 2018 against the Ld. MERC order dated 03 April 2018. The appeal was disposed off vide order dated 13 November 2020 in which prayer of the Company was allowed and matter was remanded to Ld. MERC for computation. Subsequently, the Company had filed remand petition vide Case No. 240 of 2020 before Ld. MERC. MERC pronounced the order on 16 November 2021 directing Company to submit Supplementary invoice after making changes as suggested in the order and MSEDCL to make the payment within due date. Accordingly, the Company recomputed its Change in Law claims and submitted Supplementary invoice to MSEDCL. The Company had filed Impleadment Application in Case No 240/2021 praying MERC for directing MSEDCL to release 75% payment as interim measure, which was also dismissed by MERC stating matter is sub-judiced before Hon'ble Supreme Court in Civil Appeal No. 1805/2021 and directed to follow Hon'ble Supreme Court Order. Hon'ble Supreme Court vide its hearing dated 14 February 2022 directed MSEDCL to pay 50% of total claimed amount. The matter was listed before the Hon'ble Supreme Court and written submissions were filed. The matter was referred to the Hon'ble Chief Justice's court and thereafter tagged with case (C.A.No.4143/2020). SC has dismissed the Appeal No. 1805/2021 filed by MSEDCL.

- 2 There has been an increase in cost of power generation owing to increase in various statutory taxes, duties, levies, cess, surcharge etc. Based on various judgement from CERC involving similar situations, management had concluded that these charges are recoverable from MSEDCL under "Change in Law" clause of PPA. The Company filed a petition with MERC on 15 June 2016 claiming approval of additional components of costs under change in law. MERC had issued order dated 5 April 2018 in this respect. The Company has filed an appeal vide Appeal No. 263 of 2018 against the order dated 05 April 2018 before the Hon'ble Appellate Tribunal for Electricity ("APTEL") on 06 June 2018. APTEL had remanded the matter to Hon'ble Commission for quantification of amount payable to generator and pass consequential Order. MERC vide order dated 06 February 2023 has partly allowed the petition of the Company. Aggrieved by the said order, MSEDCL has filed a Review Petition before the MERC. Date of hearing in the matter is to be intimated. An appeal has also been filed by the Company against the order dated 06 February 2023 before APTEL. Date of hearing in the matter is to be intimated.
- 3 The Company operates a 1350 MW (5x270 MW) coal based power plant located at Nandgaonpeth, Amravati district in the state of Maharashtra. At the time of commissioning, the performance guarantee test conducted by BHEL noted that the maximum generation at rated capacity was upto 277.8MW (in non VWO mode), which corresponds to ex-bus capacity upto 252 MW. This was further corroborated by the CPRI report. In view of above, the Company requested MSLDC to increase the ex-bus export capacity for all five units from 252MW to 258 MW, however MSLDC rejected the Company's request, accordingly the Company filed petition vide Case No. 59 of 2018 before the Ld. MERC under Sections 32, 33 and 86 of The Electricity Act, 2003 read with the Maharashtra Electricity Regulatory Commission (State Grid Code) Regulations, 2006. The matter was heard by MERC on 3 October 2018 and had reserved its order. The Ld. MERC has dismissed the Case No. 59 of 2018 vide Order dated 23 October 2018. RPL has preferred an appeal against the impugned order of the Ld. MERC before the Hon'ble Appellate Tribunal of Electricity vide Appeal No. 35 of 2019. Appeal has been admitted by the Hon'ble APTEL and pleadings have to be completed. Subsequently, RPL has filed application for seeking directions against BHEL for conducting Performance Test. The Hon'ble Tribunal vide order dated 18 December 2019 directed BHEL to give test report. However, BHEL has filed review petition against the said order vide RP 04 of 2020. Pleadings are completed. The next date of hearing is to be intimated.
- 4 Due to low dispatch of power schedule by MSEDCL, SECL had imposed penalty on account of non-procurement of minimum quantity of fuel by Company under the FSA. The Company had filed a petition vide Case No. 146 of 2018 before the Ld. MERC under Section 86 of the Electricity Act, 2003 seeking compensation from MSEDCL for penalty of

## Notes to the Standalone Financial Statements (Contd.)

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₹ 3,976.79 lakhs in accordance with Clause 4.5 of Schedule 4 of the PPA between the Company and MSEDCL. The Ld. MERC heard the matter on 3 October 2018 and had reserved its order. The Ld. MERC disposed off the matter vide order dated 23 October 2018. RPL has filed an appeal before the Appellate Tribunal of Electricity vide Appeal No. 41 of 2019. Notice has been issued in the said Appeal and pleadings are completed. MSEDCL was directed to file dispatch schedule given to the Company in 2016-17. The next date of hearing is to be intimated.

- 5 The Company has filed an Appeal no. 118 of 2021 before Hon'ble Appellate Tribunal (APTEL) challenging the Order passed by Hon'ble Ld. Maharashtra Electricity Regulatory Commission ("MERC") wherein Ld. MERC held that levy of Evacuation Facility Charges levied by Coal India Limited does not constitute Change in Law event. Matter has been heard and APTEL vide its Order on 22 March 2022 directed MERC to determine the amount payable to the Company along with Carrying Cost to be calculated at LPS rate. MERC needs to pass fresh order considering APTEL direction within 2 months thereafter. The Company vide 76/MP/2022 filed case in MERC seeking direction from MERC to direct MSEDCL to release amount in accordance with APTEL Order dated 22 March 2022. MERC vide its Order dated 08 July 2022 directed MSEDCL to immediately pay undisputed amount as per provisions of PPA. MSEDCL has filed an appeal before the Hon'ble Supreme Court being CA 4089/2022 challenging APTEL's Order dated 22 March 2022 in App No. 118 of 2021 allowing levy of Evacuation Facility Charges by Coal India Ltd. as a Change in Law event. The Supreme Court heard the matter at length and appeal has been dismissed. EFC has been allowed as Change in Law by the Supreme Court vide order dated 20 April 2023.
- 6 The Company had filed an Appeal vide DFR 345/2021 before Appellate Tribunal of Electricity ("APTEL") under Section 111 of the Electricity Act, 2003 praying for setting aside the Order dated 28 July 2021 passed by Maharashtra Electricity Regulatory Commission ("MERC") in Case No 24 of 2017 insofar as the observation qua Company undertaking dated 05 April 2018. Pleadings are complete. The next date of hearing is to be intimated.
- 7 The Company had filed Writ Petition in Delhi High Court for quashing or setting aside the four Notifications dated 08 December 2017 passed by Central Electricity Regulatory Commission (CERC). The CERC vide the Impugned Notifications, has amended/revised the escalation rates for domestic coal chargeable by generating companies with retrospective effect going back as far the year 2012 up to 2014. Based on these amendments, tariff applicable during the period got changed and there was financial impact on the generators having Power Purchase Agreements with Discoms through Case-1 bidding route. The matter is listed for hearing on 25 August 2023.
- 8 MERC in Case No 26 of 2021 has passed an Order dated 11 October 2021 granting claim for Unit 1 along with LPS to the Company and rejecting claim towards Unit 4. MSEDCL has filed an appeal in APTEL vide DFR 429/2021 for stay on MERC Order in case No. 26 of 2021 . Next date of hearing is to be intimated. Further the Company has filed an Appeal challenging the MERC Order in Case 26 of 2021 against rejection of claims towards Unit 4. Matter is now listed for hearing on 12 May 2023.
- 9 The Company has filed claim with Joint DGFT, Mumbai amounting to ₹ 3,979 lakh during the year 2010-11 and onwards on account of deemed drawback for the material supplies for the construction of power plant at Amravati. Out of this, an amount of ₹ 637 lakh was processed and order for refund was issued during the financial year 2010-11. The said order was later withdrawn by the Joint DGFT vide its order dated 07 April 2011 due to clarification given by policy interpretation committee in its meeting no -10 on 15 March 2011. The Company has filed a writ petition on 01 September 2017 before Hon'ble Bombay High Court for recovery of deemed drawback of ₹ 370 lakh which is under process. Also, an appeal had been filed on 12 July 2016 before Hon'ble Supreme Court for ₹ 3,609 lakh which is also under process for final hearing.
- 10 The Company has filed an Appeal before Hon'ble Appellate Tribunal (APTEL) challenging the Order passed by Hon'ble Ld. Maharashtra Electricity Regulatory Commission ("MERC") wherein Ld. MERC had rejected the claim towards levy of Surface Transportation charges , Crushing /Sizing charges & Levy of Port Congestion Charges as Change in Law. Next date of hearing is yet to be notified.

The management basis inputs from legal experts has assessed that all the above are eligible claims as per terms of PPA entered with MSEDCL/ applicable regulations and the likelihood of favourable outcome in all the above matters is virtually certain.

### D. Other pending litigations :

- 1 The Company had taken a large risk insurance policy no 500300/11/14/06/00000170 for the period 01 June 2014 to 31 May 2015 for business interruption risk. The generator of unit -2 was damaged on 30 October 2014 and the Company informed United India Insurance Company Limited (UIICL) of the damage on 31 October 2014. During the period from

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

November 2014 to December 2017, despite complete cooperation by the company, the surveyor kept delaying the claim by asking for irrelevant documents and information. Vide letter dated 15 February 2018, UIICL repudiated the insurance claim. Through a detailed letter dated 11 June 2018, the Company strongly protested to UIICL against the wrongful repudiation of its claim, but to no avail.

On 04 October 2018, a complaint was filed by the Company against UIICL & another before National Consumer Disputes Redressal Commission, praying that-

- i) UIICL be held deficient in providing services to the Company and the repudiation of the claim be held as invalid as it was without any basis.
- ii) The claim amount along with Interest be paid to the Company, and it should also be compensated for harassment and mental agony as well as for the litigation costs.

Pleadings are complete in this matter. Respondent has to file the Affidavit of Evidence. An early hearing application was moved by the Company. Early hearing allowed, all pleadings were to be completed. Last opportunity has been given to the Respondent to file its affidavit of evidence. The next date of hearing in the matter is 25 September 2023.

- 2 The Company had filed a Writ Petition before the Hon'ble Bombay High Court (Nagpur Bench) seeking directions against Water Resources Department, Amravati to take decision on the request of the Company for the partial surrender of 27.60 million cubic metres of Water and the refund of proportionate amount of Irrigation Restoration Charges and Water Commitment Charges already paid for the year 2016-17. The Hon'ble Court vide its judgment dated 10 February 2023 partially allowed the Company's petition and held partial surrender will be treated as approved after deposit of balance irrigation restoration charges demanded at rate of ₹ One lakh per hectare, as per the Hon'ble Supreme Court of India order dated 13 January 2023, as already enumerated in Note 33(A)(1). The conclusion in the current matter is dependent on final outcome in the other matter.
- 3 A consumer complaint under Section 21 of the Consumer Protection Act, has been filed by the Company (Consumer Case No. 87/2021) against United India Insurance Company Limited before National Consumer Disputes Redressal Commission (NCDRC) praying for compensation in relation to damage of Generator of Unit 5. Matter has been admitted and notice has been issued to NCDRC. The next date of hearing in the matter is 24 August 2023.
- 4 A consumer complaint under Section 21 of the Consumer Protection Act, has been filed by the Company (Consumer Case no. 2/2022) against Tata AIG Insurance Co. before National Consumer Disputes Redressal Commission (NCDRC) praying for compensation in relation to damage of Generator of Unit 2. Matter has been admitted and notice has been issued to NCDRC. The next date of hearing in the matter is 25 July 2023.
- 5 The Company had paid ₹ 265 lakhs as GST under Reverse Charge on account of "Goods Transport Agency" (GTA) in case of one of the vendor. While the supply of services doesn't qualify as GTA, GST paid has become refundable. Accordingly, GST paid has been recorded as recoverable in the standalone financial statements and the Company is under process to prepare and file the refund claim with Department.

The Company is involved in various legal proceedings and other regulatory matters relating to conduct of its business. In respect of such claims, the Company believes that these claims do not constitute material litigation matters and with its meritorious defences, the ultimate disposition in these matters will not have material adverse effect on these standalone financial statements.

### E Others

The Company has provided commitment bank guarantees of ₹ 24,719.78 lakh (31 March 2022 : ₹ 24,657.78 lakh) which are secured by pledge on its fixed deposits of ₹ 5,195.30 lakh (31 March 2022 : ₹ 12,504.91 lakh) as margin for issuance of bank guarantees. Further, the Company has provided lien on its fixed deposit of ₹ NIL lakh (31 March 2022 : ₹ 341.47 lakh) as margin for issuance of a commitment bank guarantee of ₹ 5,903.79 lakh (31 March 2022: ₹ 5,903.79 lakh) on behalf of Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited) (STPL), a wholly owned subsidiary of the Company, to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for STPL's Nashik Thermal Power Project.

- 34 Estimated amount of contracts remaining to be executed on account of capital and other commitments towards the project not provided for: ₹ 31,201.30 lakhs (31 March 2022: ₹ 17,541.88 lakhs) – advances made there against ₹ 135.51 lakhs (31 March 2022: ₹ 425.54 lakhs).
- 35 The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette of India on 29 September 2020, which could impact the contributions of the Company towards certain employment benefits. Effective date from which changes

are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of change will be assessed and accounted for in the period of notification of relevant provisions.

## 36 Employee Stock Options Schemes

The Company has formulated ESOS/ ESOP schemes for applicable/ eligible employees. The schemes so formulated are also applicable to the eligible employees of its subsidiaries and of other Companies under common control with the Company. The subsidiaries have adopted the said schemes of the Company which are administered by a Compensation Committee constituted by the Board of Directors of the Company. The Company does not seek reimbursement of expenses from subsidiary companies for ESOP granted to employees of subsidiary companies.

### Stock Option Schemes of RattanIndia Power Limited ("RPL"):

#### RPL ESOP - 2008

On 10 January 2008 the erstwhile IPSL (Indiabulls Power Services Limited), had established the IPSL ESOS Plan, under which, IPSL was authorised to issue upto 20,000,000 equity settled options at an exercise price of ₹ 10 per option to eligible employees. Employees covered by the plan were granted an option to purchase equity shares of IPSL subject to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IPSL administered the plan. All these options were outstanding as at 1 April 2008.

Pursuant to a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956, duly approved by the Hon'ble High Court of Delhi at New Delhi vide its order dated 1 September 2008, IPSL was amalgamated with Sophia Power Company Limited ("SPCL"). With effect from the Appointed Date the IPSL ESOS Plan was terminated and in lieu, in terms of Clause 14 (c) of the Scheme of Amalgamation, SPCL – IPSL Employees Stock Option Plan - 2008 ("SPCL – IPSL ESOP - 2008") was established in SPCL for the outstanding, unvested options for the benefit of the erstwhile IPSL option holders, on terms and conditions not less favourable than those provided in the erstwhile IPSL ESOS Plan and taking into account the share exchange ratio i.e. one equity share of SPCL of face value ₹ 10 each for every one equity share of IPSL of face value ₹ 10 each. All the option holders under the IPSL ESOS Plan on the Effective Date were granted options under the SPCL – IPSL ESOP - 2008 in lieu of their cancelled options under the IPSL ESOS Plan. The SPCL – IPSL ESOP - 2008 was treated as a continuation of the IPSL ESOS Plan and all such options were treated outstanding from their respective date of grant under the IPSL ESOS Plan. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOP scheme SPCL - IPSL Employees' Stock Option Plan 2008 ("SPCL-IPSL ESOP 2008") was changed to RattanIndia Power Limited Employees' Stock Option Plan 2008 ("RPL ESOP 2008"). These options vest uniformly over a period of 15 years commencing one year after the date of grant.

#### RPL ESOS 2009

During the financial year ended 31 March 2010, the Company had established the "Indiabulls Power Limited Employees' Stock Option Scheme 2009" ("IPL ESOS 2009"). The Company had issued 20,000,000 equity settled options at an exercise price of ₹ 14 per option under the IPL ESOS 2009 to eligible employees which gave them the right to subscribe to stock options representing an equal number of equity shares of face value ₹ 10 each of RPL. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOS scheme IPL ESOS 2009 was changed to RattanIndia Power Limited Employees' Stock Option Scheme 2009 ("RPL ESOS 2009"). These options vest uniformly over a period of 15 years commencing one year after the date of grant.

#### RPL ESOS 2011

During the financial year ended 31 March 2012, the Company had established the "Indiabulls Power Limited Employee Stock Option Scheme -2011" ("IPL ESOS -2011"). The Company had issued 50,000,000 equity settled options at an exercise price of ₹ 12 per option equivalent to the fair market value of the equity shares of RPL on the date of grant of option under the IPL ESOS -2011 to the eligible employees of the Company which gave them the right to subscribe an equal number of equity shares of face value of ₹ 10 each of RPL. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOS scheme IPL ESOS 2011 was changed to RattanIndia Power Limited Employees' Stock Option Scheme 2011 ("RPL ESOS 2011"). These options vest uniformly over a period of 15 years commencing one year after the date of grant.

The Fair values of the options under the RPL ESOP – 2008, RPL ESOS 2009 and RPL ESOS 2011 using the binomial pricing model based on the following parameters, is Re. 1.00 per option for RPL ESOS 2009, as certified by an independent firm of Chartered Accountants. The fair value of the re-granted options under the RPL ESOP - 2008 plan is ₹ 1.58 per option and under RPL ESOS 2011 plan is ₹ 1.78 per option as certified by an independent firm of Chartered Accountants.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

Sr. No	Particulars	RPL ESOP 2008	RPL ESOS 2009	RPL ESOS 2011
		Grant on 10 January 2008	Grant on 4 July 2009	Grant on 7 October 2011
1	Exercise price (₹ per option)	₹ 10.00	₹ 14.00	₹ 12.00
2	Expected volatility	0%	0%	30.48%
3	Expected forfeiture percentage on each vesting date	5%	5%	0%
4	Expected dividend yield	8%	6.50%	16.67 % from 2014 onwards
5	Risk free rate of interest	8%	6.50%	8.12% to 8.72%
6	Vesting period*			

\*Varies from 10 to 15 years

Summary of options granted in respect of the RPL ESOP-2008 are as under:

Particulars	31 March 2023		31 March 2022	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	10	2,400	10	300,600
Options surrendered/ lapsed during the year	10	2,400	10	298,200
Closing balance	-	-	10	2,400
Vested and exercisable options	-	-	-	2,400

Summary of options granted in respect of the RPL ESOS 2009 are as under:

Particulars	31 March 2023		31 March 2022	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	14	20,400	14	75,200
Options surrendered/ lapsed during the year	14	20,400	14	54,800
Closing balance	-	-	14	20,400
Vested and exercisable options	-	-	-	20,400

Summary of options granted in respect of the RPL ESOS 2011 are as under:

Particulars	31 March 2023		31 March 2022	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	12	60,000	12	87,000
Options surrendered/ lapsed during the year	12	60,000	12	27,000
Closing balance	-	-	12	60,000
Vested and exercisable options	-	-	-	60,000

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 37 Employee benefits

#### Defined contribution:

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the Company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The Company has recognized in the statement of profit and loss an amount of ₹ 64.53 lakhs (31 March 2022: ₹ 54.84 lakhs) towards employer's contribution towards Provident Fund.

#### Defined benefits:

Gratuity scheme - This is an unfunded defined benefit plan and it entitles an employee, who has rendered at least 5 years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit/death as below.

- i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- ii) On death in service: As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period. Gratuity payable to employee in case (i) and (ii), as mentioned above, is computed as per the Payment of Gratuity Act, 1972 except that the Company does not have any limit on gratuity amount.

#### Other benefits:

Provision for unfunded compensated absences payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2023. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the statement of profit and loss/ capital work-in-progress, as applicable and as identified by the Management of the Company.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of gratuity and compensated absences and the amounts recognised in the financial statements for the year ended 31 March 2023 and 31 March 2022:

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Liability recognised in the balance sheet:</b>				
Present value of obligation as at the beginning of the year	654.95	609.73	233.62	216.80
Current service cost	101.59	77.77	44.32	35.42
Interest cost	54.60	44.83	18.92	15.94
Benefits paid	(34.71)	(136.78)	(25.39)	(20.47)
Actuarial (gains)/ losses and Remeasurement	121.42	59.40	(55.31)	(14.07)
Other adjustments			4.94	
<b>Present value of obligation at the end of the year (as per actuarial valuation)</b>	<b>897.85</b>	<b>654.95</b>	<b>221.10</b>	<b>233.62</b>
<b>Expenses during the year</b>				
Current service cost	101.59	77.77	49.26	35.42
Interest cost	54.60	44.83	18.92	15.94
Actuarial (gains)/ losses	-	-	(55.31)	(14.07)
<b>Component of defined benefit cost charged to statement of profit and loss</b>	<b>156.19</b>	<b>122.60</b>	<b>12.87</b>	<b>37.29</b>
Re-measurement of post-employment benefit obligations:				
Actuarial (gains)/ losses	121.42	59.40	-	-
<b>Component of defined benefit cost recognised in other comprehensive income/ (loss)</b>	<b>121.42</b>	<b>59.40</b>	<b>-</b>	<b>-</b>



## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### Actuarial (gains)/ losses on obligation

Particulars	Gratuity		Compensated absences	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Actuarial (gain)/ loss on arising from change in demographic assumptions	8.10	-	3.03	-
Actuarial (gain)/ loss on arising from change in financial assumptions	71.73	40.18	24.50	15.03
Actuarial (gain)/ loss on arising from change in experience adjustments	41.59	19.22	(82.84)	(29.10)

The actuarial valuation in respect of commitments and expenses relating to unfunded gratuity and compensated absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

#### (a) Economic Assumptions

Particulars	31 March 2023	31 March 2022
Discount rate	7.36%	7.18%
Expected rate of salary increase	7.00%	6.00%

#### (b) Demographic assumptions

	31 March 2023	31 March 2022
Retirement age	60 Years	60 Years
Mortality table	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Upto 30 years	6.35	3
From 31 to 44 years	6.02	2
Above 44 years	6.83	1

The employer's best estimate of contributions expected to be paid during the annual period beginning after the balance sheet date, towards gratuity and compensated absences is ₹ 182.21 lakhs (31 March 2022: ₹ 138.81 lakhs) and ₹ 62.41 lakhs (31 March 2022: ₹ 53.98 lakhs) respectively.

#### (c) Sensitivity analysis of defined benefit obligation

Particulars	31 March 2023	31 March 2022
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 0.50% (31 March 2022: 0.50%)	(71.64)	(28.27)
ii) Impact due to decrease of 0.50% (31 March 2022: 0.50%)	61.33	25.16
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 0.50% (31 March 2022: 0.50%)	61.28	25.39
ii) Impact due to decrease of 0.50% (31 March 2022: 0.50%)	(71.91)	(88.77)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### (d) Maturity profile of defined benefit obligation

Particulars	31 March 2023	31 March 2022
Less than 1 year	157.50	63.71
Year 1 to 5	236.52	108.05
More than 5 years	503.83	483.18

### 38 Earnings per equity share (EPS):

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit for the year	33,265.09	34,813.61
Opening number of shares	5,370,105,860	5,370,105,860
Weighted average number of shares used in computing basic earnings per share	5,370,105,860	5,370,105,860
Closing number of shares	5,370,105,860	5,370,105,860
Add: Effect of number of equity shares on account of OCRPS of the Company	-	-
Weighted average number of shares used in computing diluted EPS*	5,370,105,860	5,370,105,860
Face value per equity share – (₹)	10.00	10.00
Basic earnings per equity share – (₹)	0.62	0.65
Diluted earnings per equity share – (₹)	0.62	0.65

\*OCRPS being non- dilutive in accordance with IND AS 33 as such OCRPS are convertible at market price, have not been considered for calculation of basic and diluted EPS.

### 39 Related party disclosures

As per Ind AS-24 “Related Party Disclosure”, the related parties where control exist or where significant influence exists and with whom transactions have taken place are as below:

#### Related parties where control exists:

<b>I. Entities having substantial interest</b>	RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) (upto 29 March 2022) RR Infralands Private Limited
<b>II. Associates</b>	Sinnar Power Transmission Company Limited (from 12 May to 27 July 2022)
<b>III. Subsidiary companies including step down subsidiaries</b>	Sinnar Thermal Power Limited
	Poena Power Development Limited
	Bracond Limited
	Sinnar Power Transmission Company Limited* (up to 11 May 2022)
	Renemark Limited*
	Genoformus Limited*
	Devona Power Limited**
Diana Energy Limited**	

\* These companies are step down subsidiaries of the Company.

\*\* Struck off during the year

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### IV. Other related parties:

#### a) Enterprise over which Key Management Personnel have significant influence –

(with whom transactions have been entered during the year/ previous year):

RattanIndia Finance Private Limited

Asopus Infrastructure Limited

RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) (w.e.f 29 March 2022)

Neosky India Limited

#### b) Key Management Personnel

Name	Designation
Rajiv Rattan	Executive Chairman and Executive Director*
Brijesh Narendra Gupta	Managing Director (w.e.f. 16 July 2022)
Asim Kumar De	Whole Time Director (w.e.f. 03 November 2021)
Jeevagan Narayana Swami Nadar	Independent Director
Sharad Behal	Independent Director
Pritika Poonia	Independent Women Director (w.e.f. 10 November 2022)
Sanjiv Chikkara	Director
Namita	Director
Ankur Mitra	Chief Financial Officer
Lalit Narayan Mathpati	Company Secretary
Himanshu Mathur	Managing Director (upto 03 November 2021)
Vibhav Agarwal	Managing Director (upto 30 June 2022)
Yashish Dahiya	Independent Director (upto 16 March 2022)
Neha Poonia	Independent Women Director (upto 10 November 2022)

\* Appointed as an Executive Chairman w.e.f. 01 October 2022.

### V. Interest in Trust -

IPL-PPSL Scheme Trust

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### VI. Summary of transactions with related parties:

Nature of Transactions	Year ended	Company having Substantial Interest	Subsidiaries	Enterprises over which Key Management Personnel have significant influence	Key Management Personnel	Total
<b>Finance</b>						
Loan/ Inter corporate deposit given	31 March 2023 31 March 2022	- -	529.16 -	- -	- -	529.16 -
Security deposit received	31 March 2023 31 March 2022	- -	- -	- 143.20	- -	- 143.20
<b>Expenses</b>						
Service cost	31 March 2023 31 March 2022	- -	- -	131.30 30.00	- -	131.30 30.00
Cost sharing payable	31 March 2023 31 March 2022	- -	- -	- 213.68	- -	- 213.68
Interest expenses (fair value impact)	31 March 2023 31 March 2022	22,963.14 20,008.35	- -	- -	- -	22,963.14 20,008.35
Short-term employee benefits	31 March 2023 31 March 2022	- -	- -	- -	597.78 379.77	597.78 379.77
Post employment benefits	31 March 2023 31 March 2022	- -	- -	- -	26.88 28.30	26.88 28.30
Fees & remunerations	31 March 2023 31 March 2022	- -	- -	- -	13.45 42.48	13.45 42.48
<b>Income</b>						
Interest on ICD given (fair value impact)	31 March 2023 31 March 2022	- -	2,566.27 3,052.61	- -	- -	2,566.27 3,052.61
Cost sharing recovery	31 March 2023 31 March 2022	- -	- -	291.70 82.63	- -	291.70 82.63
<b>Others</b>						
Bank guarantees	31 March 2023 31 March 2022	- -	Refer note 33 E	- -	- -	- -
Pledge of shares	31 March 2023 31 March 2022	Refer note 6A(i), 6A(ii) and 17	- -	- -	- -	- -

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### VII. Summary of outstanding balances:

Nature of Transactions	Year ended	Company having Substantial Interest	Subsidiaries	Enterprises over which Key Management Personnel have significant influence	Total
Loan/ Inter corporate deposit taken*	31 March 2023	178,458.17	-	3,135.00	181,593.17
	31 March 2022	148,316.77	-	3,135.00	151,451.77
Loan/ Inter corporate deposit given#	31 March 2023	-	25,992.78	-	25,992.78
	31 March 2022	-	22,897.35	-	22,897.35
Cost sharing recoverable	31 March 2023	-	-	-	-
	31 March 2022	-	-	28.66	28.66
Cost sharing payable	31 March 2023	-	(67.61)	(568.03)	(635.64)
	31 March 2022	-	(67.61)	(551.43)	(619.04)
Security deposit payable	31 March 2023	-	-	(143.20)	(143.20)
	31 March 2022	-	-	(143.20)	(143.20)
Bank guarantees	31 March 2023	-	Refer note 33 E	-	-
	31 March 2022	-	-	-	-
Pledge of shares	31 March 2023	Refer note 6A(i), 6A(ii) and 17			-
	31 March 2022	-			-

\* Represents carrying value as at balance sheet date

# Net of provisions

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### VIII. Detail of outstanding balance:

Name of related party	Year ended	Cost sharing (payable)	Cost sharing recovery	Loan/ Inter corporate deposit taken	Loan/ Inter corporate deposit given*	Security deposit payable
<b>Company having substantial Interest</b>						
RR Infralands Private Limited	31 March 2023	-	-	178,458.17	-	-
	31 March 2022	-	-	148,316.77	-	-
<b>Subsidiaries</b>						
Sinnar Thermal Power Limited	31 March 2023	(67.61)	-	-	3,134.16	-
	31 March 2022	(67.61)	-	-	2,605.00	-
Poena Power Development Limited	31 March 2023	-	-	-	22,858.62	-
	31 March 2022	-	-	-	20,292.35	-
<b>Enterprise over which Key Management Personnel have significant influence</b>						
RattanIndia Finance Private Limited	31 March 2023	(539.83)	-	-	-	-
	31 March 2022	(539.83)	-	-	-	-
RattanIndia Enterprises Limited	31 March 2023	(28.20)	-	-	-	(143.20)
	31 March 2022	(11.60)	28.66	-	-	(143.20)
Asopus Infrastructure Limited	31 March 2023	-	-	3,135.00	-	-
	31 March 2022	-	-	3,135.00	-	-
<b>Total</b>	<b>31 March 2023</b>	<b>(635.64)</b>	<b>-</b>	<b>181,593.17</b>	<b>25,992.78</b>	<b>(143.20)</b>
	<b>31 March 2022</b>	<b>(619.04)</b>	<b>28.66</b>	<b>151,451.77</b>	<b>22,897.35</b>	<b>(143.20)</b>

\* Represents carrying value as at balance sheet date

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### IX. Statement of material transactions

Name of related party	Year ended	Security deposit received	Loan/inter corporate deposit given	Interest income (Fair value impact)	Interest expenses (Fair value impact)	Cost sharing payable	Cost sharing recovery	Service cost
<b>Company having substantial interest</b>								
RR Infralands Private Limited	31 March 2023	-	-	-	22,963.14	-	-	-
	31 March 2022	-	-	-	20,008.35	-	-	-
<b>Subsidiaries</b>								
Poena Power Development Limited	31 March 2023	-	-	2,566.27	-	-	-	-
	31 March 2022	-	-	3,052.61	-	-	-	-
Sinnar Thermal Power Limited	31 March 2023	-	529.16	-	-	-	-	-
	31 March 2022	-	-	-	-	-	-	-
<b>Enterprises over which Key Management Personnel have significant influence</b>								
RattanIndia Finance Private Limited	31 March 2023	-	-	-	-	-	-	-
	31 March 2022	-	-	-	-	213.68	-	-
Neosky India Limited	31 March 2023	-	-	-	-	-	-	11.30
	31 March 2022	-	-	-	-	-	-	-
RattanIndia Enterprises Limited	31 March 2023	-	-	-	-	-	291.70	120.00
	31 March 2022	143.20	-	-	-	-	82.63	30.00
<b>Total</b>	31 March 2023	-	529.16	2,566.27	22,963.14	-	291.70	131.30
	31 March 2022	143.20	-	3,052.61	20,008.35	213.68	82.63	30.00

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### X Statement of Material Transactions

Name of related party	Year ended	Short-term employee benefits	Post employment benefits	Fees & remunerations
<b>Key Management Personnel</b>				
Rajiv Rattan	31 March 2023 31 March 2022	200.00 -	14.38 -	- -
Brijesh Narendra Gupta	31 March 2023 31 March 2022	139.32 -	2.32 -	- -
Asim Kumar De	31 March 2023 31 March 2022	106.66 72.08	2.79 2.85	- -
Ankur Mitra	31 March 2023 31 March 2022	101.21 88.75	2.38 1.78	- -
Lalit Narayan Mathpati	31 March 2023 31 March 2022	27.43 22.86	2.58 2.22	- -
Jeevagan Narayana Swami Nadar	31 March 2023 31 March 2022	- -	- -	4.72 14.16
Sharad Behal	31 March 2023 31 March 2022	- -	- -	0.59 14.16
Sanjiv Chikkara	31 March 2023 31 March 2022	- -	- -	2.83 -
Neha Poonia	31 March 2023 31 March 2022	- -	- -	4.72 -
Pritika Poonia	31 March 2023 31 March 2022	- -	- -	0.59 -
Vibhav Agarwal	31 March 2023 31 March 2022	23.16 141.98	2.44 3.20	- -
Himanshu Mathur	31 March 2023 31 March 2022	- 54.09	- 18.26	- -
Yashish Dahiya	31 March 2023 31 March 2022	- -	- -	- 14.16
<b>Total</b>	<b>31 March 2023 31 March 2022</b>	<b>597.78 379.77</b>	<b>26.88 28.30</b>	<b>13.45 42.48</b>

- (i) Besides the above transactions, the Company has also provided certain common facilities to its subsidiary companies, free of cost, such as office premises, computers and software platform and other administrative facilities.
- (ii) Interest expenses accrued for the current year for ₹ 177.14 lakhs payable to Asopus Infrastructure Limited (AIL) has been waived off by AIL.
- (iii) There are no non cash transactions entered with promoters or directors.
- (iv) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.



## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### 40 Financial instruments

#### i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	Level	31 March 2023	31 March 2022
<b>Financial assets</b>			
<b>Investments at FVTPL</b>			
Investments in Mutual funds	Level 2	799.13	378.81
<b>Total financial assets</b>		<b>799.13</b>	<b>378.81</b>

#### (iii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values (Refer note 40(i)).

#### (iv) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(a) Mutual funds: Use of NAV's obtained from the asset manager.

### 41 Financial risk management

#### i) Financial instruments by category

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments in:						
Mutual funds	799.13	-	-	378.81	-	-
Loans:						
Inter corporate deposits	-	-	25,992.78	-	-	22,897.35
Trade receivables	-	-	249,195.03	-	-	250,896.42
Cash and cash equivalents	-	-	17,873.09	-	-	14,855.05
Other bank balances	-	-	11,975.50	-	-	13,204.80
Other financial assets	-	-	1,862.09	-	-	1,764.44
<b>Total</b>	<b>799.13</b>	<b>-</b>	<b>306,898.49</b>	<b>378.81</b>	<b>-</b>	<b>303,618.06</b>
<b>Financial liabilities</b>						
Borrowings	-	-	384,886.09	-	-	437,562.41
Trade payable	-	-	12,874.16	-	-	8,697.01
Other financial liabilities	-	-	50,519.45	-	-	40,896.92
<b>Total</b>	<b>-</b>	<b>-</b>	<b>448,279.70</b>	<b>-</b>	<b>-</b>	<b>487,156.34</b>

Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

# Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

## ii) Risk management

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in note 40(i). The main types of risks are market risk, credit risk and liquidity risk. The most significant financial risks to which the Company is exposed are described below.

The Company's risk management is carried out by a central finance department (of the Company) under direction of the Board of Directors. The Board of Directors provides principles for overall risk management, and covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

## A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March 2023 and 31 March 2022, as summarised below:

Particulars	31 March 2023	31 March 2022
Loans (i)	25,992.78	22,897.35
Trade receivables (ii)	249,195.03	250,896.42
Cash and cash equivalents (iii)	17,853.71	14,843.83
Other bank balances (iii)	11,975.50	13,204.80
Other financial assets (i)	1,862.09	1,764.44

The Company continuously monitors defaults of customers and other counterparties, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The Company's management considers that all of the above financial assets are not impaired and/ or past due for each of the above assets reporting dates under review are of good credit quality.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

- (i) The Company's management considers assets other than trade receivables, which are 30 days past due and analyses facts and circumstances surrounding each such defaults separately. If the facts indicate a probability of loss of value, the asset's then expected cash flows are plotted in present value based impairment model to determine the amount of impairment loss. Amounts are written off only in the following circumstances: a) no probable legal recourse is available for recovery, b) the counterparty is bankrupt, c) the cost of recovery is more than the amount or d) after all possible efforts the Company is unable to recover amounts after a period of 3 years.

Similarly, substantial part of Company's financial assets, other than trade receivables are recoverable from Company's subsidiaries, which the management of the Company believes are not credit impaired and there are no 12 month expected credit losses that are required to be recognised, other than those already assessed and recorded.

- (ii) The Company has no such assets where credit losses have been recognised as none of the assets are credit impaired. Company's trade receivables are only with a single, government owned counterparty and are to be recovered under the power purchase agreement. Therefore, these trade receivables are considered high quality and accordingly no life time expected credit losses are recognised on such receivables based on simplified approach.
- (iii) The credit risk for cash and cash equivalents and other bank balances is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

#### Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2023	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	124,936.25	395,911.49	-	520,847.74
Trade payable	12,874.16	-	-	12,874.16
Other financial liabilities	4,552.01	19,390.55	-	23,942.56
<b>Total</b>	<b>142,362.42</b>	<b>415,302.04</b>	-	<b>557,664.46</b>

31 March 2022	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	134,969.33	483,236.87	-	618,206.20
Trade payable	8,697.01	-	-	8,697.01
Other financial liabilities	3,721.11	19,123.94	-	22,845.05
<b>Total</b>	<b>147,387.45</b>	<b>502,360.81</b>	-	<b>649,748.26</b>

\* Borrowings excludes finance lease obligations, refer note 51 for disclosure of maturity profile of finance lease obligations.

### C) Market Risk

#### a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to amount payable to capital creditors in US Dollar and EURO. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

#### Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting years are as under:-

Particulars	As at 31 March 2023		As at 31 March 2022	
	Amount in Foreign currency	Amount (INR in lakhs)	Amount in Foreign currency	Amount (INR in lakhs)
Creditor	USD 228,887	188.18	USD 228,887	173.42
	EURO 4,154,249	3,722.52	EURO 4,154,249	3,516.98

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the sensitivity risk at the end of the reporting years are as under:

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Foreign currency risk</b>		
Interest rates – increase by 100 basis points (31 March 2022: 100 basis points)	39.11	36.90
Interest rates – decrease by 100 basis points (31 March 2022: 100 basis points)	(39.11)	(36.90)

### b) Interest rate risk

#### Liabilities/assets

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2023 and 31 March 2022, the Company is not exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	31 March 2023	31 March 2022
<b>Variable rate:</b>		
Borrowing	-	-
Loan assets	-	-
<b>Total variable rate exposure</b>	-	-
<b>Fixed rate:</b>		
Borrowing	384,886.09	437,562.41
Loans and deposits	37,968.28	36,102.15
<b>Total fixed rate exposure</b>	<b>346,917.81</b>	<b>401,460.26</b>

### Sensitivity

Below is the sensitivity of profit or loss and equity due to changes in interest rates, assuming no change in other variables:

Particulars	31 March 2023	31 March 2022
<b>Interest sensitivity*</b>		
Interest rates – increase by 100 basis points (31 March 2022: 100 basis points)	-	-
Interest rates – decrease by 100 basis points (31 March 2022: 100 basis points)	-	-

\*there are no borrowings having variable interest rates

### c) Price risk

#### Exposure

The Company is exposed to price risk in respect of its investment in mutual funds (refer note 6B). The mutual funds are Unquoted investments.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### Sensitivity

Below is the sensitivity of profit or loss and equity changes in fair value of investments, assuming no change in other variables:

Particulars	31 March 2023	31 March 2022
<b>Price sensitivity</b>		
Price increase by 1000 basis points (31 March 2022: 1000 basis points)	79.91	37.88
Price decrease by 1000 basis points (31 March 2022: 1000 basis points)	(79.91)	(37.88)

### 42 Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The amounts managed as capital by the Company for the reporting periods under review are summarised as follows:

Particulars	31 March 2023	31 March 2022
Long-term borrowings	255,390.64	312,937.41
Short-term borrowings	129,495.45	124,625.00
Interest accrued on borrowings	26,576.89	18,051.87
<b>Total borrowings</b>	<b>411,462.98</b>	<b>455,614.28</b>
Less:		
Cash and cash equivalents	17,873.09	14,855.05
Other bank balances	11,975.50	13,204.80
Investment of excess fund in mutual funds	799.13	378.81
<b>Net debts</b>	<b>380,815.26</b>	<b>427,175.62</b>
<b>Total equity (i)</b>	<b>560,804.76</b>	<b>527,661.09</b>
<b>Net debt to equity ratio</b>	<b>67.91%</b>	<b>80.96%</b>

- (i) Equity includes capital and all reserves of the Company that are managed as capital.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

### 43 Details of assets pledged

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Current</b>		
Inventories and trade receivables (to the extent pledged)	261,857.83	263,619.26
Other current Assets	49,334.29	43,793.68
<b>Non-current</b>		
Property, plant and equipment	622,853.45	637,268.06
Right of use	15,504.86	15,969.14
Capital work-in-progress	7,710.59	10,927.49
Other intangibles assets	27.27	24.15
Other non current Assets	34,291.51	29,167.90
Investments (net of impairment provision)	121,186.77	121,186.77

### 44 Effective tax reconciliation

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Tax expense comprise of:</b>		
Current tax expense	-	-
Deferred tax expense	2,036.54	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>2,036.54</b>	<b>-</b>

The major components of income tax expense and the reconciliation of expected tax expense and the reported tax expense in profit of loss are as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	35,301.63	34,813.61
Domestic tax rate	25.17%	25.17%
<b>Expected tax expense</b>	<b>8,884.71</b>	<b>8,761.89</b>
Difference in depreciation charged as per Income-Tax Act, 1961 vis-à-vis depreciation as per books of accounts	(3,657.19)	(4,744.25)
Fair value adjustments of borrowings	8,889.77	7,247.64
Employee benefits	27.42	0.67
Lease equalization reserve	(1,291.92)	(1,352.65)
Other items disallowed / (allowed) under Income-tax Act, 1961	190.27	872.30
Income tax not recognised on unabsorbed depreciation and carry forward losses in earlier years	(13,043.06)	(10,785.60)
Current tax expense	-	-
Deferred tax expense/recognized in statement of profit and loss	2,036.54	-
<b>Total tax expense</b>	<b>2,036.54</b>	<b>-</b>

45 The Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, calculated in accordance with section 198 of the Act, there was no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

### 46 Financial Ratios

Following are analytical ratios for the year ended 31 March 2023 and 31 March 2022

Particulars	Numerator/ Denominator	31 March 2023	31 March 2022	Variance	Remarks
Current ratio	Current assets/Current liabilities	1.53	1.66	-8.15%	Refer note below#
Debt - equity ratio	Total debt*/Shareholder's equity	0.69	0.83	-17.24%	"
Debt service coverage ratio	Earning available for debt service/Debt service*	0.85	0.89	-4.22%	"
Return on equity (ROE)	Net profits after taxes/ Average shareholder's equity	6.11%	6.82%	-10.41%	"
Trade receivables turnover ratio	Revenue/Average trade receivables	1.29	1.37	-5.58%	"
Trade payable turnover ratio	Purchase of services and other expenses/Average trade payables	1.89	2.40	-21.11%	"
Net capital turnover ratio	Revenue/Working capital	3.00	2.66	13.04%	"
Net Profit ratio	Net profit/Revenue	10.30%	10.68%	-3.61%	"
Return on capital employed (ROCE)	Earning before interest and tax/ Capital employed	9.37%	9.68%	-3.14%	"

\*total debt repayments excluding lease liability

#There is no significant (25% or more) change in ratios as compared to Financial year 2021-22.

47 The disclosure as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to loans and advances in the nature of loans given to subsidiaries, associates and others and investments in shares of the Company by such parties is covered in the related party disclosures. (refer note 39).

48 The Company considers its investment in subsidiaries as strategic and long term in nature and accordingly, in the view of the management, there is no impairment loss that needs to be recorded for such investments other than already recorded in these standalone financial statements (also refer note 55).

### 49 Reconciliation of liabilities arising from financing activities

Particulars	Borrowings*	Lease liabilities	Total
<b>As at 1 April 2021</b>	494,124.19	1,657.94	<b>495,782.13</b>
<b>Cash flows:</b>			
Repayment of borrowings	(73,471.00)	-	<b>(73,471.00)</b>
Payment of lease liabilities	-	(349.93)	<b>(349.93)</b>
<b>Non-cash:</b>			
Fair value adjustments	16,909.22	2,484.91	<b>19,394.13</b>
<b>As at 31 March 2022</b>	<b>437,562.41</b>	<b>3,792.92</b>	<b>441,355.33</b>
<b>Cash flows:</b>			
Repayment of borrowings	(79,473.00)	-	<b>(79,473.00)</b>
Payment of lease liabilities		(775.50)	
<b>Non-cash:</b>			
Fair value adjustments	26,796.68	197.89	<b>26,994.57</b>
<b>As at 31 March 2023</b>	<b>384,886.09</b>	<b>3,215.31</b>	<b>388,876.90</b>

\*Includes both long-term and short-term borrowings.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)

50 The Chief Operating Decision Maker (“CODM”) reviews the operations at the Company level. The operations of the Company fall under “power generation and allied activities” business only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments.

Revenue of ₹ 323,116.35 lakhs (31 March 2022: ₹ 325,951.87 lakhs) are derived from a single external customer and the Company operates in one geography.

### 51 Leases disclosure

The Company has entered into a Power Purchase Agreement with MSEDCL (Lessee) for the supply of electricity for a term of 25 years, which has been considered as an embedded lease arrangement for the Company’s power plant. Such lease is classified as operating lease, and as such the revenue is recognized on straight line basis. Considering that the capacity charges per unit is higher in the initial years, there is a negative impact to P&L on account of straight lining. Accordingly, capacity charges charged by the Company are treated as lease rentals. The minimum lease payments under non-cancellable operating leases to be charged by the Company are as follows:

Minimum lease rentals receivables	31 March 2023	31 March 2022
Within one year	69,437.52	69,247.80
One to five years	275,839.42	276,287.40
Above five years	697,717.94	757,376.93

a) The table below describes the nature of the Company’s leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of use assets	No of right-of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with purchase options	No of leases with variable payments linked to an index	No of leases with termination options
Land	4	965 months - 1046 Months	1006 months	4	-	-	-
Office premises	2	22-38 Months	30 Months	-	-	-	2

b) Additional information on the right-of-use assets by class of assets is as follows:

Right-of use assets	Carrying amount as on 1 April 2022	Additions	Depreciation	Deletion	Carrying amount as on 31 March 2023
Land	14,573.64	-	154.96	-	14,418.68
Office premises	1,395.50	205.72	515.04	-	1,086.18
<b>Total</b>	<b>15,969.14</b>	<b>205.72</b>	<b>670.00</b>	-	<b>15,504.86</b>

Right-of use assets	Carrying amount as on 1 April 2021	Additions	Depreciation	Deletion	Carrying amount as on 31 March 2022
Land	14,728.61	-	154.97	-	14,573.64
Office premises	-	1,536.80	141.30	-	1,395.50
<b>Total</b>	<b>14,728.61</b>	<b>1,536.80</b>	<b>296.27</b>	-	<b>15,969.14</b>



## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

- c) Lease liabilities are presented in the statement of financial position as follows:

Particulars	31 March 2023	31 March 2022
Current	970.13	862.27
Non-current	2,245.18	2,930.65
<b>Total</b>	<b>3,215.31</b>	<b>3,792.92</b>

- d) The undiscounted maturity analysis of lease liabilities at 31 March 2023 is as follows:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
Lease payments	1,118.36	1,613.07	15,188.25	17,919.68

The undiscounted maturity analysis of lease liabilities at 31 March 2022 is as follows:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
Lease payments	1,082.96	2,415.02	15,380.77	18,878.75

- e) The Company has total cash outflows for leases of ₹ 775.50 lakhs in 31 March 2023 (₹ 403.85 lakhs in 31 March 2022).

The following are the amounts recognised in profit or loss:

Particulars	31 March 2023	31 March 2022
Depreciation expense of right-of-use assets	670.00	296.27
Interest expense on lease liabilities	421.37	272.78
Expense relating to short-term leases (included in other expenses)	77.20	227.64
<b>Total</b>	<b>1,168.57</b>	<b>796.69</b>

At 31 March 2023, the Company has not committed to leases which had not commenced.

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

- 52 The Company has non-current investment of ₹ 43,277.11 lakhs ( 31 March 2022 ₹ 43,277.11 lakhs) in, and loan under non-current financial assets of ₹ 12,258.05 lakhs (31 March 2022 ₹ 12,258.05 lakhs) recoverable from Bracond Limited, a wholly-owned subsidiary of the Company. Bracond Limited had further invested in two wholly-owned subsidiaries namely Renemark Limited and Genoforus Limited who had given advances to non-related parties for business purposes. The management had undertaken assessment of recoverability and had created provision of these financial assets wherever necessary, in earlier years.
- 53 In light of the ratio laid down by the Hon'ble Supreme Court in Civil Appeal No 5399-5400 of 2016 in the matter of Energy Watchdog vs CERC vide judgment dated 11 April 2017 followed by judgment dated 13 November 2020 of Appellate Tribunal for Electricity (APTEL) and order dated 16 November 2021 of MERC, RPL has recomputed its Change in Law claims and has raised supplementary invoice on MSEDCL, as directed by MERC. Subsequently, vide interim Order dated 14 February 2022, Supreme Court directed MSEDCL to pay 50% of the outstanding claim amount till the time the matter attains finality. Further, on 27 March 2023 Supreme Court has dismissed the civil appeal 1805/2021 filed by MSEDCL. Till date MSEDCL had paid ₹ 31,215 lakhs and is in the process of making balance payment. Hence, it would not be unreasonable to expect the realisation of amount of compensation along with interest recorded in the books of account on account of the aforesaid developments.
- 54 **Investments in subsidiaries**
- a) These standalone financials statements are separate financial statements prepared in accordance with Ind As-27 "Separate financial Statements"

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)



b) These company's investment in subsidiaries are as under:

S. No.	Name of the Subsidiary	Country of Incorporation	Proportion of ownership as at 31 March 2023	Proportion of ownership as at 31 March 2022	Method used to account for Investment
1	Sinnar Thermal Power Limited	India	100%	100%	Cost
2	Poena Power Development Limited	India	100%	100%	Cost
3	Bracond Limited	Cyprus	100%	100%	Cost
4	Genoformus Limited*	Cyprus	100%	100%	Cost
5	Renemark Limited*	Cyprus	100%	100%	Cost

Further, the Company held investment in Sinnar Power Transmission Company Limited, incorporated in India, that qualified as subsidiary upto 11 May 2022 and as an associate from 12 May 2022 to 27 July 2022, at cost.

\* These entities are held through Bracond Limited

55 The Company has non-current investment of ₹ 121,181.77 lakhs and loans under 'current financial assets' of ₹ 3,134.16 lakhs (net of impairment provision) recoverable from Sinnar Thermal Power Limited ('STPL'), wherein all 5 units have been commissioned, but are yet to commence commercial operations, pending the execution of Power Purchase Agreement ("PPA") for offtake of power. The matter related to execution of PPA with Maharashtra State Electricity Distribution Company Limited ("MSEDCL") has been in dispute wherein STPL had filed a petition before Maharashtra Electricity Regulatory Commission (MERC) for adjudication of the dispute, however, the petition was withdrawn pursuant to the observation of MERC that STPL may reapproach MERC after securing firm and unconditional commitment from Lenders for providing working capital/ bank guarantees required for executing the PPA. In view of acute power shortage faced by the country during the recent past, the Ministry of Power had identified certain power plants, including that of STPL, that are commissioned and preserved in a condition that they can be brought into operation within few months' notices. In this context, STPL had been directed to make plant operational and endeavour to start power generation from 2 out of its 5 units at the earliest possible. STPL had been in active discussions with the lenders and other stake holders to ensure plant can be started in time and to ensure steps are taken for the long- term resolution and accordingly, the management had assessed that the STPL's status as going concern for the purpose of accounting is appropriate. The Management had undertaken assessment of recoverability of the financial assets and had created provision, wherever deemed necessary.

During the current year, the Hon'ble National Company Law Tribunal, New Delhi (the 'NCLT') vide order dated 19 September 2022, admitted an application for insolvency filed by an operational creditor against STPL and initiated Corporate Insolvency Resolution Process ('CIRP') under the Insolvency and Bankruptcy Code, 2016 ('IBC'). Subsequently, the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 26 September 2022 in response to the appeal filed against the NCLT order, has directed the Interim Resolution Professional ('the IRP') to abstain from taking any steps and has allowed STPL to participate further with the Ministry of Power in continuation of the earlier meetings/ discussions for making the plant operational.

The management based upon inputs from legal experts has assessed that NCLAT order dated 26 September 2022 has directed the IRP to abstain from taking any steps; thereby, staying CIRP proceedings initiated by NCLT. Thus, the Company continues to control the composition of the Board of STPL and the current Board of Directors of STPL continue to perform STPL's affairs and discharge day to day activities / transactions in the normal course of business and STPL continues to qualify as a wholly- owned subsidiary under Ind AS, as on the date of approval of these standalone financial statement and that no adjustment is currently required. Further, the STPL management is confident that the PPA would soon be restored in its favor, allowing STPL to commence its business operations.

56 Revenue from operations on account of Change in Law events in terms of Power Purchase Agreements (PPA) with MSEDCL is accounted for by the Company based on the best management estimates including orders of Regulatory Authorities in some cases, which may be subject to adjustments on account of final orders of Respective Authorities that are not expected to have material impact on these standalone financial statements.

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023

(All amount in ₹ Lakhs, unless otherwise stated)

- 57 Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer along with the amount of the payment made to the supplier beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under The Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 58 Other statutory information

- (i) The Company do not have any Benami property and no proceedings have been initiated or pending against the Company and its Indian subsidiaries for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- (ii) The Company do not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The Company has not been declared as a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

## Notes to the Standalone Financial Statements (Contd.)

of RattanIndia Power Limited for the year ended 31 March 2023  
(All amount in ₹ Lakhs, unless otherwise stated)



- (ix) The company complies with the number of layers prescribed under clause (87) of section 2 of the act read with companies (restriction on number of layers) rule 2017.
- 59 In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2023 and 31 March 2022.
- 60 The Company evaluates events and transactions that occur subsequent to the balance sheet date, there were no significant adjusting events that occurred other than those disclosed/given effect to in these standalone financials statements.

### For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/ N500013

#### Deepak Mittal

Partner

Membership No. : 503843

Place: New Delhi

Date: 04 May 2023

### For and on behalf of the Board of Directors

#### Rajiv Rattan

Executive Chairman

DIN: 00010849

Place: New Delhi

Date: 04 May 2023

#### Ankur Mitra

Chief Financial Officer

PAN: AFZPM2346H

Place: Mumbai

Date: 04 May 2023

#### Brijesh Narendra Gupta

Managing Director

DIN: 08469815

Place: Mumbai

Date: 04 May 2023

#### Lalit Narayan Mathpati

Company Secretary

FCS- 7943

Place: New Delhi

Date: 04 May 2023



**RattanIndia**

**RattanIndia Power Limited**

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Registered Office:

A-49, Ground Floor, Road No. 4,  
Mahipalpur, New Delhi 110037